

California State Information Technology

ANNUAL REPORT
2006



Arnold Schwarzenegger
Governor
State of California

Clark Kelso
Chief Information Officer
State of California



STATE CHIEF INFORMATION OFFICER

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February 28, 2007

Governor Arnold Schwarzenegger
State Capitol
Sacramento, California 95814

Dear Governor Schwarzenegger:

I am pleased to submit for your consideration the 2006 *California State Information Technology Annual Report*. The *Annual Report* documents substantial progress and success in implementing the strategic goals, objectives and actions set forth in the *California State Information Technology Strategic Plan* (November 2006).

Major Information Technology (IT) initiatives and projects within large organizations are extraordinarily complex undertakings requiring comprehensive, collaborative planning and sustained, engaged management and oversight to reduce risks of failure and increase opportunities for success. As shown in this report, that management approach has brought success to a number of the important enterprise initiatives undertaken in the last several years, including:

- Consolidating the Executive Branch's two general-purpose data centers into the Department of Technology Services;
- Implementing the Department of General Services' strategic sourcing program;
- Improving the Human Resources (HR) program for the IT workforce;
- Acquiring modern telecommunications and network services in Calnet II;
- Commencing an enterprise architecture program;
- Undertaking a refresh of the State Portal and agency websites;
- Expanding IT security and privacy policy and training; and,
- Forging a partnership between the Department of Finance, the Controller's Office, the Treasurer's Office and the Department of General Services to replace the State's antiquated business management systems with modern processes and technologies.

Major IT projects are also underway within many of the Executive Branch's largest departments to modernize their technology infrastructure and improve support for the State's most important programs. The projects reported in Chapter 5 and in Appendices A and B are strong indicators of an IT program that is moving forward with increasing confidence and success.

I am proud of the work being done by all Executive Branch agencies to align their IT activities with the goals of the *State IT Strategic Plan* and to improve the quality and cost effectiveness of government operations and services to the public. Although there remains much work to be done to bring State processes and systems to where they need to be for the 21st century, the initial progress has been heartening and is deserving of continued support.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Clark Kelso". The signature is written in a cursive, flowing style.

J. Clark Kelso
Chief Information Officer
State of California

**California State Information Technology
Annual Report**

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Chief Information Officer
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Table of Contents

Executive Summary	1
Chapter 1 - Governance	3
A. Collaborative Governance.....	3
1. The Information Technology Council	3
2. The Technology Services Board.....	4
3. The Enterprise Leadership Council	5
B. Office of the State Chief Information Officer.....	5
C. California State Information Technology Strategic Plan	6
Chapter 2 - Enterprise Initiatives.....	7
A. Introduction.....	7
B. The State Portal and Web Refresh	7
C. Reforming the State’s Business Management Systems	8
D. Consolidation of Information Technology Infrastructure.....	9
E. The Strategic Sourcing Initiative.....	9
F. The Statewide Enterprise Architecture Program	10
G. The Information Technology Workforce Improvement Program.....	11
H. Telecommunications and Network Refresh.....	12
Chapter 3 - Information Security and Privacy	13
Chapter 4 - Information Technology Acquisitions	17
Chapter 5 - Information Technology Projects	21
Appendix	
A - IT Projects Nominated for NASCIO’s “Recognition Awards”	27
B - Status Reports on Selected IT Projects.....	33
C - California Executive Information Technology Leaders.....	55
D - About the State Chief Information Officer	65
Glossary	67
Acronyms	71

Executive Summary

The California State Information Technology Annual Report provides an overview of how information technology (“IT”) resources are acquired, managed and deployed within the Executive Branch to achieve the State’s organizational and programmatic goals. The following table summarizes the IT program’s key accomplishment over the last several years:

<p>Governance</p>	<ul style="list-style-type: none"> • Established a Collaborative Governance Model that helps ensure alignment between business needs and IT planning, and coordinates planning across the Executive Branch. Key organizational components include the Information Technology Council, the Technology Services Board and the Enterprise Leadership Council. • Established a robust strategic planning process resulting in initial publication of the California State Information Technology Strategic Plan in 2004 with annual updates published each year.
<p>Enterprise Initiatives</p>	<ul style="list-style-type: none"> • State Portal & Web Refresh. Adopted an improved web architecture that separates content from presentation, new and more flexible look-and-feel guidelines for departments, and a new enterprise search engine provided by Google. Departments will refresh web pages by November 2007. • Business Management Systems. The Department of Finance, State Controller, State Treasurer and Department of General Services have partnered to propose a project to replace the State’s antiquated business management systems with a modern, enterprise-wide system (known as “Fi\$Cal”) which will become the mandatory standard for all agencies for performing basic business functions such as budgeting, accounting, procurement, cash management, financial management, and human resources management. • Consolidation. In the first 18 months of consolidation of the State’s two general purpose data centers into the Department of Technology Services (DTS), rates have been reduced by \$43 million (equal to approximately 18% of DTS’s annual budget). • Strategic Sourcing. Leveraged purchasing vehicles established in the areas of PC Goods and Enterprise Hardware with estimated cost avoidance to date of \$43 millions on purchasing of \$105 million for estimated savings against historical cost of over 40%.

	<ul style="list-style-type: none"> • Enterprise Architecture. Adopted foundational framework for enterprise architecture; Published key papers on the State’s “Service Oriented Architecture,” which supports the ability to “share services” between departments and projects. • Workforce Improvement. Agreed to establish modern IT classification plan; Project underway to establish skills-based testing pursuant to Government Code § 18900.6; Established “Leadership for the Government Executive Program” at California State University Sacramento; Based on recent salary survey, increased maximum salary rate for IT classifications. • Telecommunications & Network. Concluded multi-year CALNET II contract which will provide the State with access to Traditional Voice and Data Services; Long Distance Services for Voice; Internet Protocol (IP) Services; and Broadband Fixed Wireless Access Services.
<p>Security and Privacy</p>	<ul style="list-style-type: none"> • Established regular education and training programs for departments to improve security processes. • Established reporting process for IT security incidents. • Implemented encryption policy for mobile data (e.g., laptops) that is confidential, sensitive or personal.
<p>IT Procurement</p>	<ul style="list-style-type: none"> • Implemented Strategic Sourcing Initiative, described above. • During FY 2005-2006, California agencies entered into over 9,100 IT contracts with a value of approximately \$1.0 billion. • 74% of the total value for IT contracts was procured by only ten departments (including the Department of Technology Services, Department of Justice, Department of Motor Vehicles, Department of General Services and Department of Transportation).
<p>IT Projects</p>	<ul style="list-style-type: none"> • Currently tracking 117 active IT projects with total planned project costs estimated at just over \$5 billion. • Successfully completed first phase of Child Support System project, resulting in abeyance of annual federal penalties.

The remainder of this report provides additional details on these accomplishments and on planned activities for the coming year.

Chapter 1

Governance

A. Collaborative Governance

On July 1, 2002, the statutes establishing the Department of Information Technology (“DOIT”) sunsetted. As a result, decision-making processes in the Executive Branch for enterprise information technology issues fell to a handful of other agencies exercising discretion pursuant to existing delegations of authority. Decisions about information technology policy, project initiation, project oversight and security policy fell to the Department of Finance, largely on the basis of analytic work performed by what is now known as the Office of Technology Review, Oversight and Security (OTROS). Information technology procurement policy and implementation became the responsibility of the Department of General Services.

Although DOIT sunsetted and its entire staff dissipated, the position of State CIO was retained. The State CIO was charged with providing leadership on information technology policy and for working collaboratively with other information technology leaders throughout State government. Over time, a collaborative governance process evolved that draws upon IT leaders from all across government in setting overall IT strategy and policy. There are three major governance bodies with distinctly different enterprise roles and responsibilities:

- The Information Technology Council (“IT Council”) advises the State CIO on overall IT planning and policy, primarily from a technology perspective;
- The Technology Services Board (“TSB”) governs the Department of Technology Services and sets policy on enterprise services provided by the Department of Technology Services; and,
- The Enterprise Leadership Council (“ELC”) provides a forum for Executive Branch agencies to discuss and resolve business issues related to enterprise-wide IT from a business perspective.

1. The Information Technology Council

Chartered by the State CIO in March of 2004, the Information Technology Council (“IT Council”) advises the State CIO on all matters related to information technology in the Executive Branch, including the development of statewide IT strategic plans and the adoption of enterprise-wide IT standards and policies. The IT Council’s membership is broadly representative of major stakeholders in the Executive Branch’s IT program, including members from several constitutional offices, the State’s support agencies (Departments of Finance, General Services, Personnel Administration and Technology Services), Agency Information Officers (AIO), departmental Chief Information Officers (CIO), the judiciary and local and federal governments.

The IT Council's organizational structure includes an Executive Committee and nine subject-matter committees: IT Strategic Plan, IT Policies, Enterprise Architecture and Standards, IT Security, Technology Services, IT Acquisitions, IT Human Resources, IT Awards, and DTS Services. The Technology Services Committee supervises several working groups, including groups studying California Internet Protocol Telephony and Open Standards / Open Source Software.

The IT Council's substantial work product is documented on the State CIO's website.

2. The Technology Services Board

The Technology Services Board ("TSB") is the governing body for the Department of Technology Services ("DTS"). DTS was established on July 9, 2005, by the Governor's Reorganization Plan Number 2, which consolidated the Stephen P. Teale Data Center, the California Health and Human Services Agency Data Center, and the Department of General Services, Office of Network Services. The consolidation realigned the information technology infrastructure of the Executive Branch, establishing in DTS the sole enterprise-wide source for technology and telecommunications services.

The goal of consolidation and realignment is to substantially improve the performance of the Executive Branch in managing its information technology infrastructure with particular focus on:

1. Receiving best value in the acquisition, management and operation of its information technology infrastructure and resources;
2. Realizing the most appropriate levels of security, quality and risk management; and
3. Ensuring that agency core competencies are reinforced and respected.

The Department of Technology Services, which serves under the jurisdiction of the State and Consumer Services Agency, currently operates from the following four campus environments:

1. Cannery - formerly the California Health and Human Services Agency Data Center (HHSDC).
2. Gold Camp - formerly the Stephen P. Teale Data Center.
3. Statewide Telecommunications and Network Division (STND), formerly known as the Office of Network Services.
4. DTS Training and Event Center - formerly the HHSDC Training and Event Center.

Prior to the consolidation, these campuses had built strong reputations by creating partnerships between high-technology industry and government, allowing them to offer comprehensive, cost-effective services to various California public agencies. Collectively, they now enable the

Department of Technology Services to provide reliable computing using powerful mainframe and server-based systems, network and telecommunications solutions, electronic messaging, and training to customers throughout the State. Currently, the Gold Camp and Cannery campuses serve over 500 state and local customers, and the STND CALNET system provides the statewide wireless area network and telecommunications services for over 150 state and 2000 local government customers. The DTS Training and Event Center conducts approximately 500 classes and serves over 5,000 students each year.

The Technology Services Board, established by the Governor's Reorganization Plan, provides governance and guidance to the Department of Technology Services. The membership of the TSB, top executives from all Cabinet agencies and the Controller's Office with the State CIO serving as Chair, was designed to ensure that DTS was governed by its major customers from a business, and not just a technology, perspective.

3. The Enterprise Leadership Council

Most recently, the State has established an Enterprise Leadership Council ("ELC") to provide a forum for government stakeholders of statewide or enterprise projects to address issues of mutual interest and concern as well as to provide statewide support and guidance for all state enterprise-wide system projects. The ELC's mission includes providing a forum for project stakeholders to review, resolve and provide direction on issues that have a statewide impact and cannot be resolved at a project level.

The membership of the Enterprise Leadership Council speaks to the breadth of its jurisdiction and the issues it will consider. The ELC's membership includes the members of the Governor's Cabinet, the Controller, the Treasurer, and the Executive Director of the Board of Equalization.

Initially, the ELC's primary focus will be the "Fi\$Ca" project, discussed below. The ELC will also deal with issues arising in the context of the State Portal and Web Refresh, review and guide efforts currently underway to develop comprehensive and consistent statewide payment acceptance processes, and assist in moving forward with the State's enterprise architecture program.

B. Office of the State Chief Information Officer

From July 2002 until the present, the State CIO has operated with limited full-time staff support, and with no statutory authority or budget. Legislation was enacted during 2006 to reestablish in statute the Office of the State Chief Information Officer. The statute, Government Code § 11545, makes the State CIO a member of the Governor's cabinet, with the position appointed by the Governor subject to Senate confirmation. The bill largely codified the existing responsibilities of the State CIO, making the State CIO the nominal leader for the Executive Branch's IT program.

The Governor's Budget for 2007-2008 includes both funding to establish the office as envisioned by Section 11545 of the Government Code, and a proposal and funding to expand the powers of the Office of the State CIO so that it exercises full statutory authority over IT policy and exercises primary control over IT project approval and oversight. Under this proposal, the project

approval and oversight function that currently lies with the Department of Finance would be transferred to the State CIO. The Governor's Budget also proposes to establish an Office of Security and Privacy Protection within the State and Consumer Services Agency, raising the visibility of both IT security and privacy protection within the Administration.

C. California State Information Technology Strategic Plan

Publication and updating of the *California State Information Technology Strategic Plan* is one of the IT Council's most important activities. The plan, originally adopted in November of 2004 and updated annually since then, guides the acquisition, management and use of technology within the Executive Branch of State government for a five-year period (2005-2009).

The mission statement adopted in the strategic plan recognizes and emphasizes information technology's role in supporting the State's programmatic business needs. The mission statement is as follows:

Information technology support for the Executive Branch of California State Government will operate as a seamless enterprise, delivering consistent, cost-effective, reliable, accessible and secure services that satisfy the needs of its diverse public and private customers, including the People of California, its business communities and its public sector agencies.

The plan contains six strategic goals. These goals, and their associated objectives and action items, detail the steps necessary for California to harness the power of information technology to improve service delivery and streamline internal operations. The goals are as follows:

1. Make government services more accessible.
2. Implement common business applications and systems to improve efficiency and cost-effectiveness.
3. Ensure State information assets are secured and privacy protected.
4. Lower costs and improve the security, reliability and performance of the State's IT infrastructure.
5. Strengthen our technology workforce.
6. Establish a technology governance structure.

Chapter 2

Enterprise Initiatives

A. Introduction

California state government is extremely large and complex, consisting of hundreds of organizational entities, many of which exercise substantial independence from the Governor. This independence in organizational structure and governance, in which each organizational entity behaves as an isolated “silo” from the rest, belies an underlying interdependence between and across programs, departments, agencies and constitutional offices that necessitates coordination in order for the State’s policy and business goals to be met efficiently and effectively.

