



SHIRLEY N. WEBER, Ph.D.

CALIFORNIA SECRETARY OF STATE

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January 13, 2023

The Honorable Nancy Skinner Chair
Joint Legislative Budget Committee
State Capitol, Room 553
Sacramento, CA 95814

The Honorable Phil Ting, Vice Chair
Joint Legislative Budget Committee
State Capitol, Room 553
Sacramento, CA 95814

The Honorable Anthony J. Portantino, Chair
Senate Appropriations Committee
State Capitol, Room 2206
Sacramento, CA 95814

The Honorable Chris R. Holden, Chair
Assembly Appropriations Committee
1021 O Street, Suite 8220
Sacramento, California 95814

Dear Chairpersons Skinner, Ting, Portantino, and Holden:

Attached is the Secretary of State's quarterly status report on the progress of the CAL-ACCESS Replacement System Project, in accordance with Government Code section 84602(c). Previous reports are posted on the Secretary of State's office website at www.sos.ca.gov/administration/agency-reports/cal-access-replacement-project-cars-agency-reports. If you have any questions about this report, please feel free to contact me or my staff, Margie Hieter, Acting Division Chief, Political Reform Division, at (916) 517-8609 or Erric Garris, Deputy Secretary of State, Legislative Affairs, at (916) 695-1686.

Sincerely,

A handwritten signature in black ink, appearing to read "Shirley N. Weber".

Shirley N. Weber, Ph.D.
Secretary of State

Attachment

Introduction

Senate Bill 1349 (*Hertzberg—Ch. 845, Stat. of 2016*) requires the Secretary of State (SOS), in consultation with the Fair Political Practices Commission, to develop and certify for public use an online filing and disclosure system for campaign statements and develop reports that provide public disclosure of campaign finance and lobbying information in a user-friendly, easily understandable format.

During this past quarter (October 2022 through December 2022), the CAL-ACCESS Replacement System (CARS) Project team continued its planning activities. A summary of activities currently underway are:

- Developing project planning documents using the California Department of Technology's (CDT) four-stage Project Approval Lifecycle (PAL) process to ensure a robust project planning effort. The project is currently completing the Stage Two Alternatives Analysis (S2AA) stage, which includes the market research and alternatives analysis activities. The S2AA submission to the CDT is scheduled for Spring 2023. The remaining PAL stages, Stage Three Solution Development (solicitation document development) and Stage Four Project Readiness and Approval (solicitation release and vendor selection), are scheduled for completion by March 2024;
- Completing the Spring Finance Letter (SFL) that requests funding for fiscal year (FY) 2023-24 including estimated costs for the remaining eight months of project planning activities and the first four months of project execution activities with the new solution vendor. The SFL proposal for FY 2023-24 is based on the project's estimated budget as shown in the detailed Financial Analysis Worksheets document;
- Identifying, cleansing, and validating the legacy CAL-ACCESS data prior to migrating it to a staging database in preparation for the System Integrator;
- Undertaking business process re-engineering activities necessary to ensure all business workflow documents are current and ready for the System Integrator solicitation;
- Continuing to recruit and acquire the remaining SOS permanent full-time and contracted project resources needed to assist with the project planning and execution activities;
- Meeting regularly with the CDT in both its advisory and oversight roles to decrease project risk;
- Completing the remaining steps to onboard an Independent Verification and Validation contractor in March 2023. The IV&V contractor will provide an objective third party analysis to verify that the requirements are correctly defined and validate that the system correctly implements the required functionality.
- Engaging both internal and external stakeholders in project update and working group meetings to obtain their feedback on the legacy CAL-ACCESS and recommendations for the new solution; and
- Developing a Request for Offer solicitation document to obtain contractor services to lead the project's Organizational Change Management (OCM) activities. The OCM contractor will assist the SOS and other stakeholders with adopting the new business processes brought about by the implementation of the new solution.

Progress for the Period of October 2022 through December 2022

The CARS Project made the following progress this past quarter:

- The Stage One Business Analysis document was approved by the CDT in July 2022.
- Obtained formal approval of the Project Charter, Governance Plan, and Communication and Stakeholder Engagement Plan.
- Established a bi-weekly Executive Steering Committee meeting series to facilitate formal decision making.
- Onboarded a project planning support services contractor in October 2022 to assist with the solicitation document and ongoing market research and alternatives analysis activities to determine the most viable solution to procure.
- Established a weekly Risk and Issue Meeting series to formally identify and track the project's risks and issues.
- Established monthly stakeholder meetings and workgroups as of October 2022.
- Released a Request for Information (RFI) document at the California State Contracts Register (Cal eProcure) website requesting information from the vendor community to assist the project with alternatives analysis activities and solicitation document development.
 - Completed the project's mid-level business and functional requirements that were presented in the RFI document to the vendor community.
- Met with other states, including Arkansas and Illinois, to discuss their online campaign filing and disclosure systems as part of ongoing market research activities.
- Presented status of both CARS Project and the legacy CAL-ACCESS to the "CAL-ACCESS/CARS Oversight Hearing of the Senate Elections and Constitutional Amendments Committee" that was held on November 29, 2022. The project has noted the committee's and stakeholders' requests and is formally tracking them to ensure they are considered in project activities going forward.

Scope, Schedule, and Budget

Scope: The scope has not changed during this reporting period.

Schedule: The Project is on schedule to meet its planning milestones. A project end date is not yet known and will be determined when a System Integrator is acquired and provides an estimated project completion date. Based on information contained in the Independent Assessment Report, project implementation is estimated at 27 months.

Budget: The project is operating within its approved budget. The enacted FY 2022-23 state budget includes \$11.3 million to acquire limited-term, permanent full-time, and contract staffing, in addition to other project-related resources. Of the \$11.3 million total funds, \$8.03 million was made immediately available to the project on July 1, 2022.

Following its quarterly update letter to the JLBC on October 14, 2022, the SOS met with the committee and informed it that the Project requires only \$1.1 million of the remaining \$3.24 million for the remainder of the year based on projected expenditures. On November 22, 2022, the JLBC informed the Department of Finance that it had reviewed the notification and the revised budget proposal and approved the release of the \$1.1 million.

The SOS plans to submit a SFL to the Department of Finance by the February 7, 2023, due date. The SFL will request funding for FY 2023-24 which includes estimated costs for the remaining eight months of project planning activities and the first four months of project execution activities. The SFL also will include revised current FY estimates based on current project expenditures. The SOS met with the Department of Finance and the CDT on November 22, 2022, to provide them with the basis for the estimated costs that will inform the CARS Project SFL submission.