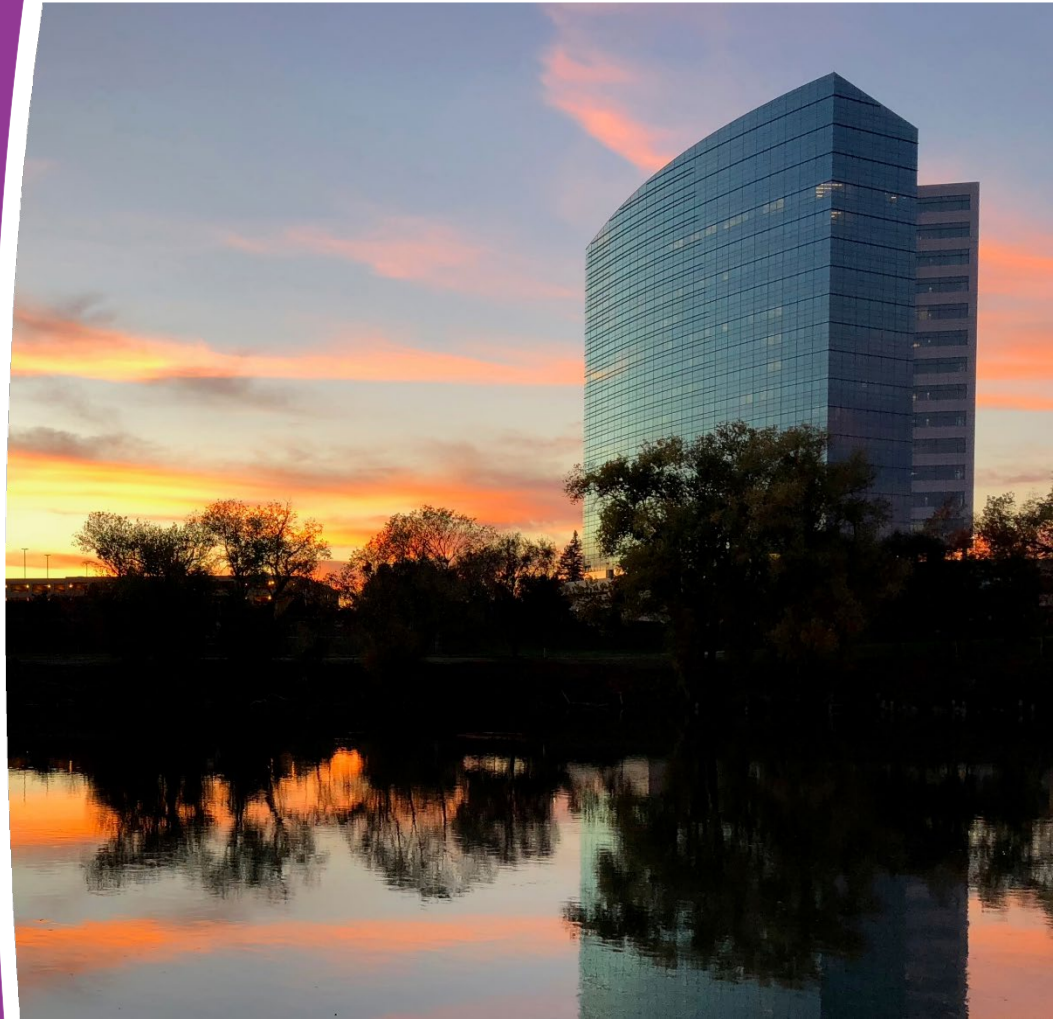




# Enterprise Technology Projects

FISCAL YEAR

2022-23



**FOURTH QUARTER REPORT**

Quarter Ending June 30, 2023

## ENTERPRISE TECHNOLOGY PROJECTS

FISCAL YEAR 2022-23  
FOURTH QUARTER REPORT

At the end of the fourth quarter for fiscal year 2022-23, CalSTRS had nine enterprise projects: seven major technology projects over \$1 million and two projects under \$1 million.

The Project Support Office monitors and reports monthly on the technology appropriations budget and enterprise projects' status to the Enterprise Program Investment Council and quarterly to the Teachers' Retirement Board.