To break down the organizational silos that frustrate programmatic as well as cost-effective operations, the State’s information technology program coordinates across government through “enterprise initiatives.” Recognizing the constitutional separation of powers, the “enterprise” in “enterprise initiatives” usually refers only to Executive Branch agencies and excludes the Legislative and Judicial Branches of government, each of which has its own substantial information technology program. Even within the Executive Branch, several entities are led by constitutionally independent officers, such as the Departments of Justice and Insurance, the Controller’s Office, the Treasurer’s Office, and the Secretary of State’s Office, and the constitutional independence of these offices sometimes requires accommodations and relief from what are, for other Executive Branch agencies, mandatory requirements.

The current portfolio of enterprise initiatives includes the following:

- The State Portal and Web Refresh;
- Reforming the State’s Business Management Systems;
- Consolidation of Information Technology Infrastructure;
- The Strategic Sourcing Initiative;
- The Statewide Enterprise Architecture Program;
- The Information Technology Workforce Improvement Program; and
- Telecommunications and Network Refresh.

Each of these initiatives directly furthers goals, objectives and action items contained in the *California State Information Technology Strategic Plan*.

B. The State Portal and Web Refresh

Improving access to government services and information is the number one goal of the *California State Information Technology Strategic Plan*, and the Internet is one of the key channels for improving that access. It has been almost six years since the State’s web architecture, web pages and portals have been refreshed.

With extraordinary assistance provided by the California Research Bureau and the State Library, the Executive Branch now has a solid set of policies and principles upon which to build a substantially improved State web presence, where the focus will be placed upon improved “usability.” With policies now in place, the Executive Branch has settled upon an improved web architecture that separates content from presentation (an important advance that positions the State to take advantage of the next generation of Internet browsers and mobile or handheld devices), new and more flexible look-and-feel guidelines, and a new enterprise search engine supplied by Google. Information about these activities is available on the eServices website at www.eservices.ca.gov.

Because of this progress, the strategic plan now calls for a statewide refresh of all agency web sites by November of 2007. Recognizing that most Californians would rather be “online” than “in line,” departments are also examining all of their customer-service interactions and transactions and determining those that can be offered online.

C. Reforming the State’s Business Management Systems

It is generally accepted that the Executive Branch’s business information systems must be modernized. Accurate information about a wide range of subjects is unavailable in a timely way for proper management by program and departmental executives, for appropriate oversight within the Executive Branch by control agencies, Cabinet secretaries and the Governor’s office, and for oversight and policy-making by the Legislature. For example, the State lacks reliable information about the performance of the corrections and rehabilitation system, has struggled to determine the number of vehicles owned by the State and their disposition, has substantial inconsistencies between databases that track procurement activity, has difficulty closing the State’s books in a timely manner at year’s end, has an opaque budget system that is an amalgam of digital and paper systems held together only by virtue of dedicated process experts, and maintains multiple accounting systems that frustrate accountability and transparency. The systems that support the State’s financial management are also aging and require modernization.

In short, the State has conflicting and outdated business applications and systems that should be replaced with common business systems and solutions across all departments of State government, permitting relevant information to be easily shared with, and monitored by, managers, policy-makers, the Legislature and the public.

After several years of intense study and collaborative deliberation, the key control agencies – Department of Finance, State Controller, State Treasurer and Department of General Services – have decided to partner in seeking legislative approval for the acquisition of a modern, enterprise-wide business management system that will be phased in over a ten year period. Upon full implementation and after time for migration of existing systems, this enterprise-wide system, known as the “Financial Information Systems for California (Fi\$Cal) Project,” will become the mandatory standard for all agencies for performing basic business functions such as budgeting, accounting, procurement, cash management, financial management, financial reporting, cost accounting, asset management, project accounting, grant management and human resources management.

D. Consolidation of Information Technology Infrastructure

On March 31, 2005, the Governor submitted a reorganization plan to consolidate the State's two general-purpose data centers into a single "Department of Technology Services." In addition, the reorganization transferred authority over the State's major telecommunications contract (Calnet) from the Department of General Services to the Department of Technology Services in recognition of the convergence of voice, data and video telecommunications and network technologies.

The reorganization proposal was consistent with best practices in the industry and offered the following advantages:

- More efficient, standardized systems capable of supporting multiple agencies;
- Reduced redundancy and variation within the state's technology infrastructure;
- Reduction in cost for common infrastructure services;
- Enhanced ability for data sharing;
- Improved ability to successfully leverage IT procurements;
- Enhanced security and privacy measures for the storage and distribution of electronic data;
- Improved core technology support for all state agencies and departments; and
- More effective utilization and management of technology personnel.

The reorganization formally occurred on July 9, 2005. The first phase of the reorganization – which involved realignment and integration of the three organizations, completion of a common strategic plan for DTS, creation of a common help desk function, creation of a high-speed data link between the two data center campuses, and adoption of single integrated business systems – was completed on June 30, 2006, well ahead of the original schedule. Over the next several years, DTS plans to consolidate its networks, work on consolidating and rationalizing enterprise storage, eliminate some of its facilities, and establish a more robust backup and disaster recovery service, as well as provide new services supporting statewide email and portal functions.

At its June 28, 2006, meeting, the Technology Services Board ("Board") approved a \$16.3 million reduction in DTS rates, which reflected substantial savings from consolidation and consolidation-related activities during the year. At its January 16, 2007, meeting, the Board approved a further reduction of \$26.7 million in DTS rates. Thus, in the first eighteen months of consolidation, DTS has achieved rate reductions equal to approximately 18% of its annual budget. During the coming year, DTS will complete a comprehensive reform of its rate methodology and rate structure, and additional savings and rate reductions are anticipated.

E. The Strategic Sourcing Initiative

"Strategic sourcing" is a process designed to allow the State of California to purchase the best products and services for the best value. Strategic sourcing streamlines procurement activities by consolidating, renegotiating and automating contracts to achieve significant savings. Under the strategic sourcing initiative, multiple contracts for the same goods or services, purchased by

multiple State agencies, have been combined to leverage the State's buying power. This, along with implementation of new purchasing tools, has saved millions of taxpayer dollars.

The Department of General Services' strategic sourcing team focused on savings in the following general IT categories:

- IT Hardware/PC Goods (desktop and workstations; printers; PC servers; peripherals and laptops).
- IT Hardware/Enterprise Hardware (enterprise servers and storage systems).
- Wireless Equipment and Services (wireless voice and data and wireless related equipment, including accessories).

DGS's strategic sourcing team worked very closely and effectively with the IT Council's Acquisitions Committee and departmental CIOs to ensure that equipment specifications met departmental IT needs. Purchasing off of a strategic sourcing contract is mandatory for the equipment within the scope of those contracts. To accommodate special needs, an exemption process has been established which requires the approval of the State CIO. Since inception of the program, over 2,100 contracts have been executed, and only 77 requests for exemptions have been granted.

To date, DGS estimates \$105 million in state spending for IT items under the strategic sourcing program, with an estimated savings against historical cost of just over 40%, for a total estimated cost avoidance of \$43 million. Over the life of the IT contracts, DGS estimates total savings of \$103 million.

F. The Statewide Enterprise Architecture Program

Established in 2005, the California Enterprise Architecture Program ("CEAP") is charged with developing a comprehensive "Enterprise Architecture" for the Executive Branch's IT program. An enterprise architecture helps coordinate the design and implementation of individual projects so that they interoperate and link together in value-producing ways.

CEAP has released a series of Enterprise Architecture publications. The first and most important document is the California Enterprise Architecture Framework (July 15, 2005), which defines an end-to-end process to initiate, implement, and sustain an enterprise architecture program. It is the roadmap for the Executive Branch's enterprise architecture efforts. CEAP has also published a series of papers on "Service Oriented Architecture" that provide the key information needed to design and build shared services in a federated web environment. Technical Reference Model (TRM) documents were produced classifying technology into seven domains along with guidelines, templates, and process details to ensure technology is defined in a consistent way across the state enterprise.

Work will begin in 2007 on a "Business Reference Model" that will serve as the foundation for defining State government business functions and the delivery of services. The Business Reference Model is a high-level representation of the vision, mission, goals and objectives that

comprise the strategic business of government. The model is used at the enterprise level to coordinate and facilitate cost-effective IT planning and analysis.

G. The Information Technology Workforce Improvement Program

A high-quality IT program can be sustained only if it is supported and managed by a high-quality IT workforce. As noted by the California Research Bureau in its most recent report on the IT workforce, “[h]aving a qualified IT workforce is critical to effective e-government.” Alicia Bugarin, *The State’s Information Technology Hiring Process: Suggested Reforms*, p. 1 (California Research Bureau, November 2006).

The State employs over 8,300 employees in IT job classifications. This workforce is spread over the State’s 70+ departments, with the greatest concentration of IT workers in the Department of Technology Services, departments which operate their own data centers (such as the Department of Justice and the Franchise Tax Board), and the ten largest departments.

In the next five years, more than 50 percent of the State’s total workforce will be eligible to retire. In 2004, 25,000 State employees retired, and another 30,000 are projected to retire during 2007. On a monthly basis, the State will be losing the most experienced and capable IT supervisors, managers and workers. How the State manages this changing of the guard in its IT workforce will determine, to a large extent, the success of the State’s enterprise initiatives and major departmental IT projects.

During the last year, the major institutional stakeholders in IT workforce HR issues – the State Personnel Board, the Department of Personnel Administration, the Service Employees International Union, the Administration and the Legislature – have worked together to address one of the major obstacles to recruiting and hiring IT workers: the antiquated classification and testing systems. The State’s existing classification system has not been updated in over 20 years, and its classes do not reflect the reality that the Internet exists or that servers have been invented. Working collaboratively, the stakeholders identified above agreed upon new statutory authority for the State Personnel Board to conduct skills-based testing (*see* Government Code § 18900.6). When this new testing methodology is combined with a new classification plan that has been agreed upon, the end result will be a dramatically improved capacity to hire the right person for the IT job.

During the coming year, the State needs to fully implement this new scheme and then to take advantage of its benefits through newly reinvigorated recruitment of IT talent.

The Executive Branch has also reestablished a leadership training program co-sponsored by the Director of the Department of Personnel Administration, the Undersecretary of State and Consumer Services Agency and the State CIO. Developed and offered by Sacramento State University for the first time during the fall 2006 semester, “Leadership for the Government Executive Program” is specifically designed to help build both IT and business-side executive leadership in state government, leadership that is attuned to the 21st century’s digital environment.

The Department of Personnel Administration conducted its first salary survey in 20 years in 2006, and that survey concluded that the compensation for certain state job classifications, including IT classifications, was lower than in other comparable public sector organizations. As a result, the FY 2006-07 budget provides a five percent increase to the maximum salary rate for IT classifications in addition to the across-the-board 3.5 percent salary increase provided to all state employees.

In summary, the Executive Branch is taking significant steps in a number of areas to address IT workforce issues.

H. Telecommunications and Network Refresh

A large portion of the State government's information technology systems are connected by a consolidated statewide network owned, maintained and managed by the CALNET contractors under the oversight of the Department of Technology Services, Statewide Telecommunications and Network Division ("STND").

STND provides assistance to approximately 160 State and 1,800 local government agencies to effectively purchase telecommunications services and utilize the CALNET voice and data networks to meet their business needs at the best available rates. This is accomplished through competitively-bid master telecommunications and consultant contracts, and by providing proactive customer services and information. STND works with the CALNET network providers and customers to keep voice, video and data communications flowing to and from government offices, prisons and hospitals, and in incidences and disasters that impact communications.

DTS recently entered into a new set of telecommunications contracts pursuant to the CALNET II procurement. Under CALNET II, departments will be able to purchase services from four different "Modules" encompassing the following types of services: 1) Traditional Voice and Data Services; 2) Long Distance Services for Voice; 3) Internet Protocol (IP) Services; and 4) Broadband Fixed Wireless Access Services.

In addition, pursuant to Governor Schwarzenegger's Executive Order S-21-06, the Executive Branch in partnership with stakeholders is taking action to reduce barriers to broadband access and adoption, and adopting measures to ensure that State policies evolve in response to ever-changing conditions in the technology marketplace. The Executive Order requires that Executive Branch agencies identify barriers to broadband access and opportunities for increased broadband adoption. The Executive Order focuses on strategies that can be pursued at an administrative level and will either reduce bottlenecks or build upon "best practices."

An in-depth analysis will also be carried out to identify and work to resolve government-imposed barriers or obstacles.

Chapter 3

Security and Privacy

The fundamental mission of the State's enterprise level security program is to guide the management of security and operational recovery risk for the State's information assets by providing statewide direction and leadership, with a focus on four key goals:

- Establish direction through policy and procedures for IT risk management, including both IT security and operational recovery;
- Promote and improve prevention and risk reduction through education, awareness, collaboration, and consultation.
- Ensure that incident handling, response, and follow-up occur in an effective and coordinated manner.
- Develop, maintain, and execute a risk management monitoring and compliance process.

Since January 2006, the State Information Security Office ("ISO") within Finance, working collaboratively with the California Office of Privacy Protection and the IT Council's Security Committee, has substantially stepped up its activities to educate and engage departments in improving security processes. The State ISO meets quarterly with all departmental ISO's, participates in bi-monthly meetings of the "Security Operations Group" (a voluntary group of state employees from a cross-section of agencies with an interest and desire in identifying ways of mitigating security risks), participates in the weekly "E-tools" meetings where specific and emerging security threats are discussed along with potential solutions being offered by vendors, and participates in bi-monthly meetings of the "Inter-Agency Security Group," which consists of employees directly involved with IT security issues.

In addition to this rich information sharing network, the State ISO is publishing a monthly IT security newsletter, and has issued a series of "best practices" guidelines on improving departmental security programs and compliance, including the following:

- *Information Security Incident Notification Roadmap for Information Security Officers* (September 2006);
- *Information Technology Security Program Guideline* (June 2006);
- *IT Security Risk Assessment Reference Chart* (May 2006);
- *IT Risk Assessment Checklist* (March 2006).

All of these documents are available on the Department of Finance's IT security website found at www.infosecurity.ca.gov. State agency resources on privacy practices and privacy awareness training may be found on the California Office of Privacy Protection's website at www.privacy.ca.gov/state_gov/index.html.

