



**ALEX PADILLA** | SECRETARY OF STATE | STATE OF CALIFORNIA  
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June 21, 2018

The Honorable Henry I. Stern  
Chair, Elections & Constitutional Amendments Committee  
State Capitol, Room 2203  
Sacramento, CA 95814

The Honorable Marc Berman  
Chair, Elections & Redistricting Committee  
1020 N Street, Room 365  
Sacramento, CA 95814

Senator Stern and Assemblymember Berman:

In accordance with the Government Code section 84602(c), my office has made a determination in the best interest of the CAL-ACCESS Replacement System (CARS) Project, to extend the implementation date of the CAL-ACCESS Replacement System Project from February 1, 2019 to December 31, 2019. Attached is my office's report in this regard.

The Secretary of State Staff has met with Darren Chesin, Chief Consultant, Senate Committee on Elections and Constitutional Amendments and Ethan Jones, Chief Consultant Assembly Elections and Redistricting Committee and they raised no objections after discussion.

At their suggestion, we are scheduling meetings with you or your staff to provide a briefing. If you would like, please have your staff contact my Chief Legislative Affairs, Tiffany Mok, at (916) 695-1686 to schedule a briefing.

Sincerely,

Alex Padilla  
Secretary of State

Attachment

## **Introduction**

In September of 2016, the Governor signed into law Senate Bill (SB) 1349, the Political Reform Act of 1974: Secretary of State: online filing and disclosure system. The bill requires the Secretary of State, in consultation with the Fair Political Practices Commission (FPPC), to develop and certify for public use an online filing and disclosure system for campaign statements and reports that provides public disclosure of campaign finance and lobbying information in a user-friendly, easily understandable format.

## **Background**

The California Automated Lobbyist and Campaign Contribution and Expenditure Search System (CAL-ACCESS) was developed to provide greater public access to campaign contribution and expenditure data, and state lobbying financial activity. CAL-ACCESS was developed to respond to the objectives of the Online Disclosure Act, added to the Political Reform Act of 1974 (PRA) by Ch 866, Stats of 1997. CAL-ACCESS is the public's window into California's campaign disclosure and lobbying financial activity, providing financial information supplied by state candidates, donors, lobbyists, lobbyist employers, and others.

CAL-ACCESS was deployed in June 2000, and, since that time, nearly two (2) million filings have been submitted by filers. However, CAL-ACCESS is an old and fragile system that is at the end of life and operating on an unsupported information technology platform. The current system design has technological restrictions that prevent it from being modified or updated. It lacks data display and reporting features that are commonly used for data analytics.

CAL-ACCESS users and stakeholder groups have identified the following business problems:

- Program business operations are negatively affected by the current system design.
- Program business operations are at risk due to an old, unsupported information technology platform.
- The Secretary of State's Political Reform Division (PRD) and stakeholders have limited information access and reporting capabilities.

SB 1349 requires the Secretary of State to implement a CAL-ACEESS Replacement System (CARS) to address the shortcomings and vulnerabilities of the current system.

On December 29, 2017, pursuant to the Government Code section 84602.(b).(4), the Secretary of State submitted its report to the Assembly Committee on Elections and Redistricting and the Senate Committee on Elections and Constitutional Amendments.

## **CARS Status – June 2018**

Below is a summary of the Secretary of State's efforts on the CAL-ACCESS replacement system project to date.

### **Procurement**

As noted in the December 2018 report, the CARS Project issued a Request for Offer (RFO) using the Department of General Services (DGS) Information Technology Consulting Services Master Service Agreement (IT MSA) on October 19, 2017. Based on questions received from the vendors, the project issued Addendum #1 on December 18, 2017.

Since the December 2017 report, the Secretary of State received more clarification requests from potential bidders. The CARS project team reviewed all requests and based on clarifications provided, Addendum #2 was issued on January 25, 2018, which included extending the bidders' submittal date to February 20, 2018.

The Secretary of State has completed evaluating the offers received. Contract award has been made to DXC Technologies. The Secretary of State will confirm the final implementation schedule in the coming weeks.

### **Legislative Updates**

The Secretary of State, in consultation with the FPPC, has drafted the initial legislative changes necessary to implement CARS. Senate Bill 1329 was introduced by Senator Hertzberg to promote the legislative changes required for CARS and was unanimously passed in Senate on May 7, 2018. It is now in Assembly and has been referred to the Assembly Elections and Redistricting Committee. Hearing in the subcommittee is currently scheduled for June 27, 2018.

### **Planning**

The CARS project team is updating the Project Plan and all ancillary plans to ensure readiness for bringing the System Integrator (SI) onboard. The Secretary of State staff continues working with a group of consultants including Enterprise Architects, Business Analysts, Independent Validation and Verification consultants, and subject matter experts (including staff from the FPPC). The collaborative working groups continued developing the CARS enterprise architecture and detailed business rules.

The CARS project team has begun identifying any issues and the need for cleaning up the current CAL-ACCESS data in preparation for migration to the new CARS system. Utilizing the California Multiple Award Schedule (CMAS) Information Technology (IT) for consulting services, the project released a Request for Offer for acquiring services of a Data Conversion vendor to migrate existing data to the new CARS database.

### **Currently Perceived Challenges**

At this time the Secretary of State CARS project team does not anticipate any changes to the scope of the project. Based on information gathered from internal and external stakeholder

discussions and SI offers the project team has identified the following challenges with the implementation date of February 1, 2019, as required by SB 1349:

- **Information from the offers:** Looking at the schedule proposed by the offeror, the CARS project team currently estimates insufficient time is available to perform thorough testing of the new system. Considering the time required for requirements clarification, solution design, system development, filing vendor integration, performance testing, security review and implementation, the project anticipates risks associated with the proposed schedule for thorough testing and Secretary of State and FPPC staff user acceptance testing of the new system.
- **Filing deadline:** The February 1, 2019, implementation date also overlaps with statutory filing deadlines associated with the 2018 and 2020 election cycles.
- **Stakeholder involvement:** The current CAL-ACCESS system and the envisioned CARS system serve the needs of various stakeholders including but not limited to the FPPC, Franchise Tax Board (FTB), public, media, filing community, good government entities and electronic filing vendors. The CARS project team is currently working on Organizational Change Management that will establish the plan for effectively engaging these stakeholders in CARS implementation. In order to plan for a smooth transition to the new system, the CARS project has identified a need for thorough integration testing with the FPPC staff, FTB staff and, critically, the electronic filing vendors. Business operations and processes for these stakeholders are critically impacted by CARS. The Secretary of State CARS team requires sufficient time so expectations of these stakeholders are met by the envisioned new system.

In order to effectively mitigate these challenges, pursuant to the provisions of Government Code section 84602.(b).(4), the Secretary of State has made a determination to extend the date for making the online filing and disclosure system available for use, to December 2019.

A detailed plan for the development and implementation of the CARS system will be finalized once the System Integration vendor has been selected and the contract fully executed. Following high level schedule is currently anticipated.

Area	Schedule Change for December 2019
Requirements and Design	July 2018 – October 2018
CARS Solution Development	September 2018 – June 2019
End-to-End Testing	October 2018 – July 2019
User Acceptance Testing	February 2019 – October 2019
New System and Business Process Training	June 2019 – November 2019
CARS Public Access Go Live	December 2019