## ENTERPRISE PROGRAM INVESTMENT COUNCIL MEMBERS

**Cassandra Lichnock**  
Chief Executive Officer

**Lisa Blatnick**  
Chief Operating Officer

**Julie Underwood**  
Chief Financial Officer

**Melissa Norcia**  
Chief Administrative Officer

**Teresa Schilling**  
Chief Public Affairs Officer















**Ashish Jain**  
Chief Technology Officer

**Bill Perez**  
Chief Benefits Officer

**Scott Chan**  
Deputy Chief Investment Officer

## MAJOR ENTERPRISE TECHNOLOGY PROJECTS

The following table summarizes current major enterprise technology projects during the fourth quarter.

Project Name	Project Duration	Schedule (Status)	Project Budget	Budget Expended	Budget (Status)
BusinessDirect Retrofit	Apr 2017 – Jun 2024	 1	\$9,769,238 <sup>2</sup>	\$8,399,215	
Contact Center Modernization	Jun 2023 – Feb 2024		\$1,375,000	\$36,408	
Data Quality	Nov 2011 – Jun 2024	 3	\$34,416,937	\$30,894,399	
Datacenter Hosting and Migration Services	Nov 2020 – Oct 2023		\$18,900,000	\$17,087,761	
HR Link	Dec 2018 – Aug 2023		\$2,163,751	\$1,839,033	
Pension Solution	Jul 2014 <sup>4</sup> – Jun 2024	 5	\$422,006,496	\$314,707,928	
Transformation Readiness	Jul 2016 – Jun 2024	 6	\$24,198,053	\$19,126,638	

Schedule & Budget Indicators  On Track  Warning  Critical  Complete  On Hold  Cancelled  Not Started

<sup>1</sup> BusinessDirect Retrofit – The schedule indicator is in critical status due to dependency on the Pension Solution Project implementation schedule.

<sup>2</sup> BusinessDirect Retrofit – This amount does not reflect \$7.2 million in Pension Solution Project funding allocated for system enhancements to support pension administration-related functionality.

<sup>3</sup> Data Quality – The schedule indicator is in critical status due to dependency on the Pension Solution Project implementation schedule.

<sup>4</sup> Pension Solution – The project's start date represents the effective date of the first comprehensive project budget approved by the Teachers' Retirement Board and enacted through a Budget Change Proposal during the annual budget process. Pre-implementation project activities (e.g., discovery, requirements, and procurement) began in 2010.

<sup>5</sup> Pension Solution – The schedule indicator is in critical status due to the resolution of system defect and downstream task delays. Agreement was reached with the System Integration vendor to transition remaining project work to a new vendor and allow progress to continue during an interim services period. The project is revising the schedule and remaining project activities.

<sup>6</sup> Transformation Readiness – The schedule indicator is in critical status due to dependency on the Pension Solution Project implementation schedule.

## MAJOR ENTERPRISE TECHNOLOGY PROJECTS

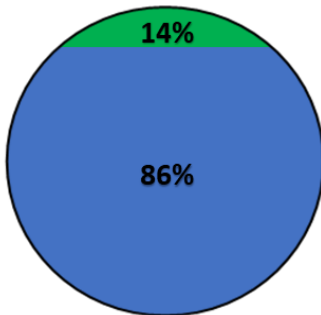
### BUSINESSDIRECT RETROFIT

The BusinessDirect Retrofit (BDR) project will support CalSTRS in the implementation of a new pension administration system, BenefitConnect (BC). This will be accomplished by modifying BD to migrate specific pension functionality out of BD and into BC, building new interfaces between BD and BC, modifying some existing interfaces between BD and BC and external entities, and extracting/mapping historical data from BD to BC to support functionality migration.

NOTE: The project schedule is dependent on the Pension Solution Project schedule. At this time, it is unknown what major activities and milestones (aside from those shown below) are expected to be completed during the next quarter.

#### PROJECT BUDGET

\$9.8 Million



● % Expended ● % Remaining

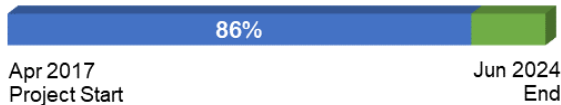
#### ACCOMPLISHMENTS – PERIOD ENDING JUNE 30, 2023

- Validated open work items to complete the BDR project.
- Summarized requirements for support vendor to complete the project.