During 2006, the State continued to experience a rather regular pattern of security incidents. Most of the incidents involve stolen or lost property, or web defacements. From September 1, 2005, to August 31, 2006, the State ISO received incident reports as follows:

	Type of Incident	Total Calls
1	Stolen or Lost Property	111
	Portable equipment and/or device only	95
	Non-portable equipment and/or device only	11
	Both portable and stationary equipment	5
2	Intrusion	54
	Web site defacement	52
	Server hack	1
	Other	1
3	Malware	8
	Virus / Worm	8
	Spyware / Rootkit	
4	DDoS, unusual activity, probes, and scans	4
5	Inappropriate access	10
	State employee or contractor	7
	From outside	3
6	Miscellaneous	22
	Pornography and/or threats	6
	Email spam, phishing, scams	9
	Mailing	3
	Fax	3
	Bank Fraud	1
Total		209

Since November 2005, pursuant to a State ISO policy notice, all departments have been required to encrypt all personal, sensitive or confidential information on mobile computing and

storage devices (such as laptops, thumb drives, and so on). This security policy should effectively eliminate the risk of disclosure of personal information from digital sources.

Chapter 4 Information Technology Acquisitions

During fiscal year 2005-2006, California agencies entered into over 9,100 IT contracts with a value of \$1.03 billion.¹ Ninety percent of these contracts were new contracts, and ten percent were amendments to existing contracts.

Contract Value by New Contract vs. Amendment

	Num All IT	All IT Contracts	Num New	New Contracts	Num Amended	Amended Contracts
03-04	6,487	\$1,674,551,111.05	5,390	\$1,559,634,325.76	1,097	\$114,916,785.29
04-05	9,030	\$1,376,133,506.73	7,968	\$1,344,190,273.94	1,062	\$31,943,232.79
05-06	9,150	\$1,029,389,453.85	8,248	\$802,587,059.48	902	\$226,802,394.37
Totals	24,667	\$4,080,074,071.63	21,606	\$3,706,411,659.18	3,061	\$373,662,412.45

IT contracts are divided into three major categories: IT Goods, IT Services and IT Consulting. These categories are defined as follows:

- **IT Goods:** Contracts that have as their primary purpose and predominate value of the purchase of IT commodities or goods (such as equipment, parts, supplies or other merchandise, including licenses for software and applications);
- **IT Services:** Contracts that have as their primary purpose and predominate value the purchase of services – i.e., someone doing something – relating to IT (such as maintenance and support, security services, and computing and network services);
- **IT Consulting:** A subset of IT Services, IT Consulting involves those IT Services contracts where the primary purpose and predominate value of the purchase relates to securing advice, analysis and/or recommendations that are the result of the special unique expertise and intellectual abilities of the vendor.

For FY 2005-2006, IT Goods contracts constituted 75% of the total number, but only 26% of the total value, of IT contracts. The median IT Goods contract was for \$10,976, while the median value for IT Services was \$24,920, and the median value for IT Consulting was \$110,920. Comparing the average value for IT Services (\$391,932) with the median value for IT Services (\$24,920) clearly indicates the presence of a small handful of very large IT Services contracts. As might be expected, these very large contracts generally relate to the State’s largest IT projects

¹ This figure does not represent total IT contract expenditures during FY 2005-2006 since many contracts, particularly large dollar services and consulting contracts, are multi-year contracts. Instead, the figures in this chapter reflect the total value of the contract at the time of execution, a value that may include expenditures in subsequent fiscal years.

and systems (such as the California Child Support project and the Child Welfare System – Case Management System).

Contract Value by Contract Type

	All IT Contracts	IT Services	IT Consulting	IT Goods
2003-2004	\$1,674,551,111.05	\$1,337,793,764.53	\$168,528,056.17	\$168,229,290.35
2004-2005	\$1,376,133,506.73	\$926,472,450.81	\$35,427,196.51	\$414,233,859.41
2005-2006	\$1,029,389,453.85	\$654,133,721.83	\$107,618,519.17	\$267,637,212.85
Totals	\$4,080,074,071.63	\$2,918,399,937.17	\$311,573,771.85	\$850,100,362.61

Contract Value Statistics by Contract Type

	All IT Contracts	IT Services	IT Consulting	IT Goods
03-04	\$1,674,551,111.05	\$1,337,793,764.53	\$168,528,056.17	\$168,229,290.35
Count	6,487	1,988	641	3,858
Ave.	\$258,139.53	\$672,934.49	\$262,914.28	\$43,605.31
Median	\$14,556.91	\$18,457.52	\$83,700.00	\$11,732.29
04-05	\$1,376,133,506.73	\$926,472,450.81	\$35,427,196.51	\$414,233,859.41
Count	9,030	2,039	625	6,366
Ave.	\$152,395.74	\$454,375.90	\$56,683.51	\$65,069.72
Median	\$14,099.71	\$22,489.14	\$177,480.00	\$11,507.68
05-06	\$1,029,389,453.85	\$654,133,721.83	\$107,618,519.17	\$267,637,212.85
Count	9,150	1,669	645	6,836
Ave.	\$112,501.58	\$391,931.53	\$166,850.42	\$39,151.14
Median	\$13,213.31	\$24,920.00	\$110,920.00	\$10,976.19

Breaking down IT contracts by department gives a very clear picture of which departments are driving most of the IT spending by State government. For example, in FY 05-06, the top ten departments purchased \$762 million in IT contracts, representing 74% of the total value for IT contracts for that fiscal year.

The most consistent purchasers – the agencies that have made the top ten for each of the last three years – are the following departments:

- Department of Technology Services (and its predecessors, the Teale Data Center and the Health and Human Services Data Center);²

² The Health and Human Services Data Center showed contracts during FY 05-06, even after the consolidation of the data center into the Department of Technology Services, because of extensions for time to pre-existing contracts, mostly relating to the Child Welfare System – Case Management System. During FY 04-05, contracts relating to the Child Welfare System – Case Management System were the responsibility of the Department of Social Services, which explains their one-year appearance on the top ten list.

- Department of Justice (which maintains its own data and statewide networks for law enforcement);
- Department of Motor Vehicles;
- Department of General Services; and,
- Department of Transportation.

The Franchise Tax Board, which also maintains its own data center, appears on the list in FY 03-04 and 04-05, in large part because it was responsible for the procurements associated with the California Child Support project, currently the State’s single largest project.

Top Ten Departments by Contract Value

03-04	Value	04-05	Value	05-06	Value
FTB	\$822,971,605	DSS	\$611,826,513	HHSDC	\$174,128,603
HHSDC	\$161,365,458	DOJ	\$127,329,211	DMV	\$132,406,016
DMV	\$121,885,631	DOT	\$75,098,744	DTS	\$106,900,775
DCSS	\$105,129,215	DFFP	\$58,260,659	DGS	\$77,010,965
Trans	\$58,944,511	HHSDC	\$49,607,329	DOJ	\$62,904,021
Teale	\$47,524,828	FTB	\$41,963,411	DCA	\$58,711,643
DOT	\$37,916,208	Teale	\$39,928,237	DOT	\$46,091,815
PUC	\$33,903,260	DGS	\$38,057,612	DHS	\$42,336,797
DWR	\$29,379,825	DHS	\$34,451,039	HHSA	\$32,613,213
SOS	\$25,881,086	DWR	\$28,502,057	EDD	\$28,421,649

Chapter 5 Information Technology Projects

The State does not centrally track all agency information technology projects. Some agency activities, though they might technically satisfy the definition of an “IT project,” are so much a part of ordinary routine maintenance and operations that they are not treated with the same planning and implementation formality as are complex IT projects. In addition, the Department of Finance has authority to delegate projects to departments, and those projects proceed without formal reporting to the Department of Finance.

The Department of Finance currently tracks 117 active IT projects with total planned project costs estimated at just over \$5 billion. The average project cost is \$43 million, with the mean project cost \$7.4 million. This reflects the handful of very large projects within a total mix of much smaller projects. The State generally prefers smaller projects of a shorter duration to reduce project risk and secure as quickly as possible the benefits of new technology.

Overall Statistics on Active IT Projects Reported to The Department of Finance

FY	Number Of Projects	Total Project Costs	Mean Project Costs	Median Project Costs	Mean Project Duration (yrs)	Median Project Duration (yrs)
06-07	117	\$5,033,780,255	\$43,023,763	\$7,398,676	2.86	2.3

The top 10 projects by cost account for 78% (\$3.9 billion) of the total planned cost of all reported projects tracked by the Department of Finance. The top ten projects fall roughly into three categories: (1) development projects involving the State with all local jurisdictions statewide (e.g., Child Support, Child Welfare Systems / Case Management System, and VoteCal); (2) development projects involving coordination across a large number of agencies within State government (e.g., Fi\$Cal, 21st Century Project, HIPPA Implementation); and (3) large department projects that completely refresh foundational departmental systems (e.g., DMV’s IT Modernization, CDCR’s BIS, and EDD’s ACES).

Top Ten Active IT Projects by Cost

Project Title	Department	Total Project Costs	Project Start	Project Duration
Child Support – Child Support Enforcement (CSSAS – CSE)	FTB	\$1,374,886,488	2003	5.2
Statewide Business Information System	DOF	\$1,326,730,116	2006	10

CALIFORNIA STATE INFORMATION TECHNOLOGY ANNUAL REPORT

(Fi\$Cal)				
Information Technology Modernization	DMV	\$242,157,699	2006	6.8
Child Support – State Disbursement Unit (CSSAS – SDU)	FTB	\$235,643,560	2004	3.7
CWS/CMS New System	HHS	\$233,264,717	2006	5.3
Business Information System (BIS)	CDCR	\$151,780,730	2004	5.3
Human Resources Management System (21 st Century Project)	SCO	\$138,390,463	2003	5.2
Automated Collection Enhancement System (ACES)	EDD	\$93,911,328	2006	4.4
Unemployment Insurance (UI) Modernization	EDD	\$73,887,927	2003	7.8
VoteCal Voter Registration System	SOS	\$69,178,975	2006	3.3

The State’s 117 projects are spread over 41 different departments. Almost half of these departments (19, to be precise) have only 1 active project under development. Eight (8) departments have 2 projects, four (4) departments have 3 projects, two (2) departments have 4 projects, three (3) departments have 5 projects, one (1) department has 6 projects, one (1) department has 7 projects, one (1) department has 8 projects, and two (2) departments have 13 projects (CDCR and DOJ). The departments with five or more projects are some of the largest departments, and most of them have substantial experience in managing large IT programs.

The California Department of Corrections and Rehabilitation presents a special case. Its overall processes, as well as its information technology systems, are in such a substantial state of disarray that it is necessary to embark upon a series of projects in parallel to build its organizational processes from the ground up.

Active IT Projects by Department

Department	Number of Projects	Total Project Costs
Franchise Tax Board	5	\$1,634,305,250
Dept of Finance	1	\$1,326,730,116
Dept of Motor Vehicles	8	\$369,544,772
Health & Human Services	5	\$287,340,527
CDCR	13	\$264,367,157
EDD	4	\$191,947,979
State Controller	5	\$148,868,575
Dept of Health Services	7	\$118,245,400
Dept of Justice	13	\$116,321,533
Dept of Transportation	6	\$91,603,091
Secretary of State	1	\$69,178,975
Dept of Education	3	\$41,937,478
Dept of Consumer Affairs	2	\$40,422,846

Dept of Water Resources	1	\$34,651,512
Dept of Conservation	4	\$31,516,220
Dept of Industrial Relations	2	\$30,031,169
Dept of Fish and Game	1	\$27,501,166
CHP	1	\$23,033,257
Dept of Forestry and Fire Protection	2	\$22,021,075
Dept of Developmental Services	1	\$19,169,000
Dept of Mental Health	3	\$16,402,411
Dept of Alcohol and Drug Programs	1	\$15,605,000
Dept of Insurance	3	\$13,448,013
Office Statewide Health	1	\$11,494,938
Dept of Technology Services	1	\$11,211,500
Dept of Real Estate	3	\$9,935,454
Student Aid Commission	2	\$8,872,260
Energy Res Conserv & Dev Comm	2	\$8,285,497
Victim Comp/Gov Claims	1	\$7,580,036
Dept of General Services	1	\$7,398,676
Dept of Food and Agriculture	1	\$6,556,709
State Personnel Board	1	\$5,332,000
State Water Resources Control Board	2	\$5,240,160
Dept of Alcoholic Beverage Control	1	\$4,491,000
Dept of Housing & Community Dev	2	\$2,891,201
PUC	1	\$2,650,982
Dept of Social Services	1	\$2,173,000
Dept of Parks and Recreation	1	\$1,803,100
Dept of Corporations	1	\$1,246,100
Resources Agency (TRPA)	2	\$1,245,078
Dept of Fair Employment	1	\$1,180,042

Determining whether a project is a “success” is not always a simple task. There are a number of different measures of success, including whether a project was completed on budget, on schedule and within scope, and whether it fully meets customer expectations and needs. An approach commonly used in evaluating project performance employs the following classifications, which are more refined than simply asking whether a project was successful or not:

- **Successful:** Completed on time and within budget with all features and functions implemented and in use as originally specified, and meets agency’s business needs.
- **Challenged:** Completed, implemented and in use, but one or more of the factors of project success were missing (i.e., over budget, over schedule, lacked all features and functions, or otherwise did not meet agency’s business needs).
- **Failed:** Completed, but not successfully implemented and/or used.

- **Abandoned:** Project stopped before completion.

A comprehensive empirical study by The Standish Group completed in 1994 (“The Chaos Report”) presented sobering results about project success in the private sector. After analyzing almost 8,400 projects conducted by 365 companies, the report found that only 16.2% of the projects were successful, and 52.7% were challenged. The remainder, 31.1% of the projects or nearly one-third, were failed or abandoned. Ten years later, the results are only modestly better. The Standish Group’s database of projects for 2004 shows a success rate of only 29%, with 53% challenged, and 18% failed. The hard truth established by these results is that IT projects – whether undertaken in the private sector or the public sector – are risky, complete success is difficult to achieve, and outright failure or abandonment is common.

Any fair comparison between these figures and the overall performance of California’s Executive Branch in managing its IT projects would conclude that the State does IT just as well as the private sector. The State’s failure rates do not come anywhere near those reported in The Chaos Report. Over the course of the last decade, the State has suffered a handful of outright project failures or abandonments, and each of these was a project that had a high degree of complexity and risk associated with it, as well as correspondingly large costs (e.g., in 1994, DMV cancelled its database upgrade; in 1997, DSS abandoned the statewide child support project; in 1997, Corrections abandoned the Correctional Management Information System; and, in 1999, Health and Human Services Data Center abandoned the Statewide Automated Welfare System – Technical Architecture project).

It is the loss of taxpayer dollars (cumulatively, in the \$500 million dollar range for the projects listed above), and the delay in serving real program needs, that makes these failures unacceptable. But these individual project failures or abandonments should not be confused with overall program performance. Overall, the State is not seeing unusually high rates of project failures or abandonments compared to the private sector. It must be remembered that the hundred million and billion dollar IT failures in the private sector – of which there are many – do not receive the same public reporting and attention as public sector IT projects.

