



C A L I F O R N I A

Labor & Workforce Development Agency

Governor
Arnold
Schwarzenegger

Secretary
Victoria L. Bradshaw

Agricultural
Labor
Relations
Board

California
Unemployment
Insurance
Appeals
Board

California
Workforce
Investment
Board

Department of
Industrial
Relations

Economic
Strategy
Panel

Employment
Development
Department

Employment
Training
Panel

October 1, 2008

Teri Takai
Chief Information Officer
Office of the Chief Information Officer

Dear Teri,

Enclosed is the Five-Year Information Technology (IT) Capital Plan for the Labor and Workforce Development Agency. This plan is an agency summary plan that prioritizes IT Capital Plans for the Employment Development Department, Department of Industrial Relations, Employment Training Panel, California Unemployment Insurance Appeals Board, Agricultural Labor Relations Board, and California Workforce Investment Board.

In total, the plan includes twelve proposed projects at a cost of almost half a billion dollars over five years. In setting priorities, we focused on the maintenance, upgrade and replacement of those systems at highest risk of failure. Several of the projects require upgrade because the software is no longer supported by the vendors. Six of the twelve projects assist (or would assist) EDD in the collection of over \$44 billion annually in personal income tax, unemployment insurance tax, disability insurance tax and employment training tax.

We also evaluated the resources - both departmental IT staff and funding sources - available to develop these projects during this time frame. While this factor may ultimately determine the fate of these projects, we felt it was important to provide the full listing of potential projects.

We found the development of the first Agency IT Capital Plan very useful in planning for the future and identifying our risks. It stands as testimony to the need for the State to consolidate and share data to use resources more efficiently and better serve California.

I look forward to working with your staff and the staff of the Department of Finance to develop and integrate into the Statewide IT Capital Plan. If you have any questions regarding this plan, contact Dale Jablonsky at (916) 653-8546.

Sincerely,

Victoria L. Bradshaw
Secretary

cc: Mark Larsen, Office of the Chief Information Officer
Karen Redman, Office of the Chief Information Officer
Kristin Shelton, Department of Finance

Labor & Workforce Development Agency

Information Technology Capital Plan

Agency IT Capital Plan

Information Technology Capital Plan, Plan Year 2009-10 through 2013-14



Agency Approval Transmittal

Agency Name

Labor & Workforce Development Agency

APPROVAL SIGNATURES

I am submitting the attached Information Technology Capital Plan as required by the State Administrative Management Section 4904.

I certify that:

- The IT Capital Plan was prepared in accordance with State Information Management Manual Section 57; and
- The IT project proposals included in the IT Capital Plan are approved and represent my Agency's Information Technology priorities.

Agency Information Officer		Date Signed
Signature on file		
Printed name:	Dale Jablonsky	
Agency Secretary		Date Signed
Signature on file		
Printed name:	Victoria L. Bradshaw	

AGENCY INFORMATION TECHNOLOGY CAPITAL PLAN

Agency Name and Org Code:

Labor & Workforce Development 0559

Plan Year:

2009-10 through 2013-14

1. List your constituent-departments' names and organization codes below:

Department	Organization Code
Employment Development Department (EDD)	7100
Employment Training Panel (ETP)	7100
Department of Industrial Relations (DIR)	7350
California Workforce Investment Board (CWIB)	7120
California Unemployment Insurance Appeals Board (CUIAB)	7100-22
Agricultural Labor Relations Board (ALRB)	7300

2. Please describe the Agency's coordination efforts among your constituent-departments in the following areas:

2.1. Strategic Planning

The Labor and Workforce Development Agency (LWDA) is the only agency in state government coordinating labor and employment programs for workers and businesses. The above departments within the LWDA each have their own strategic plan, and the LWDA provides the oversight to ensure that each of them is aligned with the others, and identifies ways in which they can collectively serve the public at maximum efficiency. That is, in essence, the LWDA strategic plan. Additionally, the LWDA has formed a workgroup with representatives from each department, to focus on the coordination of strategic planning efforts in the area of Information Technology. The Agency will take lead responsibility for directing the coordination of these strategic planning efforts. The workgroup will begin its efforts to strategize and assign tasks with target due dates after October 1, 2008.

2.2. Enterprise Architecture (EA)

In the fall of 2007, the LWDA submitted a Budget Change Proposal (BCP) to establish an Agency Information Officer, who will be responsible for ensuring that the use and application of new technology and resources is maximized across all programs and services agency-wide (including a review of the Enterprise Architecture standards of each department). The departments within the LWDA each have (or are in the process of implementing) EA standards.