#### PLANNED MAJOR ACTIVITIES & MILESTONES BY SEPTEMBER 30, 2023

- Continuous monitoring of Pension Solution Project activities and work with system support vendor for resolution of outstanding defects, as needed.
- Identify new and modified Pension Solution project requirements that impact the BDR Project.

#### PROJECT SCHEDULE STATUS TIMELINE



#### FISCAL YEAR 2022–23 MAJOR MILESTONES

Due to schedule dependency of this project on the Pension Solution Project schedule, milestone dates for this project will not be known until the schedule for the Pension Solution Project has been reforecasted.



# MAJOR ENTERPRISE TECHNOLOGY PROJECTS

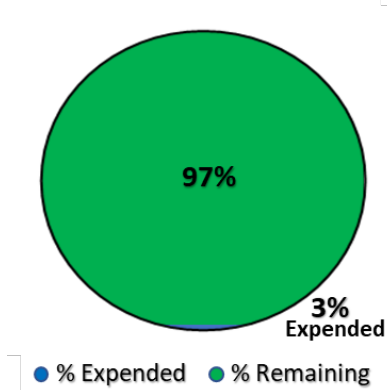
## CONTACT CENTER MODERNIZATION

The Contact Center Modernization project will replace the current Contact Center platform, Genesys, with the NICE CXone platform. Objectives include:

- Maintain existing functionality that CalSTRS currently uses in the Genesys platform.
- Maintain current member service levels (e.g., member satisfaction, member wait time, etc.).
- Decommission current Genesys system by February 2024 when contract expires.

### PROJECT BUDGET

\$1.4 Million



### ACCOMPLISHMENTS – PERIOD ENDING JUNE 30, 2023

- CXone Vendor demos, shortlisting of vendors and finalizing of vendor activities completed.
- AT&T selected as vendor and NICE as implementation partner. Contract negotiations completed, Statement of Work (SOW) signed, and Contract executed with AT&T and NICE.
- Project Initiation and Planning activities started.

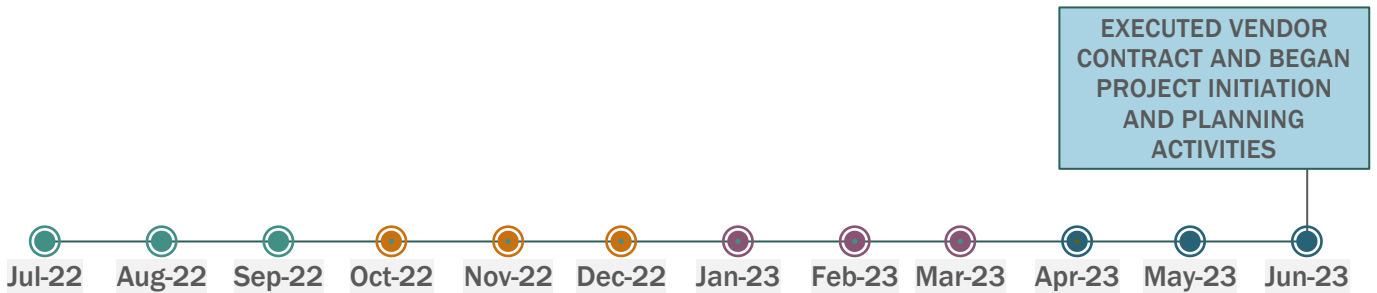
### PLANNED MAJOR ACTIVITIES & MILESTONES BY SEPTEMBER 30, 2023

- Project Initiation & Planning activities including Project Kick-off, Assignment of vendor resources, Engagement with vendors, Development of Project Charter, and Initial Project Schedule.
- Complete Business Requirements Gathering sessions for Automatic Call Distribution (ACD) and Interactive Voice Response (IVR) system. Sign-off Business Requirements Document.
- Start Build & Unit Testing activities for ACD/IVR.
- Develop UAT Plan.

### PROJECT SCHEDULE STATUS TIMELINE



### FISCAL YEAR 2022-23 MAJOR MILESTONES



# MAJOR ENTERPRISE TECHNOLOGY PROJECTS

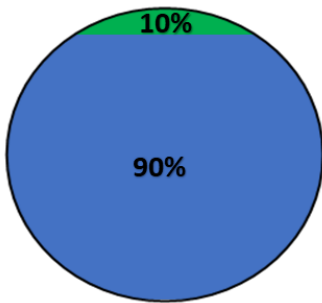
## DATA QUALITY

The Data Quality project will prepare legacy pension administration data for conversion to the new pension administration system. The project is in the second phase of data cleansing and includes data clean-up and preparation for data conversion.