During the last four-and-a-half years, there has been only one project abandonment, and it occurred in November 2006. The abandoned project – known as “CADDIS” (for “California Developmental Disabilities Information System”) – has been in the “challenged” category for the last two years. CADDIS was intended to improve the tracking of expenditures and services to nearly 200,000 people with developmental disabilities from 21 regional centers which are under contract with the Department of Developmental Services (“DDS”). After sustained efforts to move forward with the project during the summer and fall of 2006 – efforts which were endorsed by the Legislature in special provisions attached to the budget for the project – the State decided to abandon the project before completion when it became clear that the State could not satisfy all of the requirements that were set for project continuation. The State has abandoned the project before committing very substantial additional resources towards its completion, and in this sense, has made the best risk management decision – i.e., avoiding escalation of a project that appears likely to be headed towards a failure. While DDS has invested over \$10 million in the six-year old project, it appears likely that an additional \$30-50 million would have had to be invested to complete the project given its current status. The Department of Developmental Services will

now regroup with the key stakeholders for this project – the Regional Centers that provide services – to determine the best path forward.

It is important not only to learn from project failures, but also to celebrate and learn from project successes. The National Association of State Chief Information Officers (“NASCIO”) annually selects “Recognition Awards for Outstanding Achievement in the Field of Information Technology in State Government.” In 2006, NASCIO selected for one of its 12 national awards the “Screening Information System” project completed by the Department of Health Services. The system is the cornerstone of California’s prenatal and newborn genetic disease screening program, one of the largest and most comprehensive genetic screening programs in the world. Additional information about this award-winning project, and about the five other projects nominated for NASCIO’s awards by the IT Council’s Awards Committee, is contained in Appendix A. Each of these projects is a success story about the Executive Branch’s utilization of information and telecommunications technology in support of program and business goals.

As noted above, the Executive Branch has 117 active projects in various stages of development. Appendix B contains a series of brief status reports on some of the State’s most important and interesting projects. This partial presentation of active projects is intended to convey a sense of the breadth of the State’s IT program and a snapshot of the State’s progress in using technology to serve the needs of government agencies and the public.

Appendix A

IT Projects Nominated for NASCIO’s “Recognition Awards”

The six projects summarized in this appendix were nominated by the IT Council’s Awards Committee for the National Association of State Chief Information Officers’ (NASCIO) annual “Recognition Awards for Outstanding Achievement in the Field of Information Technology in State Government.”

The California list of projects nominated for the categories of cross-boundary collaboration, digital government for “Government to Consumer”, digital government for “Government to Government”, enterprise architecture, information communications technology innovations, and IT project portfolio management follows:

- Department of Health Services – Screening Information System
- Office of Systems Integration & Department of Technology Services – Child Welfare Services / Case Management System Rehosting
- California State Parks – Parks Online Resources for Teachers and Students
- Department of Justice – Armed Prohibited Persons System
- Department of Justice – Correspondence, Storage, Tracking and Response System
- Department of Health Services – Training by Web Streaming

The first project summarized below – the Department of Health Services’ Screening Information System – was ultimately selected by the National Association for one of its 12 national awards.

Department of Health Services – Screening Information System

The Screening Information System (SIS) implemented by the Department of Health Services (DHS) is the critical cornerstone of California’s prenatal and newborn genetic disease screening program, one of the largest and most comprehensive genetic screening programs in the world.

DHS implemented SIS in July 2005 with two major goals: to enhance an existing, outdated information technology system and to expand the number of rare genetic diseases being screened. Today, SIS enables physicians to diagnose and treat a wider range of genetic disorders than previously possible. Using the system, newborns throughout the state are now screened for 75 inherited and congenital disorders rather than the previous 39. Undetected, these rare disorders can cause devastating disabilities. But if caught quickly, they are often treatable. Changes as simple as altering an infant’s diet can mean the difference between a normal life and mental retardation or even death.

SIS also allows the state to better manage test results and reporting and to achieve more efficient communications and collaboration between the multiple public and private entities involved in genetic screening, diagnosis and treatment. Once identified as having a genetic disease, SIS helps facilitate extraordinary follow-up for affected babies and their families until the disorder is fully diagnosed and treatment is initiated. This process involves an extensive amount of cross-boundary collaboration between labs, case coordinators, counselors, physicians and staff of the DHS Genetic Disease Branch.

Ultimately, SIS allows DHS to intervene earlier with more effective treatment of children with a wider range of genetic disorders, thereby radically increasing the chances a baby born with a genetic abnormality in California can live a healthy life.

Office of Systems Integration & Department of Technology Services – Child Welfare Services / Case Management System Rehosting

California’s Child Welfare Services (CWS) program serves children who have been abused or neglected, reuniting them with their families whenever possible. When a family cannot be rehabilitated, CWS finds alternative placement for that child or children. The CWS program is supported by the Statewide automated Child Welfare Services / Case Management System (“CWS/CMS”), the largest single child welfare system in the nation with more than 19,000 active users. CWS/CMS keeps track of the location, demographics and goals for children and families receiving services, allowing child welfare staff to create, read, retrieve and update that information.

CWS/CMS became operational Statewide in 1997. Until this year, IBM has managed and operated the CWS/CMS application from IBM’s data center in Boulder, Colorado. In 2004, the State conducted a study that determined that in-sourcing CWS/CMS’ computing infrastructure from IBM’s facility in Colorado to the Department of Technology Services’ data center in Sacramento would provide long-term savings and provide a more competitive environment for future procurement of maintenance and operation services for CWS/CMS.

Re-host planning began in early 2005. The most important planning goal was to complete all re-host activities without any impact on system performance or availability. In August 2005, formal project activities commenced. The architecture was developed using a “lift and lay” strategy to re-produce the Colorado infrastructure architecture and the Sacramento facilities with minimal changes with the objective of minimizing the impact on service delivery.

The re-host effort was successfully completed on March 25, 2006, when the Boulder application was shut down and the California data center application entered production, on schedule and on budget. There was no unplanned service outage or other availability issues associated with cutover, and system performance has been improved. In-sourcing the computing infrastructure for CWS/CMS:

- Reduced costs by hosting the application at the Department of Technology Services because costs are recovered and no profit margin is charged. Estimated savings for FY

2006-2007 are approximately \$5,000,000 with total hosting expenses estimated at \$22.3 million.

- Created greater economies of scale for the Department of Technology Services resulting in reduced computing and network costs for all customers.
- Conforms to the IT Strategic Plan's strategy to consolidate mainframe, server and messaging operational support.

California State Parks – Parks Online Resources for Teachers and Students

California State Parks developed the “Parks Online Resources for Teachers and Students” (“PORTS”) program as part of its ongoing effort to inspire and educate students about the natural and cultural resources contained within its 278 park units. The PORTS program is a highly collaborative effort between public schools and California State Parks, and uses California’s new K-12 High-Speed Network (“HSN”) to deliver live, interactive video-conference presentations to classrooms from parks throughout the state.

California State Parks offers many opportunities for students to learn about California’s natural and cultural history through hands-on experiences and interaction with trained staff and volunteers. Field trips to California’s state parks have been a favorite educational experience for generations of school children. Unfortunately, as the State has grown in population, an increasing percentage of students are unable to participate in a traditional visit to a State Park.

More and more students are living in urban areas where distance or economic and social barriers prevent them from experiencing the natural and cultural resources contained within the California State Park system. Budget, staffing and risk/liability issues can also make it difficult for schools throughout the state to visit parks. When a real field trip is not a feasible alternative, PORTS allows park rangers and interpreters to look directly into the eyes of children and engage them in conversation as the students sit in their classrooms and study science, history, language arts and other academic content standards. The PORTS program provides students with access to park experts regardless of their geographic location or economic status.

Innovative communications technologies abound in the PORTS program. They include: IP-based video conferencing, IP Quality-of-Service, IP-Underwater, streaming media, green screen/chromakey systems, 900 Mhz wireless, Wi-Fi, private DSL, wireless Mesh Networks, and even a fly-away satellite unit.

PORTS programs enhance existing curriculum and provides students with direct access to the knowledge, expertise, and enthusiasm of State Parks employees. The PORTS program also offers teachers and students a pleasant break from normal classroom routine, and thereby creates an important new opportunity for students to become excited and challenged within their normal course of study. Finally, there are many anecdotal stories nationwide of how a compelling video-conferencing field trip experience can still achieve many of the same life-changing benefits that result from the same kind of experience during a physical field trip.

During the 2005/2006 school year, the PORTS program served approximately fifteen thousand students (15,000) in five hundred (500) classrooms throughout the state. The PORTS program significantly improves access to California's State Parks for educational purposes.

Department of Justice – Armed Prohibited Persons System

The Department of Justice (“DOJ”) is tasked with the oversight of firearms purchases and eligibility clearance processing. To enforce laws that prohibit certain persons from possessing firearms, DOJ developed the Armed Prohibited Persons System (“APPS”), making California the nation's first state to build an automated system for tracking handgun and assault weapon owners who pose a threat to public safety. APPS maintains information about persons who have been, or will become, prohibited from possessing a firearm subsequent to the legal acquisition or registration of a firearm or an assault weapon. It also provides authorized law enforcement agencies with inquiry capabilities to determine the prohibition status of a person of interest.

DOJ populates APPS with all handgun and assault weapon owners across the state and matches them up against criminal history records to determine who might fall into a prohibited status. Automatic notifications from State and Federal criminal history systems will be received daily to determine if there is a match for a current California gun owner. When a match is found, the system automatically raises a flag to DOJ's Firearms Division staff, which triggers an investigation into the person's status. The key benefits of the system include:

- Leveraging the Internet to eliminate incompatibilities between disparate systems. Internet technology provides a common denominator that allows for firearms data maintained in one system and criminal history information maintained in multiple, disparate systems to be brought together in an automated fashion to identify potentially prohibited persons.
- Speeding up the process. Prior to APPS, the multi-step process to identify potentially prohibited persons was an arduous, manual investigation process at best. By the time all of the paperwork could be gathered to conduct an investigation, a person's status could have already changed. The new system speeds up the process by receiving ongoing, daily criminal history updates for all persons in the system.
- Reducing costs. In addition to providing better service to the law enforcement community, APPS streamlines the overall process by eliminating much of the manual, paper-based effort required to review firearms and criminal history information when identifying a potentially prohibited person. This in turn reduces the time and the cost of the “people” factor in the process.
- Doing more with less. The Automated Firearms System (“AFS”) is the statewide, central repository of firearms information. It contains over 6.6 million historical records. The Automated Criminal History System is California's central repository for criminal history information and contains over 5.5 million automated criminal histories and indexes approximately 100,000 manual criminal records. The development of APPS allows for these two systems to match gun and person information with a person's criminal history in an automated fashion that enables law enforcement to have up-to-date prohibition information on a person within minutes or hours, rather than days or weeks. APPS

enables DOJ to deliver more accurate, timely information with fewer resources and lower costs.

Department of Justice – Correspondence, Storage, Tracking and Response System

The Department of Justice (“DOJ”) establishes and operates projects and programs to protect Californians from fraudulent, unfair and illegal activities that victimize consumers or threaten public safety. To support these programs, DOJ developed a Correspondence, Storage, Tracking and Response System (“CSTAR”), a web-based correspondence system designed to provide DOJ’s Public Inquiry Unit with the ability to receive, analyze, track and respond to all inquiries from the public, elected officials, law enforcement agencies and other governmental entities on a wide variety of subjects and issues. These inquiries may result in a response to the citizen or the initiation of a formal case.

This robust web-based system provides a letter/correspondence function, a document imaging function, a publications request function and a management report function. CSTAR gives the Public Inquiry Unit the ability to process and track all complaints received, whether initiated by fax, phone, mail or email. The new system also contributed to a significant reduction in manual processing and overall handling expense.

With CSTAR, the Public Inquiry Unit manages over 15,000 complaints monthly. DOJ team members in the Public Inquiry Unit can perform ad-hoc queries to quickly retrieve supporting documentation and gain efficiencies through a workflow process that includes saving document images, as well as responses, to electronically maintain a full case history on file.

The system interacts with the DOJ website allowing constituents to submit information electronically to the department. Submission of information using the e-government interface to CSTAR eliminates the need for upfront data entry by DOJ staff. The system has enabled DOJ to handle 10 times the volume of correspondence with no increase in staff. The unit has realized significant cost savings by dramatically reducing paper storage (45,000 sheets / month). DOJ now has the ability to maintain publication inventories, receive scheduled reports, and provide external interfacing organizations (like the Consumer Law Section) with access to complaint information – all with the ease of a single, web-based application.

Department of Health Services – Training by Web Streaming

The Department of Health Services (“DHS”) has regulatory oversight of 36 Local Primary Agency (“LPA”) counties across the State of California (encompassing over 8,000 public water systems). It is imperative to provide up-to-date water safety practices and regulations quickly to these LPAs to ensure the delivery of safe drinking water to all Californians.

Due to cost constraints, DHS no longer can afford to bring all the water program professionals in the counties to a single facility for on-site training. DHS sought a training method that would reach the total population of water program professionals and engineers across the State without requiring them to leave their individual offices. Additionally, DHS wanted to establish an On-Demand Library to allow training to occur at the convenience of the learners. DHS needed a

flexible solution that would allow access to training modules for refreshers on a particular topic or to get up-to-date information to their professionals and engineers.

After investigating alternatives, DHS decided to use a live web streaming system to deliver training. DHS purchased a portable, multimedia broadcast and streaming media system. The system which DHS acquired is a self-contained, portable full-featured broadcast studio for audio-video production, streaming, closed captioning, multi-language communications and non-linear editing.

The new system gives DHS a mobile solution that allows it to train its water program professionals via live web casts and the potential to reach its estimated 60,000 professional stakeholders over the Internet with either live or on-demand training. DHS is not able to train across the State of California without incurring the high cost of travel expenses, and DHS now can reach people who previously could not attend training sessions.

Appendix B

Status Reports on Selected IT Projects

The Department of Finance tracks 117 active projects which are in various stages of development. This appendix contains a series of brief status reports on eighteen of the State's most important and interesting projects. This partial presentation of active projects is intended to convey a sense of the breadth of the State's IT program and a snapshot of the State's progress in using technology to serve the needs of government agencies and the public.