Additionally, the LWDA has formed a workgroup including representatives from each department, and the Agency's Enterprise Architect (Gary Leong) has lead responsibility for directing the development of the Agency's EA strategy. The workgroup will begin its efforts to determine the EA approach and assign tasks with target due dates after October 1, 2008.

2.3. Portfolio Management, Project Management, and IT Governance

The LWDA continually seeks to ensure that its departments utilize proper IT project management techniques. The Agency periodically reviews the overall IT project activity within each department in order to ensure that departmental IT staff have the capacity to manage and complete all IT projects underway and/or being considered. Furthermore, some of the departments within the LWDA have implemented project and portfolio management and have established IT Governance within their department. The agency has not established IT Governance or Project and Portfolio Management at the agency level, however, we have formed a workgroup including representatives from each department for this purpose. The IT Governance Division of EDD will take lead responsibility for developing an Agency IT Governance, Project and Portfolio Management strategy. The workgroup will begin its efforts to determine the approach and assign tasks with target due dates after October 1, 2008.

2.4. Workforce Development

The LWDA continuously seeks to maximize the strengths of its departmental IT offices, staff, and resources in order to ensure the optimum use of technology and to protect the information assets against security and other risks. As an example, staff from the IT groups of EDD and DIR have attended meetings regarding major IT projects of the other department, in order to gain a better understanding of the business goals and objectives of each department.

Some of the departments within the LWDA have implemented a workforce development strategy. The Agency has not developed its own Workforce Development strategy, however, we have formed a workgroup including representatives from each department for this purpose. The Agency will take lead responsibility for developing a workforce development strategy. The workgroup will begin its efforts to determine the approach and assign tasks with target due dates after October 1, 2008.

2.5. Workforce Planning and Succession Planning.

The Agency has taken an active role to ensure that each of its departments have the appropriate IT leadership in place. Some of the departments within the LWDA have also implemented workforce and succession planning strategies. There has been no Agency Workforce and Succession Planning effort to date, however, the LWDA has formed a workgroup including representatives from each department for this purpose. The Agency will take lead responsibility for

developing a workforce and succession planning strategy. The workgroup will begin its efforts to determine the approach and assigning tasks with target due dates after October 1, 2008.

3. What is the status of implementing a formal Enterprise Architecture within your Agency?

As mentioned above, implementation of a formal EA for the Agency is in progress, and the Agency has taken the first steps in building an agency-wide EA by naming an agency Enterprise Architect; Gary Leong. The LWDA has also been collecting and reviewing any EA information at the department levels and leveraging work done by EDD at the State and Agency level to define principles and frameworks for certain components of EA such as: Identity Management (IDMS), Service Oriented Architecture (SOA) and Network Infrastructure. In the meantime, the Agency will focus on ensuring that IT projects being contemplated by its departments are designed in such a manner that allows compatibility with other systems within each department, as well as between the various departments within the Agency.

Table 1- Summary of Agency-Approved Proposed IT Projects

Department Org Code and Acronym	Agency-Approved Proposed IT Projects	Agency Priority Ranking	FSR Submission Date	Estimated Total Cost
7100 - EDD	E-Discovery & Litigation Holds	1	09/2009*	\$ 3,381,000
7100 - EDD	Employment Tax System (ETS)	2	07/2009	\$155,853,000
7100 - EDD	Document Management Systems (DMS) Expansion (Leveraging Imaging & Benefits Domain)	3	07/2009	\$ 32,700,000
7100 - EDD	Document Management System (DMS) Application Platform Upgrade	4	09/2009*	\$ 10,270,000
7350 - DIR	California Occupational Safety & Health Information System (COSHIS)	5	06/2010	\$28,000,000
7100 - EDD	Document Management Systems (DMS) Re- engineering (Tax, UI, DI)	6	07/2009*	\$134,900,000
7100-22 CUIAB	UI/DI Appeals Tracking System	7	01/2010	\$3,500,000
7100 - EDD	California Workforce Investment Network System (CalWins)	8	09/2008	\$ 2,748,000
7100 - EDD	Legacy Database Modernization	9	09/2009	\$ 15,145,000
7100 - EDD	Convert Disability Insurance Branch's Legacy to .NET	10	07/2011	\$ 79,508,000
7100 - EDD	Tax Application Platform Upgrade	11	07/2009*	\$ 5,750,000
7100 - EDD	Joint Agency Data Sharing	12	07/2011	\$ 25,255,000**
TOTAL				\$497,010,000

* If Required under SAM Guidelines

** Joint Agency Data Sharing project's estimated total cost is the total cost(\$25, 255,000) of the project. EDD costs, which include hardware and development (but are exclusive of procurement and FSR related costs) costs are \$3,154,330 for FY 11/12, \$2,600,000 for FY 12/13, and 2,704,000 for FY 13/14.