NOTE: A change request was approved to extend the project through June 30, 2024, in alignment with Pension Solution. During this extension period, the Data Quality Project will continue to rerun data fixes, triage, and resolve conversion fallout, and support Data Validation.

### PROJECT BUDGET

\$34.4 Million



● % Expended ● % Remaining

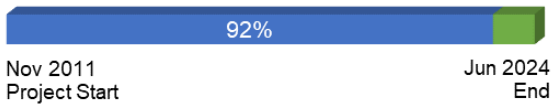
### ACCOMPLISHMENTS – PERIOD ENDING JUNE 30, 2023

- Completed Member Lifecycle Fix A Implementation Rerun.
- Completed Member Lifecycle Fix B Implementation Rerun.

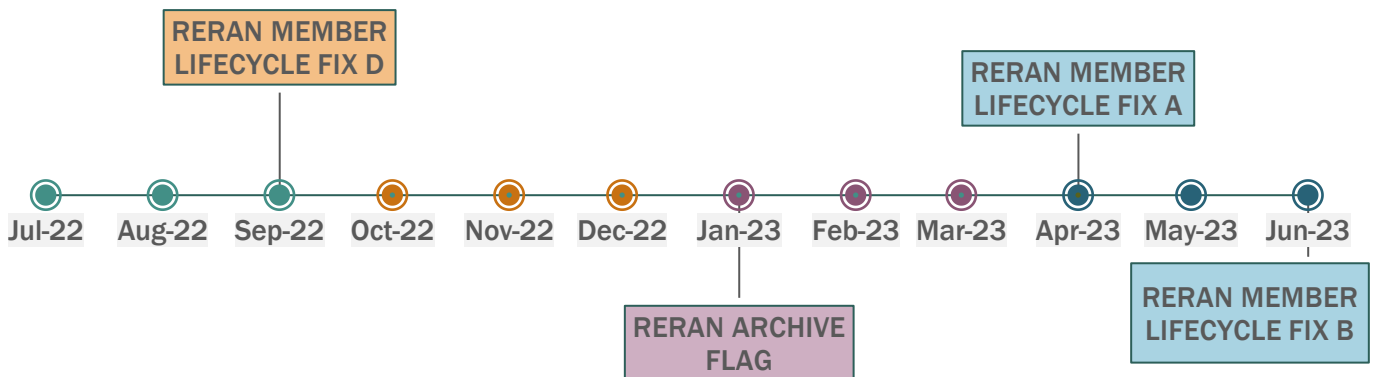
### PLANNED MAJOR ACTIVITIES & MILESTONES BY SEPTEMBER 30, 2023

- Complete annual Member Lifecycle Fix D Implementation Rerun.

## PROJECT SCHEDULE STATUS TIMELINE



## FISCAL YEAR 2022–23 MAJOR MILESTONES<sup>7</sup>



<sup>7</sup> As approved by Pension Solution Steering Committee.

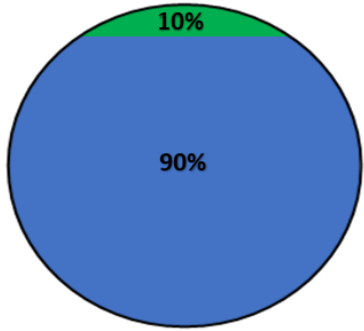
# MAJOR ENTERPRISE TECHNOLOGY PROJECTS

## DATACENTER HOSTING AND MIGRATION SERVICES

The Datacenter Hosting and Migration Services project will enable CalSTRS to mitigate the business continuity risks, supports CalSTRS enterprise strategic goals, and establishes a flexible framework for operational efficiency and cost optimization through the migration of on-premise critical systems/equipment onto a multi-modal data center solution.

### PROJECT BUDGET

\$18.9 Million



● % Expended ● % Remaining

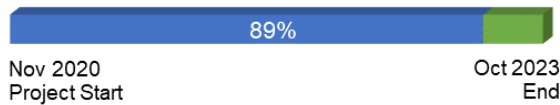
### ACCOMPLISHMENTS – PERIOD ENDING JUNE 30, 2023

- Continued maintenance and operations for the infrastructure.