- Department of Child Support Services & Franchise Tax Board – California Child Support Automation System
- State Controller's Office – 21st Century Project
- Department of Finance, State Controller's Office, State Treasurer's Office, Department of General Services – Statewide Fi\$Cal Project
- Department of Corrections and Rehabilitation – Business Information Systems Project
- Employment Development Department – Automated Collection Enhancement System
- Employment Development Department – Unemployment Insurance Modernization Project
- Department of Motor Vehicles – REAL ID Project
- Board of Equalization – Credit Card Payments on BOE-Filed Returns
- Department of Forestry and Fire Protection – Computer Aided Dispatch System
- Department of Industrial Relations – Division of Labor Standards Enforcement Case Management System
- Department of Industrial Relations – Electronic Adjudication Management System (EAMS)
- Department of Water Resources – VPN Access and Secure Meeting
- Department of Food and Agriculture – Emerging Threats Data Management System
- California Department of Insurance – Telecommunication Infrastructure Replacement Project
- Franchise Tax Board – CA Business Entities E-File (BEEF) Project
- California Environmental Protection Agency – Agencywide Web Broadcasts of Public Meetings
- Department of Consumer Affairs – iLicensing System
- Department of Real Estate – Electronic Examinations Project

	<h2>California Child Support Automation System</h2>
<h3><i>Department of Child Support Services / Franchise Tax Board</i></h3>	

In 1999, California enacted legislation to restructure its child support enforcement program, creating the new Department of Child Support Services (DCSS) and charting the course to implement a single statewide automated child support system including the state disbursement unit (SDU). FTB, acting as the Project Agent for the Department of Child Support Services (DCSS), was assigned responsibility to procure, develop, implement and maintain the federally mandated system.

The State of California has been subject to significant annual penalties because it did not successfully implement a certified single statewide automated child support system by October 1998, as required by federal law. The penalties are currently in abeyance pending completion of the federal system certification review.

CCSAS comprises two major components - Child Support Enforcement (CSE) and State Disbursement Unit (SDU); both are required for successful project implementation, federal certification and relief from federal penalties. The project schedule and management functions for these two efforts are fully integrated. The CSE component provides statewide case management and financial accounting services and a single statewide database. The SDU performs the centralized child support payment collection and distribution functions.

CCSAS is being implemented in two major phases. Version 1, which was implemented October 24, 2005, consolidates multiple local systems, provides a link to new statewide services and supports SDU operations. Version 2, scheduled for implementation from November 2006 through September 2008, expands the statewide services component and will provide a single, centralized data base.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ CCSAS will allow the Child Support Program (CSP) to meet the federal requirements for a Statewide Automated System and the State Disbursement Unit. Certification of CCSAS will relieve the State of annual federal penalties in excess of \$200 million, freeing up funds for other critical priorities. ■ CSE benefits families and children by improving the standardization, effectiveness and accessibility of child support collections and business statewide. ■ The SDU minimizes the burden placed on employers by providing easy and convenient processes to meet their payment and reporting responsibilities, providing necessary 	<ul style="list-style-type: none"> ■ Transition of all counties to CSE Version 1 was completed in June 2006. ■ Statewide allocation of payments began in August 2006. ■ Redirection of employer payments from counties to the SDU was completed in September 2006. ■ The SDU began receiving and disbursing payments for

<p>information and instructions, minimizing duplicative employer reporting, and facilitating the resolution of problems encountered by Employers.</p> <ul style="list-style-type: none"> ■ CCSAS will improve the overall quality of data maintained within the CSP, as well as safeguarding the individual's privacy and confidentiality. ■ CCSAS will provide CSP decision makers the necessary statistical, financial, and program management information needed to effectively and efficiently administer the program. ■ CCSAS will improve relationships with financial institutions related to locating and securing assets of Non-Custodial Parents and expedite payments to Custodial Parties. ■ CCSAS will allocate, distribute and disburse collections from income withholding orders consistent with federal guidelines. It will establish efficient payment processes to expedite payment to Custodial Parties, provide necessary payment information to both payers and payees, and facilitate the resolution of problems and complaints. ■ CCSAS will improve the interfaces, data exchanges, and communication between the CSP and various third parties who are responsible for providing Case Member information and financial data. It will minimize duplication of data, maximize the accuracy and timeliness of data, and ensure processes for effective third party complaint resolution and payment processing. ■ CCSAS will improve CSP interactions with other jurisdictions (i.e., those separate entities with their own authority and power). It will facilitate interjurisdictional payment processing, maximize the ability to exchange Case Member information, initiate and process cases, and process requests for CSP services. ■ CCSAS will improve CSP processes that require interactions with the Courts and Judicial Council. It will improve the processes for filing legal documents and scheduling court actions, maximize the exchange of information between CSP and the Courts, and facilitate consistent case processing statewide through outreach and education with the Courts and the use of standardized Judicial Council forms. ■ CCSAS will maximize the ease of system maintenance and enhancement through the use of open architecture and standards. Solution-specific architectural best practices govern system development and integration activities and provide the basis for acceptance of contract deliverables. 	<p>non IV-D cases in September 2006.</p> <ul style="list-style-type: none"> ■ In September 2006, the State formally notified the federal government that the State meets all of the federal requirements for system certification. The State also submitted the federal certification package. ■ CSE Version 2 implementation began in November 2006 with implementation at DCSS. ■ CSE Version 2 implementation will continue for all 58 counties through September 2008. ■ The federal certification review is scheduled to begin in January 2007. Current plans target completion of the review by the end of 2007.
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	21st Century Project
<i>State Controller's Office</i>	

The State Controller's Office (SCO) is replacing its human resources and payroll systems with new human resource management/payroll (HRMS) software. The new HRMS will be maintained by SCO and operate at the Department of Technology Services. The current human resource and payroll systems fail to address many of the needs associated with current human resource practices. Further, dependence on outdated technology and the loss of technical and application support presents significant risks to the state. While the current human resources and payroll systems are still operating, they cannot last indefinitely. This is the primary reason why the 21st Century Project (Project) was initiated.

Upon approval of a Feasibility Study Report, the SCO initiated a two-phased procurement. In the first phase, software for a new HRMS was selected. In the second phase, a system integrator was selected to incorporate state business requirements into the software. The system integrator is also responsible for preparing state agencies and CSU campuses for the changes associated with the new HRMS. The software procurement was finalized in April 2005 with the selection of SAP. In March 2006, BearingPoint was selected as the system integrator. At the conclusion of the procurement process, a Special Project Report was completed and approved, detailing the Project scope, timetable, methodology, and the total cost to develop and implement the new HRMS. Contracts were signed with both SAP and BearingPoint on June 12, 2006.

The Project completed the Project Preparation Phase and is nearing completion of the Blueprint Phase. The information gathered during the Blueprint Phase will be used to configure SAP software in conformance with state business requirements during the Realization Phase. Once the Realization Phase is complete, the Project will initiate the Final Project Preparation Phase, which will ultimately result in the Go Live Phase where the state will begin use of the new HRMS.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ The current human resources and payroll systems lack flexibility, which makes system modifications difficult, complex and expensive. ■ Core systems are based on outdated technologies, putting the state at risk for system failure. ■ The lack of needed functionality in existing systems does not address the needs of today's complex HR business requirements. ■ Outdated business practices need to be eliminated or redesigned to increase efficiency within the state. Restructuring of the state's business practices is the foundation for the new HRMS. 	<ul style="list-style-type: none"> ■ Phase 1, Project Preparation—Completed September 2006. ■ Phase 2, Blueprint—Scheduled to conclude November 2006. ■ Phase 3, Realization—Scheduled to begin December 2006. ■ Change Management efforts have started and will continue throughout the Project.

	<h2 style="margin: 0;">Statewide Fi\$Cal Project</h2>
<i>Department of Finance, State Controller's Office, State Treasurer's Office, Department of General Services</i>	

The Administration has approved the development of a modern statewide financial information system, which is known as the Financial Information System for California, or FI\$Cal. The resources necessary to design and implement the FI\$Cal Project still need to be obtained through the budget process. Through a partnership of the Department of Finance, the State Controller's Office, the State Treasurer's Office, and the Department of General Services, this "Next Generation" project will prepare the state systems and workforce to function in an integrated financial management system environment. Each of the partners has constitutional and/or statutory responsibilities related to the state's financial management that will not change or expand with the proposed enterprise financial system. When fully implemented, this integrated system will replace the many separate financial systems now used by all state agencies. The FI\$Cal Project will utilize the latest Enterprise Resource Planning software to standardize procedures across agencies, and build on "best practices." It will offer powerful financial analysis and reporting capability as well as provide more accurate cross-agency views of budgeted and actual financial information to facilitate effectively managing spending. In addition, the FI\$Cal Project will provide the platform to implement state shared services to eliminate wasteful duplication.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ For the state to operate like a business, it must be able to perform analysis and reporting at all levels in a timely manner. The state currently has too many different business systems that are aging out, cannot and do not provide the information needed to manage the state effectively. These systems severely restrict the state's ability to manage and report accurately on business operations and distribute resources in real time. State financial managers agree the state needs to modernize and standardize its office systems to efficiently manage the state's enterprise. The "Next Generation" of business systems will combine financial management business processes in a single system. ■ The state must also prepare its workforce to manage the state as a dynamic enterprise. These changes require a financial management system that integrates and automates diverse business practices and operations. As the technology is modernized, the workforce must be transformed. The FI\$Cal Project will be based on Enterprise Resource Planning (ERP) software and will become the required standard for all agencies and departments. The project will play a major role in succession planning for the changing financial management workforce. ■ The FI\$Cal Project will ensure best business practices by embracing opportunities to reengineer the state's business processes and will encompass the management of resources and dollars in the areas of budgeting, accounting, procurement, cash management, financial management, financial reporting, cost accounting, asset management, 	<ul style="list-style-type: none"> ■ Currently developing Request for Proposal (RFP) for the system integrator and software solution. Statewide Business Requirements Workshops were conducted during the July 2006 – October 2006 period. ■ Currently developing procurement documents for the Project Manager, Independent project oversight, verification, and validation consultants. ■ The Special Project Report was approved and distributed in December 2006. It is currently under review by the Legislative Analyst's Office. ■ A budget change proposal (BCP) to be submitted as part of the January 10 Governor's Budget initiates the legislative approval process. ■ The Project Management Office is currently looking

CALIFORNIA STATE INFORMATION TECHNOLOGY ANNUAL REPORT

project accounting, grant management and human resources management.	at ways to address the significant staff resources necessary to implement the project.
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	Business Information Systems Project
<i>DEPARTMENT OF CORRECTIONS AND REHABILITATION</i>	

The State of California Department of Corrections and Rehabilitation (CDCR) has engaged in an effort to procure, design, implement, and provide on-going support for an Enterprise Resource Planning (ERP) Solution, known as the Business Information System (BIS) Project. The BIS Project will automate, integrate, and standardize the CDCR’s business functional areas of Financials/Budget Management, Human Resources Management, and Procurement/Contracts Management. The implementation of an integrated solution allows the Department to identify expenditures on an updated basis to better manage and control the CDCR’s multi-billion dollar per year budget and approximately 60,000 employees. In support of the general mission and operations of CDCR, the BIS Project will standardize business processes throughout the Department, employing ‘best practices’ and will align spending authority to spending plan, enable more effective resource management, and improve the forecasting, tracking, and reporting of the business functional area activities on a statewide basis. This system will replace the manual processes and stand alone systems currently utilized to perform these various functions. The BIS Project will interface with the state agency ERP systems being developed by the State Controller’s Office (SCO) and Department of Finance (DOF) underscoring the strategic and executive partnership that CDCR is forging with other state agencies’ ERP implementations.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ The BIS will enable CDCR to reengineer business processes to more efficiently and effectively manage the operations by isolating and identifying specific operational fiscal drivers and providing managers with the means to collect, store and report on fiscal data to manage operations. ■ Through the alignment of spending authority with spending plans, the BIS solution will provide management with the tools to more effectively manage resources and perform workload management, capture actual cost of programs, and provide an integrated system to perform statewide trend and cost benefit analysis, achieving cost savings through better decision making. ■ Through interface developments with the SCO 21st Century and the DOF FI\$Cal Projects, BIS is the first step in the development of statewide-enterprise resource planning strategy, which will provide the Administration of the State of California with consistent, accurate and timely operational fiscal, resource, and procurement data. 	<ul style="list-style-type: none"> ■ BIS Project Team assigned and project work site established ■ Project plan and funding approved. ■ Definition of business and technical requirements completed. ■ BIS RFP developed and issued to vendors. ■ Final stages of the BIS procurement in process.

	<h2 style="margin: 0;">Automated Collection Enhancement System</h2>
<h3 style="margin: 0;"><i>Employment Development Department</i></h3>	

The Employment Development Department (EDD) received approval and initial funding to design and implement an Automated Collection Enhancement System (ACES) that will increase annual employment tax collection revenue by approximately \$70 million when fully implemented. ACES will also include the collection of wage claims and various penalties for the Department of Industrial Relations (DIR). The proposed application will replace many separate systems and manual processes currently used by EDD and will include tools for account inventory management. The ACES project, which started on July 3, 2006, will be conducted as both a business-based and a benefits-based procurement in which the contractor will provide a solution to defined business objectives and will be paid only when additional revenue that is directly attributable to the system is achieved. Revenue generated from the solution will be used to fully offset project costs. ACES will provide taxpayers with additional payment options to facilitate compliance by allowing employers to make electronic payments and establish payment plans. It will increase the compliance and accuracy of taxes by establishing a quarterly reconciliation of employer payments to taxes due.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ An 18 month study, the Employment Tax System Review, determined that the legacy Tax Accounting System (TAS) that was designed in the early 1980's currently used to support collections lacks the functionality necessary for effective collections. ■ The new system will provided critical functionality, currently lacking in TAS, to assign collection priorities, model accounts, produce customized tax billings and statements, automate involuntary collection actions, payment plans, lien and bankruptcy processes, and support case/workload management. ■ ACES will provide effective interfaces with internal and external agencies, and management information system reporting to optimize the collection program and develop effective strategic, tactical, and operation plans. ■ ACES will allow employers to access information on their accounts, use other alternative payment methods such as credit cards, and provide them with electronic methods for communicating, filing tax information and employment data, and paying their liabilities. 	<ul style="list-style-type: none"> ■ ACES FSR Approved March 30, 2006. ■ Initial funding for design and development included in a Finance Letter SFY 2006/2007. ■ ACES Project Core Team assigned and project processes and procedures developed. ■ Definition of business and technical requirements are in progress. ■ Procurement of oversight, requirements/procurement and project management support contractors are in-progress.

