January 12, 2024

The Honorable Nancy Skinner, Chair
Joint Legislative Budget Committee
1020 N Street, Room 553
Sacramento, CA 95814

The Honorable Jesse Gabriel, Vice Chair
Joint Legislative Budget Committee
1020 N Street, Room 553
Sacramento, CA 95814

The Honorable Anthony J. Portantino, Chair
Senate Appropriations Committee
State Capitol, Room 412
Sacramento, CA 95814

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

Dear Chairpersons Skinner, Gabriel, Portantino, and Holden:

Attached is the Secretary of State's quarterly status report on the progress of the CAL-ACCESS Replacement System (CARS) 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, Division Chief, Political Reform Division, at (916) 653-6224, or the Secretary of State Legislative Affairs Unit, at (916) 653-7244.

Sincerely,

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

Attachment

Secretary of State's Quarterly Status Report
CAL-ACCESS Replacement System Project
Fiscal Year 2023-24, Quarter 2: October 2023 – December 2023

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 reports that provide public disclosure of campaign finance and lobbying information in a user-friendly, easily understandable format.

Progress for the Period of October 2023 through December 2023

The CAL-ACCESS Replacement System (CARS) Project made the following progress this past quarter (October 2023 through December 2023):

- Received the California Department of Technology's (CDT) approval letter for the Project Approval Lifecycle (PAL) Stage Three Solution Analysis (S3SA) on October 19, 2023.
- Convened a Bidders' Conference on October 25, 2023, to provide interested vendors an overview of the Request for Proposal (RFP) that was released on September 29, 2023, to acquire the CARS prime vendor.
- Published both the responses to the vendors' written questions about the prime vendor RFP and the RFP Addendum 1 on schedule on December 15, 2023.
- Completed the activities required to cleanse and validate the legacy CAL-ACCESS data in preparation for the prime vendor's data conversion and migration activities.
- Updated the SOS/CDT Memorandum of Understanding (MOU) to reflect the increase in hourly rates for both the CDT's Statewide Technology Procurement and Project Approvals and Oversight (PAO) services.

During this past quarter, the CARS Project team also continued work on several planning activities. A summary of activities currently underway is below:

- Continue activities required to complete the PAL Stage Four Project Readiness and Approval (S4PRA), which is the final PAL stage. The S4PRA is scheduled for completion in Summer 2024. Once the S4PRA is formally approved by the CDT, the prime vendor contract will be executed. The S4PRA activities provide the framework for the CARS Project team to:
    o Evaluate and reconfirm that the business objectives will be achieved;
    o Ensure the solution approach selected in the Stage Two Alternatives Analysis (S2AA) continues to yield the highest probability of success, and;
    o Baseline the project's schedule and costs.
- Continue activities to acquire and onboard contractors in 2024 in the following areas:
    o Organizational Change Management services to assist the SOS and stakeholders with the new business processes introduced by the new solution.
    o Quality Assurance/Quality Control services to ensure the project develops a CARS solution that is free of defects and meets the needs and expectations of customers.

- o Project Management Support Services to assist the CARS Project team, especially in project management processes that require a high level of experience and expertise.
  - o Agile Training and Coaching services to train and coach project staff in agile software development processes, methodology, and roles and responsibilities.
- Meet regularly with both the project's Independent Verification and Validation contractor and the CDT PAO team to discuss project health, issues, and risks.
- Identify, track, and manage project risks and issues at the project's weekly Risk and Issue Meeting.
- Convene the project's bi-weekly Executive Steering Committee to brief committee members on critical project developments and introduce topics that require its formal decision-making authority.
- Continue to stabilize and monitor the legacy CAL-ACCESS until CARS is implemented. This effort includes the following achievements:
  - o In 2020, the SOS created a team to provide 24/7 monitoring of the CAL-ACCESS systems and immediately alert the SOS Information Technology Division (ITD) of any outages that reduced public availability of the systems.
  - o In October 2023, the ITD implemented a strategy to significantly reduce the number of outages that have historically plagued the inter-related CAL-ACCESS systems for more than a decade.
  - o Since then, the CAL-ACCESS systems have experienced only two outages.

As mentioned in the Fiscal Year 2022-23, Quarter 4 Joint Legislative Budget Committee Report, the CARS Project temporarily paused its Monthly CARS Stakeholder Meeting series on July 5, 2023, until the prime vendor solicitation activities are completed to ensure the integrity of the solicitation process. Once the project execution phase begins, the project will resume the meeting series and ensure stakeholder engagement in future project activities, such as project design reviews and user acceptance testing. In the interim, the SOS provides updates on the CARS Project via its public-facing website that is accessible to anyone.

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 prime vendor is acquired and provides an estimated project completion date. Based on information contained in the CARS Independent Assessment Report, project development and implementation activities are estimated at up to 27 months.

Budget: The project is operating within its approved budget of $12.31 million for Fiscal Year 2023-24.