### PLANNED MAJOR ACTIVITIES & MILESTONES BY SEPTEMBER 30, 2023

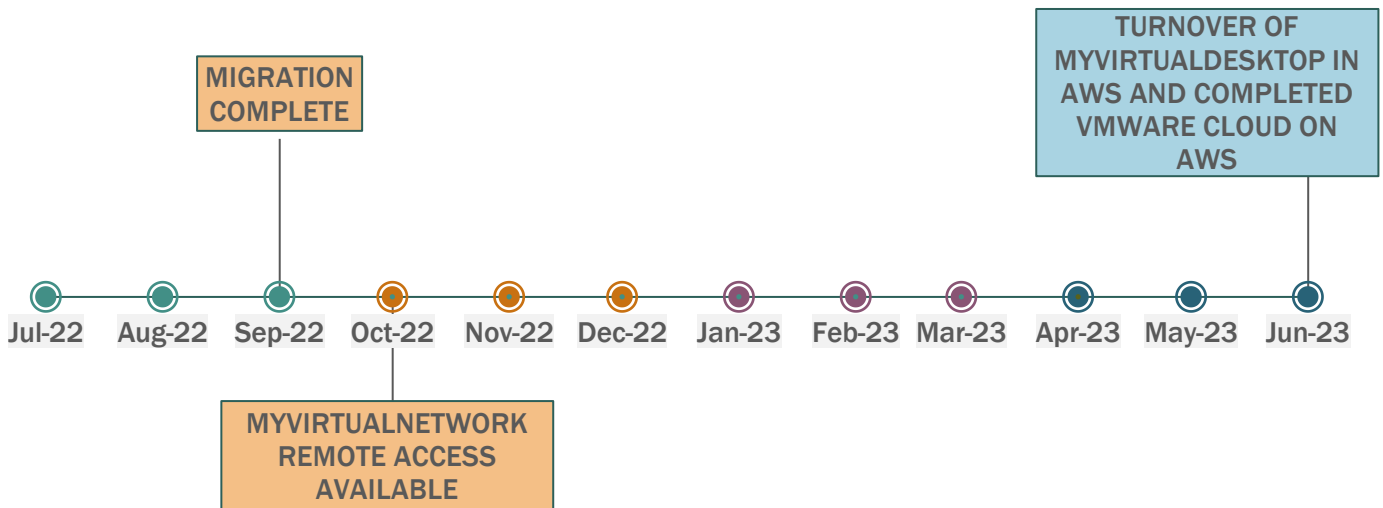
- Continue to assess pension administration infrastructure migration to the cloud.

### PROJECT SCHEDULE STATUS TIMELINE



### FISCAL YEAR 2022–23 MAJOR MILESTONES

NOTE: AWS = Amazon Web Service



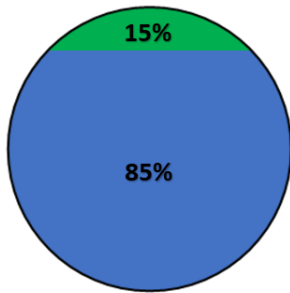
## MAJOR ENTERPRISE TECHNOLOGY PROJECTS

### HR LINK

The HR Link project will improve efficiency by automating Human Resource processes, delivering real-time data, and providing a self-service platform for all CalSTRS staff. The solution includes a core HR platform and Employee Central, Learning and Development, Performance and Goals Management, Succession Planning, Onboarding, and Workforce Analytics modules. This is a multi-year project that will be implemented in phases. The first phase includes a core HR platform and a learning management system and Employee Central and Learning and Development modules. The second phase includes Onboarding (ONB) with Cross-boarding (CSB) and Performance and Goals Management (PMGM) modules. Workforce Analytics and Succession Planning will be part of a future phase.

#### PROJECT BUDGET

\$2.2 Million



● % Expended ● % Remaining

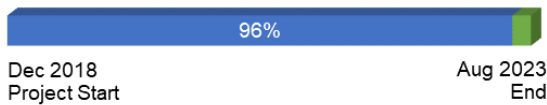
#### ACCOMPLISHMENTS – PERIOD ENDING JUNE 30, 2023

- Completed approval process to fully execute contract amendment.
- Resumed support services to resolve open tickets from Phase 1.
- Completed PMGM Iteration 2 testing, configuration, and validation.
- Completed PMGM user acceptance testing, configuration, and validation.
- Completed ONB/CSB Iteration 2 testing, configuration, and validation.
- Completed Facilitator Guides for PMGM training.
- Developed and approved training plan & schedule.
- Moved PMGM module configuration to Production.