	<h2 style="margin: 0;">Unemployment Insurance Modernization Project</h2>
<h3 style="margin: 0;"><i>Employment Development Department</i></h3>	

In an effort to improve the efficiency and effectiveness of the state’s Unemployment Insurance (UI) program, the Employment Development Department (EDD) initiated the UI Modernization (UIMOD) Project with project management services provided by the Office of Systems Integration. The UIMOD project includes two subprojects, the Continued Claims Redesign (CCR) and the Call Center Network Platform and Application Upgrade (CCNPAU). The CCR subproject will automate the continued claims process by providing a multi-channel self-service application that in addition to current processes will utilize the Internet and enhanced telephonic technology for continued claims submission. The CCNPAU subproject will replace the existing UI call processing infrastructure and expand call handling capacity. The EDD’s eight UI Primary Adjudication Centers, the Insurance Accounting Call Center, and six UI Claim Processing Centers will be consolidated into one virtual call center with an enterprise management information system. The UIMOD System will also include business intelligence for improved fraud prevention and detection capabilities.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ Provide improved technology to increase efficiency and accommodate increasing business volume with limited staff resources. ■ Improve the quality and efficiency of UI processes by replacing the underlying infrastructure and deploying secure self-service capabilities. ■ Improve the quality of fraud detection and fraud prevention efforts by providing better reporting and improved system capabilities to detect and prevent fraud. ■ Provide customer service at a level consistent with desired California standards and in accordance with US Department of Labor performance measures. 	<ul style="list-style-type: none"> ■ The 2003 Budget Act provides \$73.9 Million federal Reed Act monies available for One-Time costs through the project’s life cycle ■ \$7.8 Million UI Grant monies will be redirected to One-Time Costs ■ Sept. 2006, The Special Project Report approved by the Department of Finance ■ Nov. 2006, The UIMOD Request for Proposal submitted to the Department of General Services for approval ■ May 2008, Award the Prime Contract ■ Sept. 2011, UIMOD system acceptance

	<h1>REAL ID Project</h1>
<h2><i>Department of Motor Vehicles</i></h2>	

Although the final published regulations for REAL ID have not yet been released by the US Department of Homeland Security, the California Department of Motor Vehicles (DMV) has committed resources for REAL ID planning and preparation efforts to enhance their information technology (IT) systems, increase system capacity and expand its facilities in order to be able to accommodate the anticipated increased workload and expected IT system requirements. In addition, DMV’s continuous efforts to improve customer service determined the need to launch an even more vigorous effort to enhance the department’s Internet capacity to better serve the public, to reduce required visits to department field offices for non-driver’s license-related transactions, and to enhance the security of its Internet-based programs.

Business Drivers	Current Status
<ul style="list-style-type: none"> ▪ Field Office Workload Reduction Initiatives: Designed to redirect non-driver license/identification card workload to the Internet resulting in position savings and additional revenue. <ol style="list-style-type: none"> 1. The Web Business Partners Automation component utilizes a less costly solution to the current Business Partner Automation link via the web. Utilizing the Web Site Infrastructure to deploy this web service has the potential of increasing the business base for the current business partners as well as creating opportunities for new business partners to join the program. 2. Change of Address on the Internet allows the public to change their address online. ▪ Expanded Name Field: REAL ID may require DMV to store up to 175 characters in the name field. Expanding the name field will build the infrastructure to support the collection, storage, and retrieval of an expanded true full name field. ▪ Web Site Infrastructure: This modification of DMV’s Internet infrastructure (hardware, software, tools and personnel) positions the department to incorporate components (e.g., identity management, secure communications utilizing the most up to date technology, sharing of data with other States) of REAL ID in such a way that it is flexible for future enhancements and is invisible to customers, but permits DMV to more easily communicate with business partners, the public, and other entities. ▪ Privacy & Security – IT Systems & Work Processes: DMV is continually striving to ensure that the confidentiality and 	<ul style="list-style-type: none"> ▪ Sub-project completed 09/06. ▪ Sub-project is in the initial planning stages and IT staff hiring has commenced. ▪ Procurement process begun and Request for Proposals was released 10/06. Draft proposals are due by 01/07. ▪ Developing procurement doc-

<p>privacy of the public's information is protected. REAL ID requires that DMV store and share additional personal information and documents with other entities. An information security consultant will be hired to assist DMV in instituting appropriate safeguards as REAL ID's requirements are implemented.</p>	<p>uments to hire an Information Security Consultant and sub-project staff are in the process of developing a Statement of Work.</p>
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	<h2>Credit Card Payments on BOE-Filed Returns</h2>
<h3><i>BOARD OF EQUALIZATION</i></h3>	

The Board of Equalization (BOE) administers 25 different tax and fee programs which provide over 30 percent of California’s annual revenue. For FY 2004-05, all tax and fee revenues collected by BOE totaled \$49.95 billion. The largest of these programs, the Sales and Use Tax Program, had total FY 2004-05 revenues of \$41.5 billion.

The BOE-file procedure allows certain sales and use taxpayers to electronically file and pay their returns. Payment must be made through the use of an Automated Clearing House (ACH) debit or credit. Certain other taxpayers also have an option of using a credit card to pay taxes reported on their returns. However, these taxpayers must file paper returns. This project will consolidate the ACH and credit card payment options for eligible sales and use taxpayers who use the BOE-file program.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ Enhances customer service by providing expanded e-service options. ■ Increases efficiency of return and payment processing by eliminating processing of paper returns. 	<ul style="list-style-type: none"> ■ Feasibility Study Report approved. ■ Internal funding approved. ■ Project charter and plans completed. ■ Conceptual design process completed. ■ Requirement analysis completed. ■ Physical design in process.

	Computer Aided Dispatch System
<i>Department of Forestry and Fire Protection</i>	

The California Department of Forestry and Fire Protection (CDF) initiated the Computer Aided Dispatch (CAD) project to acquire a computer-based CAD system capable of handling the complexities of the wildland fire initial attack response as well as handle all types of emergencies dispatched by CDF Emergency Command Centers (ECC). The system interfaces with a number of existing CDF command and control systems to provide a multi-user, multi-tasking dispatching environment deployed at all twenty-one CDF ECCs. Northrop Grumman, Information Technology (NGIT) was chosen as the CAD vendor because of the quality of its “Altaris CAD” product and its ability to modify the product to meet specific CDF requirements. CDF now operates a state-of-the-art CAD system that has reduced dispatch response times from minutes to seconds with much greater accuracy. The system provides critical tactical information instantly as well as a statistical reporting and data transfer capability unattainable with the previous system. The system also serves as a platform ready to exploit new and existing technologies as they become operationally viable.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ Previous CAD system was antiquated and did not meet Federal standards for dispatch response times ■ Previous system had no interface capability. Work flow was inefficient due to duplicate data entry into multiple systems ■ 	<ul style="list-style-type: none"> ■ CAD is deployed at all twenty-one ECCs. ■ CAD to CAIRS interface in production ■ CAD to CAD interface to be released to production in 12-06 ■ CAD to ROSS interface testing to occur 02-08

<h2 style="margin: 0;">Division of Labor Standards Enforcement Case Management System</h2>
<div style="background-color: #003366; color: white; padding: 5px; font-style: italic; font-weight: bold;"> Department of Industrial Relations </div>

California has committed resources to design and implement a statewide Case Management System (CMS) for the Division of Labor Standards Enforcement (DLSE), a division of the Department of Industrial Relations (DIR). The new system, known as CMS, will replace the eighteen separate systems now used by the DLSE and will provide a centralized database that incorporates all the programs under the mandate of the State Labor Commissioner. CMS utilizes COTS software which is configured to the needs of the DLSE. The centralized data base will allow DLSE to track those employers who have a history of violating labor law and in cases where the Labor Code provides, assess increased penalties for these repeat offenders. It will allow DLSE staff access to statewide information on employers and licensees to better enable them to conduct focused field investigations and track violators statewide.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ Implementation of the new Central Case Management system integrates all the DLSE business functions. There were 18 separate databases in the Division that had no connection or interface capability. ■ CMS eliminates duplicate data entry that DLSE staff was required to do in several program areas. ■ CMS captures complete employer and employee information in one data base. This allows staff throughout the state and across all programs to track repeat offenders who tend to “shop” for different answers to labor law questions and/or file complaints in multiple offices. ■ CMS integrates a cashing functionality with other DLSE functions in one automated system. Prior to CMS, the cashing function was performed in a separate system that required users to re-enter employer and employee information in order to issue payments to workers. ■ CMS allows the user to electronically refer cases from one program to another and one office to another without sending a paper file. ■ CMS provides statewide management information statistics on DLSE programs that were previously done manually from paper reports submitted to headquarters by each field office. 	<ul style="list-style-type: none"> ■ CMS screens and processes are fully developed. ■ System Integration and End User Testing is complete except for two business processes. ■ Performance testing is complete. ■ Report development for CMS is 75% complete. ■ End user training is underway. ■ Data conversion logic is complete and legacy data has been cleansed. ■ Go-Live is scheduled for December 4, 2006. ■ Reliability Testing will begin on Dec. 4th and continue for 60 days.

	<h2 style="margin: 0;">Electronic Adjudication Management System (EAMS)</h2>
<h3 style="margin: 0;"><i>Department of Industrial Relations</i></h3>	

The State of California’s Department of Industrial Relations (DIR) is moving forward with the implementation of the Electronic Adjudication Management System (EAMS) to replace the court technology of its Division of Workers’ Compensations (DWC) and upgrade its technical infrastructure to better meet statutory guidelines, realize operational efficiencies, and lower the overall cost of the California Workers’ Compensation System in California. The EAMS, utilizing an enterprise database system, will replace the legacy Workers Compensation Appeals Board - WCAB On-line, Vocational Rehabilitation, and Disability Evaluation Unit systems with a COTS (Commercial Off the Shelf) case management, calendaring, document management, and cashiering solution, integrating with it DWC’s existing investments and functions, such as the Workers’ Compensation Information System (WCIS), the AristoCAT court reporting software, and call center. With a centralized, integrated system, DWC will drastically improve its overall business intelligence and customer service capabilities.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ With the implementation of EAMS, DWC will address untimely resolution of workers’ compensation claims problems, excess costs of litigation, and lack of uniformity in following guidelines. ■ EAMS will move the official filing system from paper based to a digital file. Archived files recalled from storage facilities will also be added to the digital file. Paper files will cease to be the official files of DWC in summer, 2008. No more paper files will be created and as the file retention deadlines are reached, old paper files will be removed from storage facilities and destroyed. ■ EAMS will facilitate multi-disciplined simultaneous access to court files. To date, paper files had to be transported, and shipped between separate physical locations for access. ■ The EAMS system will allow DWC to streamline the process of creating files, setting hearings, and serving decisions, orders and awards; improve access to case records while preserving confidentiality; provide cost and time savings to parties to a case and to the State; reduce delays and eliminate duplication; reduce file storage space and shipping costs; standardize the DWC desktop computing environment across all units; and support enforcement against uninsured employers ■ The EAMS will provide a single computerized calendaring system to enable automatic determination of the earliest available hearing date, considering previously scheduled hearings for counsel at all WCAB district offices. ■ EAMS will enable staff to enter and access a broader range of data and eliminate redundant data entry allowing for contemporaneous notes to be attached to a case record to reduce redundant requests for information. 	<ul style="list-style-type: none"> ■ SPR specifying the proposed COTS solution is approved ■ Project kickoff is planned for December 12, 2006 ■ Project implementation is expected to last for two years. July 2008 is the date the system is expected to be up and running

	<h2>VPN Access and Secure Meeting</h2>
<h3><i>Department of Water Resources</i></h3>	

The Department of Water Resources has committed resources to purchase and implement the Juniper Secure Access SSL and VPN appliance. The systems, when fully implemented, will replace the Department’s aging Cisco VPN appliance that is at end of life. The new Juniper appliance will allow the Department to continue to have secure remote network access for mobile employees. This new appliance will also allow the enforcement of Department security policies limiting access to those that meet the Department’s anti-virus and malware protection requirements. In addition, the appliance is equipped with the Secure Meeting option that allows secure on-line web conferencing for employees and non-employees using a standard web browser. Conferences can be scheduled by authorized employees. Web-conferencing is a cost effective tool that reduces travel and allows on-line participants to view and share desktop and application information in real-time from their offices or remote worksites.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ Satisfies the need to upgrade the aging VPN appliance that was approaching end-of-life. ■ Enforce DWR security policies requiring remote VPN users to meet anti-virus and malware protection. ■ Positions DWR to allow the use of non-DWR provided laptops for consultants if they meet the Department’s anti-virus and malware protection requirements. ■ Provides a cost effective web-conferencing solution to support on-line meeting and training needs. 	<ul style="list-style-type: none"> ■ Conducted vendor research and pilot testing. ■ Purchased Juniper system and installed in parallel with existing Cisco VPN System. ■ Developed on-line user procedures and conducted both Help Desk and LAN Administrator orientation on the product. ■ Announced system availability to end-users November 2006.

	<h2 style="margin: 0;">Emerging Threats Data Management System</h2>
<h3 style="margin: 0;"><i>Department of Food and Agriculture</i></h3>	

The California Department of Food and Agriculture is developing a custom Data Management System designed to improve its premises, animal population, and associated laboratory testing data quality by integrating disparate systems, collecting critical field data via the web on a day-to-day basis, and adding modules for animal disease surveillance and product inspection data. The use of day-to-day field activities and web-based, consolidated information systems will provide CDFA experts with more accurate animal population information at the time of an incident, and connectivity will provide rapid correlation with test results. The data management system will provide local incident commanders and emergency operations center managers with more accurate, complete, and current disease situational reports so that better field-level tactical decisions related to implementing disease control strategies can be made. Additionally, improved data sharing via web-based access and improved data quality will enable cooperating and supporting agencies to similarly make better tactical decisions.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ California is facing new emergency response challenges due to emerging diseases such as AI and increasing threats of bioterrorism directed against the food supply and is statutorily required to minimize these new threats. ■ CDFA has statutory responsibility of initial response to animal agricultural emergencies, whether those are naturally occurring, accidental, or intentionally introduced as mandated by Food and Agriculture Code Section 9562. ■ The Department is pervaded with information management problems at many levels, from the most basic task of receiving accurate data on premises locations to the most complex task of using the sum total of data available to make critical response decisions. ■ Much of the critical animal health support and disease data, especially data located in district and field offices, exists in hard copy documents, electronic spreadsheets, and independent flat file databases. This antiquated, pieced-together system cannot support the increasing demands of the emergency and rapid response elements of the CDFA business objectives. 	<ul style="list-style-type: none"> ■ FSR and BCP approved ■ Initial funding for design and development have been included in the FY06/07 CDFA Budget ■ Project management team has been assigned ■ Recruitment in process for allocated positions ■ Initial analysis and design phase in process ■ Definition of business and technical requirements in progress ■ Procurement of project oversight and IV&V consulting services is in progress

	<h2 style="margin: 0;">Telecommunication Infrastructure Replacement Project</h2>
<h3 style="margin: 0;"><i>California Department of Insurance</i></h3>	