#### PLANNED MAJOR ACTIVITIES & MILESTONES BY SEPTEMBER 30, 2023

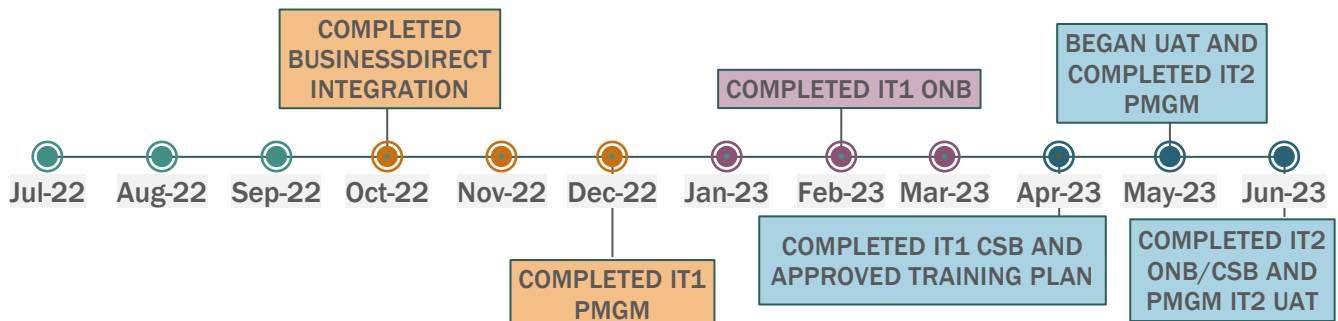
- Signoff for ONB/CSB Iteration 2 testing, configuration, and validation.
- Complete ONB/CSB user acceptance testing, configuration, and validation.
- Complete “soft launch” for all modules before “go live”. Develop and approve Cutover Plan for all modules.
- Complete Facilitator Guides for ONB/CSB training.
- Develop and approve User Guides, Quick Reference Guides, Micro Learning Videos, and Train the Trainer materials for all modules.
- Complete Train the Trainer Sessions.
- Commence End User Training Sessions
- Move ONB/CSB module configuration to Production.
- Execute Hypercare/Post Go-Live Support.
- Transition to Maintenance & Operations for Ongoing Support Services.
- Develop strategy for the “Reimagined Homepage”.
- Develop HR Link Roadmap and related activities.

#### PROJECT SCHEDULE STATUS TIMELINE



#### FISCAL YEAR 2022–23 MAJOR MILESTONES

Note: IT1 = Iteration 1; IT2 = Iteration 2; UAT = user acceptance testing





# MAJOR ENTERPRISE TECHNOLOGY PROJECTS

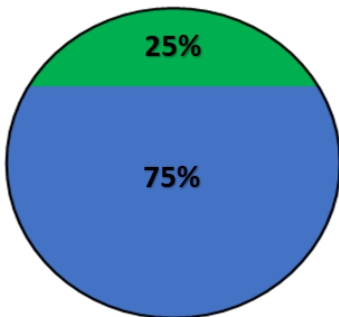
## PENSION SOLUTION

The Pension Solution Project will replace the CalSTRS legacy pension administration system to increase the organization’s ability to respond to business and customer needs, enhance services to members, beneficiaries, staff, and employers, gain long-term operational efficiencies, and improve internal controls.

NOTE: On June 28, 2022, CalSTRS and the former technology vendor mutually agreed to transition the remaining portion of the project work to another technology vendor. To ensure continued progress on project activities during the transition, the former technology vendor provided knowledge transfer to an interim vendor and continued to provide some essential services to CalSTRS through the end of their contract on June 30, 2023, including support for infrastructure, database administration, and other key areas. A new procurement is under development and targeted for July 1, 2023, to acquire a new vendor to complete the remainder of the project.

### PROJECT BUDGET

\$422 Million



● % Expended ● % Remaining

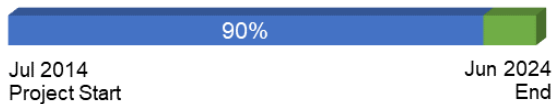
### ACCOMPLISHMENTS – PERIOD ENDING JUNE 30, 2023

- Implemented the top 10 project improvements.
- Reassessed the critical success factors to be incorporated as the new vendor is determined.
- Approved amendment to extend current contract with Sagitec until the Teachers’ Retirement Board approves the new contract.
- Finalized a contract and schedule to drive the project into the next phase and towards a successful implementation.
- Rolled out a new project organization structure and filled many new newly acquired FY22/23 positions.
- Released Request for Proposal to augment and support the CalSTRS Team with critical project activities.

### PLANNED MAJOR ACTIVITIES & MILESTONES BY SEPTEMBER 30, 2023

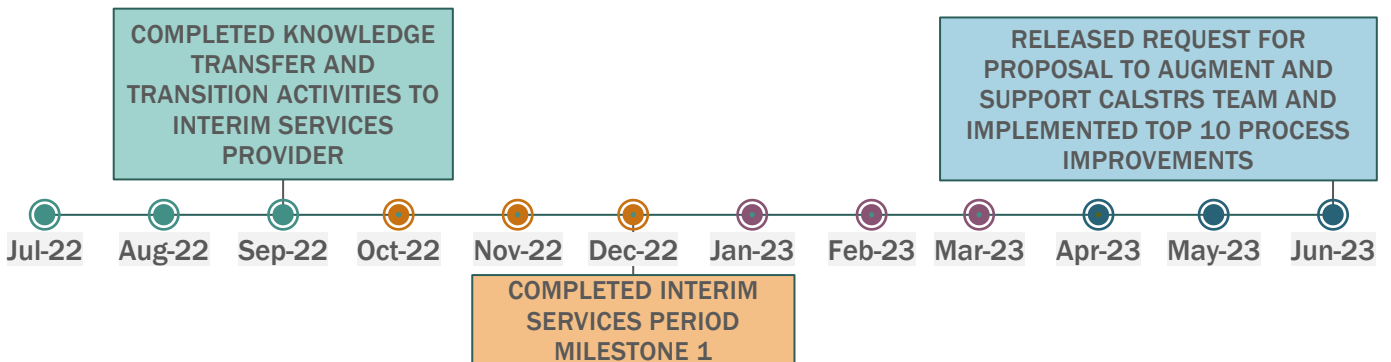
- Present new Sagitec contract to TRB for review and approval.
- Commence work on new project schedule with a go live date in Fall 2025.
- Interview the qualified candidates for the CalSTRS Support Services Vendors in response to the RFP.

### PROJECT SCHEDULE STATUS TIMELINE



### FISCAL YEAR 2022–23 MAJOR MILESTONES

NOTE: The project is revising the schedule and remaining project activities. Milestones will be added after the schedule replanning efforts are finalized.



## MAJOR ENTERPRISE TECHNOLOGY PROJECTS

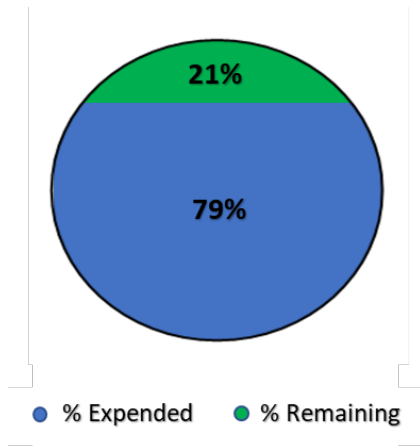
### TRANSFORMATION READINESS

The Transformation Readiness project supports business areas and prepares staff for impacts, changes, and benefits from large enterprise modernization efforts.

On June 28, 2022, CalSTRS and the former technology vendor mutually agreed to transition the remaining portion of the project work to another technology vendor. A new procurement will be developed to bring in a new implementation vendor to complete the remainder of the project, targeted for July 1, 2023. Transformation Readiness will work closely with Pension Solution Project leadership to ensure that change management and learning activities are completed respective to the project schedule throughout the Interim Services Period.