The California Department of Insurance (CDI) has committed resources to design and implement a modern statewide telephone system, which is known as the Telecommunications Infrastructure Replacement Project (TIRP). The proposed solution is the implementation of **Voice over Internet Protocol (VoIP)** for the CDI’s entire telecommunications infrastructure. This solution is based on mainstream technology that has proven to be fully secure and manageable. It uses the CDI’s existing local area network (LAN) and wide area network (WAN) as the primary transport system until a call must be moved to the Public Switched Telephone Network (PSTN). This combining of voice and data over the same transport network is known as a converged network. The solution will completely replace all of the CDI’s existing telephone infrastructure and hardware (including handsets and automatic call distribution systems), and support the CDI’s transition to modern contact center environments.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ Current telephony system has reached end-of-life and will no longer be supported by the vendor community. ■ Current Call Centers have limited functionality and face operational problems due to inefficiencies of current systems such as; no reliable source of data upon which to measure service levels, inefficient communications with CDI staff while on calls with customers, constituent requests assigned to staff by type of query (i.e. e-mail, FAX, and telephone) creating inefficient resource assignments, and lack of caller history increasing call time. ■ Current telephony system features are functionally inefficient. For example, current telephony system does not provide remote access during emergency situations, does not provide uniform service across all offices, and does not provide consistent caller ID or dialing patterns. Different Voice Mail Systems (VMSs) prevent message transfer between VMSs and incur higher training and operational costs, CDI staff cannot access e-mail, fax mail, and voice mail from a single platform, and CDI staff are often forced into telephone “tag” situations, which decreases efficiency. 	<ul style="list-style-type: none"> ■ TIRP business and technical requirements developed ■ Funding for design and implementation included in the FY06–FY07 ■ TIRP Project Team assigned and project work site established ■ Solution provider engaged under contract through competitive bid process ■ Gathering requirements and the development of other contact deliverables in progress ■ Pilot implementation scheduled to begin April 2007

	<h2 style="margin: 0;">CA Business Entities E-File (BEEF) Project</h2>
<h3 style="margin: 0;"><i>Franchise Tax Board</i></h3>	

California’s Franchise Tax Board has recently implemented a new system to allow its corporate and business taxpayers to file electronically. This system is very similar to the IRS system at the federal level in that taxpayers submit their tax return data via XML technology over the Internet.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ Business entity tax returns (corporations, partnerships, and Limited Liability Companies) are among the most costly paper return types for the Franchise Tax Board to process. In fact, some of the more complicated returns cost upwards of \$25/per to process. ■ Unlike personal income tax returns – which have been able to be e-filed since 1994 – FTB has not had the benefit of e-file for business entities until this past year. ■ A significant driver behind FTB’s implementation of business e-file is the IRS’ e-file modernization efforts. To achieve efficiencies related to the value that the Internet provides, and to address other modernization issues, the IRS embarked on an XML-based effort a few years ago, starting with corporations. This was first implemented in 2004. State development efforts soon followed, with 2006 the first year that XML-based state returns were implemented. California was one of four states to implement a state-level modernized business e-file program. ■ California started with the basic corporation return, and 15 related forms and schedules. ■ Over 11,000 e-filed corporation returns have been received since implementation in January 2006 – by far the largest volume of returns of any of the participating states. ■ Compared to what average modem-based transmission processing times would have been for similar files (over 10 minutes / transmission), corporation e-file transmission processing times have typically averaged seconds. ■ Because of XML’s capabilities, up-front return and formatting errors are realized much more efficiently than the traditional proprietary format would have allowed for. ■ Another significant business driver is a federal-level mandate for the largest corporations to e-file their returns. 2006 was the first year of the mandate. Such corporations are soon expecting states to allow e-filing for the state-level counterpart return. 	<ul style="list-style-type: none"> ■ In January, 2007, FTB will add the following new form types: ■ Limited Liability Companies ■ Subchapter S Corporations ■ Partnerships ■ In January 2008, FTB will allow e-filing for the largest of corporation returns – commonly known as “combined returns”.

	<h2 style="margin: 0;">Agencywide Web Broadcasts of Public Meetings</h2>
<h3 style="margin: 0;"><i>California Environmental Protection Agency</i></h3>	

The California Environmental Protection Agency and its boards, departments, and offices moved approximately 3,000 staff into the Joe Serna Jr. Cal/EPA Headquarters Building located in downtown Sacramento in the fall of 2000. Given that environmental regulatory and permitting issues often have a wide scope and generate substantial public interest, and given that the various boards within Cal/EPA have statutory requirements related to open public meetings, there is an ongoing need to facilitate public access to meetings.

To meet these requirements for improved public access, and in conjunction with recent advances in technology and reductions in the cost to provide these services, Cal/EPA has since 2002 provided audio or video web broadcasts of all publicly-noticed meetings in the Cal/EPA Headquarters Building, and now conducts more than 250 Webcasts each year. In addition, most of the Cal/EPA publicly-noticed meetings held in other locations throughout the state are also 'Webcast'.

In order to provide a single solution for the six separate organizations within Cal/EPA, the system was designed and implemented as integrated Web-based applications that provide Webcast session scheduling, room scheduling, public calendaring, lobby display monitor, and full-featured staff directory (for authentication). These capabilities were implemented for very low cost and provide significant benefits to the state organizations and the public.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ Public access is important for environmental regulatory and permitting issues which often have a wide scope and substantial public interest. ■ The various boards within Cal/EPA have statutory requirements related to open public meetings. ■ Consistent with Cal/EPA's mission, Webcasting allows public access without the cost and resource consumption associated with having to actually travel to attend one of the Webcast meetings. ■ Easier electronic access to meetings facilitates training for internal staff that can access the Webcasts from their desktop computer while continuing to perform other work activities. 	<ul style="list-style-type: none"> ■ Web site provides public access and listing of all current, past, and planned A/V Webcasts ■ As part of building design and construction, public hearing rooms and auditorium outfitted with cameras and control room ■ Low-cost encoding and media servers implemented ■ Web-based cross-organizational application provided to schedule Webcasts, define needs, etc. ■ Integrated 'lobby monitor' informs public of ongoing meetings ■ Cal/EPA now conducts more than 250 Webcasts per year

	iLicensing System
Department of Consumer Affairs	

The Department of Consumer Affairs (DCA) seeks an information technology solution that will provide, for all license types offered by its boards and bureaus, a secure and reliable on-line licensing system. The system, iLicensing, will provide the public with access to key licensing services over the internet, including submitting license applications, requesting license renewals or duplicates, address changes, and accepting electronic payments for license fees.

The proposed solution will interface with the DCA’s Applicant Tracking System and Consumer Affairs System, as well as provide each Board, Bureau, and Program with specific, tailored solutions for its on-line licensing needs.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ The Governor issued executive order D-17-00 September 2000 to implement electronic technologies that would allow the people of California to receive government services and interact with state government. ■ In 2000, the joint legislative sunset review committee issued “crosscutting recommendations” for all DCA Boards, Bureaus, and Programs to assess the impact of the internet on their internal operations and programs. Specifically, Boards, Bureaus, and Programs should identify opportunities for streamlining administrative functions and examine the feasibility and appropriateness of offering online license application and testing services and information to consumers. ■ May 2002 strategic plan states that a key DCA objective is to expand on-line access to services and information through continued development of program and administrative infrastructure. ■ Replace the iLicensing pilot system to allow all Boards, Bureaus, and Programs to take advantage of the on-line services. 	<ul style="list-style-type: none"> ■ iLicensing feasibility study report has been approved by the Department of Finance. ■ iLicensing budget change proposal has been adopted into CA budget. ■ iLicensing information technology procurement plan has been approved by the Department of General Services. ■ Definition of business requirements is complete. ■ Definition of technical requirements is in progress. ■ Procurements of independent verification and validation consultant, project management consultant and independent project oversight consultant are in progress. ■ Request for proposal development is in progress.

	Electronic Examinations Project
<i>Department of Real Estate</i>	

The Department of Real Estate (DRE) continues to explore ways to enhance and expand its technology resources. As of July 1, 2006, subsequent to approval through the technology review and budget processes, DRE initiated the Electronic Examinations Project.

The Electronic Examinations Project will automate the manual examination administration processes. This system will provide DRE with the capability to reduce the overall turnaround time for candidates to receive a real estate license while administering exams in a more efficient and effective manner. With Electronic Examinations, no examination booklets or answer sheets will be used. Candidates will be tested using computer equipment in one of the Department’s examination centers. Significant improvements in examination security will be featured. Examination grading will be performed automatically at the conclusion of the exam. Those examinees who pass the electronic exam and have satisfied all license requirements can immediately be provided with a temporary license. The Electronic Examinations Project is a 3-year project with a cost of \$4.7 million.

Business Drivers	Current Status
<ul style="list-style-type: none"> ■ Improve examination services and testing practices by allowing for the scrambling of examination material, presenting a varied question format, concluding the test immediately upon time expiration, and providing increased proctor control. ■ Provide immediate examination results. ■ Provide a temporary license to qualified candidates who pass the examination. ■ Reduce program costs to administer on-site real estate examinations by reducing duplication, forms, shipping, storage, destruction, and grading costs. ■ Increase security by providing the means to capture examinee identification, eliminate theft of materials, eliminate the need for examinees to bring electronic devices such as personal calculators into the examination, allow the incorporation of biometrics into the identification process, and authorize properly scheduled examinees into the facility by having current information readily available to the exam proctors. 	<ul style="list-style-type: none"> ■ Electronic Examinations Project Team assigned and responsibilities delegated ■ Technical presentation provided to the real estate industry and education providers ■ Definition of business and technical requirements completed ■ System architecture and data modeling designs in progress ■ Pursuing examination room renovations through the Department of General Services

Appendix C

California Executive Information Technology Leaders

The State CIO extends his appreciation to all the people and organizations who contributed to the California State Information Technology Program and this Annual Report.

Agency Information Officers

Agency	Contact	Title
Business, Transportation & Housing Agency	Michael Liang	Deputy Secretary IT
Corrections and Rehabilitation, CA Dept of	Jamie Mangrum	Assistant Secretary of Information Technology/AIO
Environmental Protection Agency, CA	Gary Arstein-Kerslake	Agency Information Officer
Food and Agriculture, Dept of	Davood Ghods	Agency Information Officer
Health and Human Services Agency	Carlos Ramos	Agency Information Officer
Resources Agency	John Ellison	Agency Information Officer
State and Consumer Services Agency	Andrew Armani	Agency Information Officer

Chief Information Officers

Agency	Contact	Title
Alcoholic Beverage Control, Department of	Lyle Stewart	Chief Information Officer
Administrative Law, Office of	Mark Tran	Assistant Info Sys Analyst
African American Museum	Woodburn Schofield	Deputy Director, Operations, Special Programs
Aging, Commission on	Sandra Fitzpatrick	Executive Director
Aging, Department of	Bill Hogan	Chief Information Officer
Agricultural Labor Relations Board	Jim Winston	Program Services Officer
Air Resources Board	Bill Welty	Chief Information Officer
Alcohol & Drug Programs, Department of	Susan Rushing	Chief Information Officer
Arts Council, CA	Lorenzo Hines	Chief of Administrative Svcs
Board of Governors, Community Colleges	Waldo Galindo	Director of Information Systems
Boating & Waterways, Department of	Frank Wong	Chief Information Officer
Building Standards Commission, CA	Dave Walls	Executive Director
Bureau of State Audits	Karl Okamoto	Chief Information Services
California Gambling Control Commission	Michael Gardner	Chief Information Officer
California Workforce Investment Board	Kenneth A. Smith	Chief Information Officer (Acting)
Child Development Policy Advisory Committee	Kay Ryan	Executive Director
Child Support Services, Department of	Joan Obert	Assistant Deputy Director Technology Services
Chiropractic Examiners, Board of	Cathy Hayes	Executive Director
Coastal Commission, CA	Gary Criswell	Acting Chief Information Officer

CALIFORNIA STATE INFORMATION TECHNOLOGY ANNUAL REPORT

Coastal Conservancy, CA State	Chris Crossley	Chief Information Officer
Colorado River Board of California	George R. Spencer	Chief Information Officer
Community Services & Development, Department of	Ed Lee	Chief Information Officer
Conservation Corps, CA	Libby Schram	Chief Information Officer
Conservation, Department of	John Lane	Assistant Director/ Chief Information Officer
Consumer Affairs, Department of	Debra Gonzales	Chief Information Officer
Contractors State License Board (DCA)	Amy Cox-O'Farrell	Information Officer
Controller's Office, State	Dave Dawson	Chief, Information Services (Acting)
Corporations, Department of	Tom Dolce	Chief Information Officer
Corrections & Rehabilitation Department of	Jamie Mangrum	Assistant Secretary of Information Technology/AIO
Criminal Justice Planning, Office of	Shirley Wang	Chief Information Officer
Debt Limit Allocation Committee, CA	Laurie Weir	Executive Director
Delta Protection Commission	Debbie Eddy	Chief Information Officer
Developmental Disabilities, Organization of Area Boards on	Theresa M. Bremer	Executive Director
Developmental Disabilities, State Council on	Karim Alipourfard	Community Program Specialist - ITO
Developmental Services, Department of	Bev Humphrey	Chief Information Officer
Education, Department of	Kevin Matsuo	Director of Technology Services Division
Emergency Medical Services Authority	Ed Armitage	Chief Information Officer

CALIFORNIA STATE INFORMATION TECHNOLOGY ANNUAL REPORT

Emergency Services, Office of	Sue Plantz	Acting Chief Technology Officer, Communications & Technology Development Branch
Employment Development Department of	Dale Jablonsky	Acting Chief Information Officer
Employment Training Panel	Ada Carrillo	Acting Assistant Director
Energy Resources, Conservation & Development Commission, CA	Dale Bosley	Chief
Environmental Health Hazard Assessment, Office of	Margie Leary Jennifer Garland	Admin Chief Chief Information Officer
Equalization, State Board of	John Hamlin	Acting Chief Information Officer
Exposition and State Fair, CA	Jay Carlson	Chief Information Officer
Fair Employment & Housing Commission	Denise Choye	Chief Administrator
Fair Employment & Housing, Department of	Anita Fearman	Chief Information Officer
Fair Political Practices Commission	Curtis A. Cadwallader	Chief Information Officer
Finance, Department of	Mike Auman	Chief Information Officer
Financial Institutions, Department of	Diana Fong	Acting Chief Information Officer
Fish & Game, Department of	Ron Nabity	Chief Information Officer
Forestry & Fire Protection, Department of	Ron Ralph	Acting Chief Information Officer
Franchise Tax Board	Carole Ford	Acting Chief Information Officer
General Services, Department of	David Villanueva	Chief Information Officer
Health Services, Department of	Christy Quinlan	Chief Information Officer
Highway Patrol, CA Department of	Scott MacGregor	Chief Information Officer