#### PROJECT BUDGET

\$24.2 Million



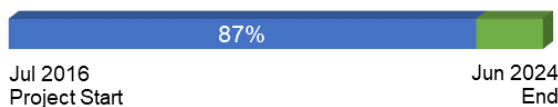
#### ACCOMPLISHMENTS – PERIOD ENDING JUNE 30, 2023

- Socialized and launched Introduction to SharePoint Computer Based Training as part of the Pension Solution Onboarding Program.
- Restructured, updated, and wrote The Messenger newsletter for May release.
- Completed Pension Solution training standards and templates revamp.
- Completed Survey development and analysis for moral and culture for PS.
- Drafted the HR Link User Manual for Pension Solution training materials.
- Completed Change Champion Quarterly Meeting.
- Completed rollout of Change Leadership Toolkit to remaining business area leaders.
- Developed and implemented Change Management action plan for strengthening the team restructure plan.
- A project change request was approved to extend the project schedule through June 2024 and increase the budget by \$4 Million.

#### PLANNED MAJOR ACTIVITIES & MILESTONES BY SEPTEMBER 30, 2023

- Design Change Management modules to be piloted at Retirement Readiness Change Management summit, then shared with other areas.
- Deliver Resistance Management education session to Pension Solution leaders from CalSTRS and Sagitec.
- Continue developing a MS Teams and Risk Management Computer Based Training
- Plan Change Management Summer 2023 event.
- Attend Retirement Readiness Summit.
- Implement the Change Management plan for Destination Go Live.

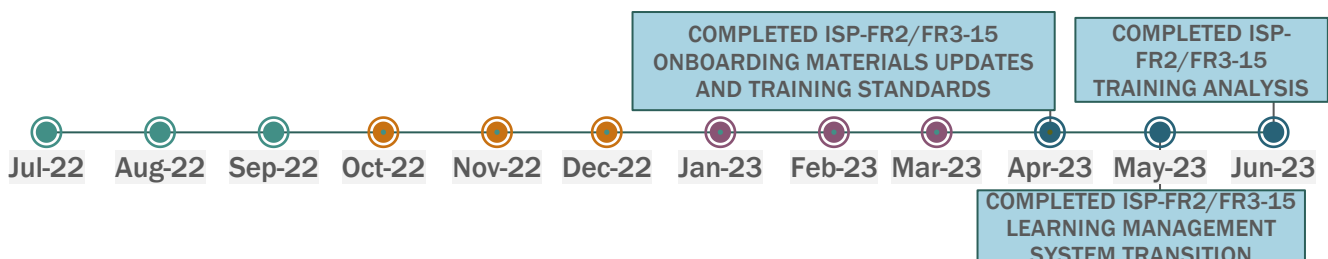
#### PROJECT SCHEDULE STATUS TIMELINE



#### FISCAL YEAR 2022–23 MAJOR MILESTONES





Due to schedule dependency of this project on the Pension Solution Project schedule, milestone dates for this project will be adjusted to coincide with the needs of the Pension Solution Project throughout the Interim Services Period.

NOTE: ISP = Interim Services Period; FR = Functional Rollout



**OTHER ENTERPRISE PROJECTS UNDER \$1 MILLION**

The following table summarizes other reportable enterprise projects under \$1 million during the fourth quarter.

Project and Description	Project Duration	Schedule (Status)	Project Budget	Budget Expended	Budget (Status)
<p><b>Print to Mail Software</b></p> <p>Install and integrate Pitney Bowes print-to-mail software, Planet Press, between the new pension administration system and our centralized printer. Provides the ability to process outgoing member correspondence in zip code order and varying page-counts, to align with how it is generated by BenefitConnect. Provides a modern print-to-mail software solution with more automated workflow and built-in security oversight protections and risk-mitigation measures.</p>	Dec 2020 – Oct 2021	 <sup>8</sup>	\$559,283	\$136,310	
<p><b>Customer Relationship Management Solution Readiness Assessment</b></p> <p>Conduct an assessment to determine the viability, benefits, and timing of acquiring a customer relationship management tool to support CalSTRS business strategy of enhancing the customer experience, improving engagement, and reducing effort.</p>	Feb 2023 – Apr 2024		\$476,824	\$19,906	

Schedule & Budget Indicators  On Track  Warning  Critical  Complete  On Hold  Cancelled  Not Started

<sup>8</sup> Print to Mail Software Schedule – The schedule indicator is in hold status because the project is dependent on the Pension Solution Project implementation schedule.