CALIFORNIA STATE INFORMATION TECHNOLOGY ANNUAL REPORT

HIPAA Implementation, California Office of	Christine Schmoeckel	Chief Information Officer
Horse Racing Board, CA	Mory Atashkar	Chief Information Officer
Housing & Community Development, Department of	Christine McCaleb	Chief, IT Branch
Housing Finance Agency, CA	Mike Howland	Chief Information Officer
Industrial Relations, Department of	Jim Culbeaux	Chief Information Officer
Insurance, Department of	Roy Simpson	Chief Information Officer
Integrated Waste Management Board	Gary Arstein-Kerslake	Chief Information Officer
Judicial Council of California	Patricia Yerian	Director of Info Systems Bureau
Justice, Department of	Gail Overhouse	Acting Chief Information Officer
Labor and Workforce Development Agency	Pam Harris	Assistant Secretary (Acting CIO)
Lands Commission, State	David W. Brown	Chief Information Officer
Law Revision Commission, CA	Brian Hebert	Assist. Executive Sect.
Legislative Data Center	Tracy Fong	Acting Chief Information Officer
Legislature - State Assembly	Sohrab Mansourian	Chief Information Officer, Assembly Rules Committee
Little Hoover Commission	Peter McNamee	Project Manager
Lottery Commission, CA State	Ellen Ishimoto	Chief Information Officer
Managed Health Care, Department of	Barbara Garrett	Chief Information Officer
Managed Risk Medical Insurance Board, CA	Delphin B. Kyubwa	Chief Information Officer
Medical Assistance Commission, CA	Mervin Tamai	Research Director
Mental Health, Department of	Gary Renslo	Chief of Information Technology

CALIFORNIA STATE INFORMATION TECHNOLOGY ANNUAL REPORT

Military Department, Office of the Adjutant General	Col. Steven Palumbo	CIO/Director of Information Management
Motor Vehicles, Department of	Bernard Soriano	Chief Information Officer
Native American Heritage Commission	Larry Meyers	Executive Secretary
Occupational Information Coordinating Committee, CA	Charlsey Cartwright	Chief Information Officer
Office of the Lieutenant Governor, CA	Bryce Rosauero	Fiscal Officer
Osteopathic Medical Board of California	Linda Bergmann	Executive Director
Parks and Recreation, Department of	Alan Friedman	Chief Information Officer
Peace Officers Standards & Training, Commission on	Mitch Coppin	Chief Information Officer, Bureau Chief, Comp Svc Bureau
Personnel Administration, Department of	Tim Schoenhardt	Chief Information Officer
Personnel Board, State	Victor Mendoza	Data Processor Info Systems Mgr
Pesticide Regulation, Department of	Joanne Payan	Chief Information Officer/Asst Director Administration
Pilot Commissioners, Board of	Patrick Maloney	Executive Director
Planning and Research, Office of	Becky Curler	Manager, Executive IS
Postsecondary Education Commission, CA	Marc Irish	Assistant Director of IS and Admin
Public Employees' Retirement System, CA	Ronald "Gene" Reich	Chief Information Officer
Public Employment Relations Board	Eileen Potter	Chief Administrative Officer
Public Utilities Commission, CA	Karen Davis	Chief Information Officer
Real Estate Appraisers, Office of	Steve Kayner	Information Technology Officer
Real Estate, Department of	Barbara Bigby	Assistant Commissioner

CALIFORNIA STATE INFORMATION TECHNOLOGY ANNUAL REPORT

Rehabilitation, Department of	Gigi Smith	Chief Information Officer
San Francisco Bay Conservation & Development Commission	Andrew Chin	Chief Information Officer
San Joaquin River Conservancy	Melinda Marks	Executive Officer
Santa Monica Mountains Conservancy	Joseph Edmiston	Deputy Director
Science Center, CA	Cheryl Tateishi	Chief Information Officer
Secretary for Education: Office of Child Development & Education	Mark Rodriguez	Administration Officer
Secretary of State	Lee Kercher	Chief Information Officer
Seismic Safety Commission	Karen Cogan	Administrative Officer
Social Services, Department of	Cal Rogers	Chief Information Officer
State Library, California	Debbie Newton	Chief Information Officer
State Mandates, Commission on	Jason Rogers	Chief Information Officer
State Public Defender, Office of the	C. Philip DeLeon	Chief Information Officer
State Summer School for the Arts, CA	Joe Alameida	Deputy Director
State University, Board of Trustees	David Ernst	Asst. Vice Chancellor of IS
Statewide Health Planning & Development, Office of	Michael Rodrian	Chief Information Officer
Student Aid Commission, CA	John Bays	Chief Information Officer
Tahoe Conservancy	Eileen Hoyt	Project Manager
Tax Credit Allocation Committee, CA	Jeanne L. Peterson	Executive Director
Teacher Credentialing, Commission on	Darren Addington	Chief Information Officer
Teachers' Retirement System, State	Janice Hanson	Chief Technology Officer

CALIFORNIA STATE INFORMATION TECHNOLOGY ANNUAL REPORT

Toxic Substances Control, Department of	Paul Blais	Chief Information Officer
Traffic Safety, Office of	William H. Terrell	Assistant Director, Administration
Transportation Commission, CA	Diane Eidam	Executive Director
Transportation, Department of	Ann Barsotti	Chief Information Officer
Treasurer's Office, State	Alethea Lewis	Chief Information Officer
Unemployment Insurance Appeals Board	Nick Dressler	Acting Chief Information Officer
Veterans Affairs, Department of	Terry Coyle	Chief Information Officer
Water Resources Control Board, State	Nancy Miller	Chief Information Officer
Water Resources, Department of	Tim Garza	Chief Information Officer

Data Center Directors

Agency	Contact	Title
Hawkins Data Center	Gail Overhouse	Acting Chief Information Officer
Legislative Data Center	Tracy Fong	Chief Deputy Director
Technology Services, Department of	P. K. Agarwal	Director

Other California IT Leaders

Agency	Contact	Title
Finance, Department of	Colleen Pedroza	State ISO
Finance, Department of	Valerie Varzos	FI\$Cal Project Manager
Finance, Department of	Sue V. Bost	Project Executive
General Services, Department of	Terese Butler	Program Manager/ Strategic Sourcing
General Services, Department of	Rita Hamilton	Deputy Director/ Procurement
General Services, Department of	Will Bush	Interim Director
Military Department	David Golden	CTO
Office of the State Chief Information Officer	Claudina Nevis	Assistant to the State CIO
Office of the State Chief Information Officer	Caroline Cabias	IT HR Project
San Francisco Bay Conservation and Development Commission	Mamie Lai	Assistant Executive Director
Technology Services, Department of	Mitzi Higashidani	Chief Deputy Director
Unemployment Insurance Appeals Board	Paul Prestwich	Interim IT Advisor CUIAB

Appendix D

About the State CIO

Appointed on May 16, 2002, Professor J. Clark Kelso serves as the Chief Information Officer for the State of California. As Chief Information Officer, he is responsible for providing leadership on information technology policy and for working collaboratively with other information technology leaders throughout state government.

Kelso's service as State CIO has garnered national recognition. In 2004, he received a "Top 25 Doers, Dreamers & Drivers" award from Government Technology, an award which recognizes the top public sector CIOs in the country. In December 2006, Kelso was selected as one of Computerworld's Premier 100 IT Leaders for 2007, which honors executives from the private and public sector who show exemplary technology leadership in resolving pressing business problems. No state chief information officer in the country has previously been honored with this recognition.

Professor Kelso's experience with computers dates to his teenage years in the early 1970s. While securing his bachelor's degree in Philosophy at the University of Illinois, he worked as a system-level programmer for the ground-breaking "PLATO" system, which was the largest mainframe-based educational network in the world. Kelso designed and programmed the operating and disk operating systems for a desktop version of the PLATO system which debuted in 1982.

After graduating from Columbia Law School in 1983, Professor Kelso served as a clerk to then-Judge Anthony M. Kennedy on the United States Court of Appeals for the Ninth Circuit. He joined the faculty of the University of the Pacific McGeorge School of Law in 1986, where he teaches courses in Remedies and Government Law and Policy.

During the 1990s, Kelso focused on information technology within the judicial system. He was the Reporter to the Judicial Council's "Court Technology Task Force," and worked with then-Senator Debra Bowen to encourage the courts to embrace the information technology revolution. Kelso was also a state and national leader promoting the development of integrated criminal justice systems, work that was widely praised by state and national leaders, including Governor Pete Wilson, Chief Justice Ronald M. George and Attorney General Janet Reno.

Before taking on the role of State CIO, Professor Kelso held several other important government positions. During the summer of 2000, he served as the State's Acting Insurance Commissioner, he has been serving for six years as the Chair of the California Earthquake Authority, and he served for fifteen months as the Scholar-in-Residence at the California Administrative Office of the Courts. He has also served as a member of the California Educational Facilities Authority and as Acting Director of the Department of General Services.

Glossary of Terms and Acronyms

Terms

Business Reference Model (BRM) A framework for describing business operations of the State independently of the agencies performing them.

California Enterprise Architecture Program (CEAP) CEAP develops, maintains and enables the implementation of the California Enterprise Architecture. The CEAP documents can be viewed at <http://www.cio.ca.gov/ITCouncil/Committees/ArchStandards.html>

California Enterprise Architecture Framework The IT Council’s Enterprise Architecture and Standards Committee developed this framework document which describes California’s enterprise architecture at a high level. It can be viewed at <http://www.cio.ca.gov>

California Portal The State of California web page that provides links to the services offered by its organizations.

California Service Centers California Service Centers is the collection of the new State portal and its associated federated service centers. The federated service centers are individually maintained by various state agencies, departments and boards. The California service centers are described in the State CIO’s “California In-Touch” document which can be viewed at <http://www.cio.ca.gov>. The enterprise architecture for the California Service Centers can be viewed at <http://www.cio.ca.gov/ITCouncil/Committees/ArchStandards.html>

(CALNET II) This telecommunications contract provides the State with access to Traditional Voice and Data Services; Long Distance Services for Voice; Internet Protocol (IP) Services; and Broadband Fixed Wireless Access Services.

Data Reference Model (DRM) The DRM describes the data and information that support the State’s business operations from a statewide perspective. The DRM must define a structure that each data element must have in order for users to understand the element, must classify each data element into its business context using the BRM, and must specify how this data element should be exchanged

between state agencies.

Enterprise Architecture	A description of the technical framework that a business or enterprise uses to conduct its business over computing and telephone networks
Enterprise Architecture Domains	The California Enterprise Architecture Framework defines four Enterprise Architecture Domains: <i>Business, Applications, Data, and Technology</i> .
Enterprise Business Systems	Enterprise Business Systems refer to the collection of internal systems that the State uses to manage its many lines of business as an enterprise. Systems typically include HR, Payroll, General Ledger, Cash Management, Accounts Payable, Accounts Receivable, Fixed Assets, Inventory, Budgeting, Procurement, and Contracts Management.
Enterprise Leadership Council (ELC)	The Enterprise Leadership Council (“ELC”) provides a forum for Executive Branch agencies to discuss and resolve business issues related to enterprise-wide IT from a business perspective.
eServices Office	The eServices Office plays a key role in the development of eGovernment solutions for the State of California and coordinates with State agencies, departments, boards, and commissions to develop web sites and applications. The office also works with State agencies to identify services that when web-enabled, can provide maximum benefit to agencies and their customers.
Geographic Information Systems (GIS)	GIS creates stores, analyzes, and manages spatial data. They are typically used to provide location-based information in applications.
Identity and Authentication Management (IDM)	Identity Management allows California to manage the end-to-end lifecycle of user identities across all enterprise resources. Federated Identity Management established single authorities for certain types of identities that are trusted by members within a trusted domain.
Infrastructure	The basic computing and telecommunications structure, support services, or features of a system or network.
IT Council	The Information Technology Council advises the State CIO on overall IT

(ITC) planning and policy, primarily from a technology perspective.

Legacy Application An application in which the State has already invested considerable time and money. Typically, legacy applications are or use database management systems (DBMS) running on mainframes or minicomputers.

Legacy system A computer system that continues to be used because of the cost of replacing or redesigning it. Generally the system is large, monolithic and difficult to modify.

Office of Technology Review Oversight and Security (OTROS) The OTROS organization is part of the Department of Finance (DOF) and is responsible for reviewing IT proposals to ensure IT expenditures represent a prudent investment of resources while meeting the State’s business needs. The Office also recommends funding and expenditure authority for IT projects and assists DOF to ensure approved IT expenditures are in alignment with statewide IT policies, priorities and strategies.

Service-Oriented Architecture (SOA) SOA is a framework for implementing web-services that provide reuse of existing business services which facilitates rapid development of new business capabilities.

Shared Business Services Shared Business Services are built and managed with an “enterprise mentality”. That is, they are built once then reused by many systems across agencies, departments, and boards. They are based on a Service-Oriented Architecture environment.

State CIO Web Site <http://www.cio.ca.gov>

Strategic Sourcing “Strategic sourcing” is a process designed to allow the State of California to purchase the best products and services for the best value. Strategic sourcing streamlines procurement activities by consolidating, renegotiating and automating contracts to achieve significant savings.

Technology Reference Model (TRM) TRM is a component-driven, technical framework used to categorize the standards, specifications, and technologies that support and enable the delivery of service components and capabilities. You can view California’s TRM at <http://www.cio.ca.gov/ITCouncil/Committees/ArchStandards.html>

Technology The Technology Services Board (“TSB”) governs the Department

CALIFORNIA STATE INFORMATION TECHNOLOGY ANNUAL REPORT

Services Board of Technology Services and sets policy on enterprise services (TSB) provided by the Department of Technology Services.

Acronyms

AIO	Agency Information Officer
CEAP	California Enterprise Architecture Program
CIO	Chief Information Officer
COOP/COG	Continuity Of Operations / Continuity Of Government Plan
CPR	California Performance Review
DGS	Department of General Services
DOT	Department of Transportation
DTS	Department of Technology Services
EA	Enterprise Architecture
EAP	Enterprise Architecture Program
ELC	Enterprise Leadership Council
ERP	Enterprise Resource Planning
Fi\$Cal	Financial Information Management for California
GIS	Geospatial Information System
HHSDC	Health and Human Services Agency Data Center
ISO	Information Security Officer

CALIFORNIA STATE INFORMATION TECHNOLOGY ANNUAL REPORT

IP Internet Protocol

IT Information Technology

ITC California IT Council

NASCIO National Association of State Chief Information Officers

RFP Request For Proposal

SCO State Controller's Office

SEIU Service Employees International Union

SISO State Information Security Officer

SPB State Personnel Board

STND DTS's Statewide Telecommunications and Network Division (STND), formerly known as the DGS, Office of Network Services.

CALIFORNIA STATE INFORMATION TECHNOLOGY ANNUAL REPORT



Arnold Schwarzenegger

Governor

State of California

Clark Kelso

Chief Information Officer

State of California