At the end of the second quarter for fiscal year 2019–20, CalSTRS had six enterprise projects: five major technology projects over $1 million and one additional project under $1 million.

The project under $1 million is scheduled to begin in January 2020.

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

**ENTERPRISE PROGRAM INVESTMENT COUNCIL MEMBERS**

- **Jack Ehnes**  
  Chief Executive Officer
- **Cassandra Lichnock**  
  Chief Operating Officer
- **Julie Underwood**  
  Chief Financial Officer
- **Lisa Blatnick**  
  Chief of Administrative Services
- **Grant Boyken**  
  Public Affairs Executive Officer
- **Ashish Jain**  
  Chief Technology Officer
- **Bill Perez**  
  Benefits and Services Executive Officer
- **Debra Smith**  
  Chief Operating Investment Officer
The following table summarizes current major enterprise technology projects during the second quarter.

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Duration</th>
<th>Schedule (Status)</th>
<th>Project Budget</th>
<th>Budget Expended</th>
<th>Budget (Status)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data Quality</td>
<td>Nov 2011 – Jul 2020</td>
<td>●</td>
<td>$25,981,894</td>
<td>$20,443,713</td>
<td>●</td>
</tr>
<tr>
<td>EIM Software Tool</td>
<td>Jun 2018 – Jun 2020</td>
<td>●</td>
<td>$1,036,350</td>
<td>$750,950</td>
<td>●</td>
</tr>
<tr>
<td>Pension Solution</td>
<td>Jul 2014 – Jan 2023</td>
<td>●</td>
<td>$304,833,040</td>
<td>$175,405,625³</td>
<td>●</td>
</tr>
<tr>
<td>SAP SuccessFactors</td>
<td>Dec 2018 – Jun 2020</td>
<td>●</td>
<td>$1,386,134</td>
<td>$19,500</td>
<td>●</td>
</tr>
<tr>
<td>Transformation Readiness</td>
<td>Jul 2016 – Jun 2021</td>
<td>●</td>
<td>$16,795,033</td>
<td>$8,357,626</td>
<td>●</td>
</tr>
</tbody>
</table>

*Schedule & Budget Indicators*

- ● On Track
- ● Warning
- ● Critical
- ✓ Complete
- X Cancelled
- ☐ Not Started

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1 Project Budget – Amount represents the sum of the projects’ prior years’ actual expended, remaining encumbrances, and current and future years budgeted amounts.

2 Budget Expended – Amount represents the total expended.

3 Pension Solution – Represents the actual and projected amounts for the project through December 31, 2019.
MAJOR ENTERPRISE TECHNOLOGY PROJECTS

DATA QUALITY

The Data Quality project (formerly Data Preparation) is in the second phase of data cleansing to include data clean-up and preparation for conversion to the new pension administration system.

**Project Budget**

$25.9 Million

**ACCOMPLISHMENTS – PERIOD ENDING DECEMBER 31, 2019**

- Completed Termination Out of Balance – Annuity Deposit/Tax Sheltered Annuity Population
- Completed or closed 31 Functional Rollout 2 basic issues during the reporting period.

**PLANNED MAJOR ACTIVITIES & MILESTONES BY MARCH 31, 2020**

- Complete Termination Out of Balance – Phase I of Additional Annuity Credit/Additional Earnings Credit Population.

**PROJECT SCHEDULE STATUS TIMELINE**

*As approved by Pension Solution Steering Committee.*

**FISCAL YEAR 2019–20 MAJOR MILESTONES⁵**

⁴ Termination Out of Balance – Correction of erroneous contribution and interest amounts on accounts that were not closed out correctly after benefit inception or for which there should not be contributions and interest remaining. The entire population is divided into ten subpopulations, which are defined by specific account conditions that cause the data issue and drive the data fix solution.

⁵ As approved by Pension Solution Steering Committee.
MAJOR ENTERPRISE TECHNOLOGY PROJECTS

EIM SOFTWARE TOOL

Procurement and implementation of a tool that will support effective information management and governance throughout the enterprise’s repositories. It will manage and enforce internal controls for unstructured data such as electronic documents and emails related to members and internal enterprise operations.

**Project Budget**

$1.03M

**ACCOMPLISHMENTS – PERIOD ENDING DECEMBER 31, 2019**

- Completed project requirements analysis phase.

**PLANNED MAJOR ACTIVITIES & MILESTONES BY MARCH 31, 2020**

- Complete solution build in development environment.
- Complete System Integration Testing.
- Complete System Administrator Training.
- Complete provisioning of the production environment.

**PROJECT SCHEDULE STATUS TIMELINE**

![Timeline Diagram]

**FISCAL YEAR 2019–20 MAJOR MILESTONES**

- CONTRACT EXECUTION AND PROJECT KICK-OFF
- COMPLETED PROJECT PLANNING PHASE
- COMPLETED REQUIREMENTS ANALYSIS
- COMPLETE SOLUTION BUILD IN DEVELOPMENT ENVIRONMENT
- COMPLETE SOLUTION TESTING
- COMPLETE PRODUCT IMPLEMENTATION

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6 A change request seeking to extend the project schedule was approved in November 2019.

7 “Complete Solution Build in Development Environment” milestone is delayed as the vendor is working through an integration issue. This milestone is now estimated to be completed by end of January with all subsequent milestones being pushed out by one month as well.
PENSION SOLUTION

The Pension Solution project will replace 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.

PROJECT SCHEDULE STATUS TIMELINE

FISCAL YEAR 2019–20 MAJOR MILESTONES

8 Pension Solution Status Timeline represents the project period beginning with the Procurement phase in Fiscal Year 2014-15 and the Implementation phase starting in July 2015 through January 2023 (the July 2018 board-approved change request).

Fiscal Year 2019–20 Second Quarter 6
The SAP SuccessFactors project will improve efficiencies by automating Human Resource (HR) processes, delivering real-time data and a self-service platform for all CalSTRS staff. The solution includes a core HR platform and tools for time management, learning and development, performance and goals, succession planning, onboarding, workforce planning and analytics. This is a multi-year project that will be implemented in phases. Employee Central is the first module and includes a core HR platform and time management.

**Project Budget**

$1.4 Million

**ACCOMPLISHMENTS – PERIOD ENDING DECEMBER 31, 2019**

- Finalized current-state business process documentation and requirement refinement for Employee Central (EC).
- Conducted first round of vendor interviews for SAP SuccessFactors Implementation Specialist.
- Procured software licenses leveraging the Software Licensing Program offered through the Department of General Services.
- Transitioned Change Management (CM) lead role to new core team member.
- Launched project site on CalSTRS intranet.
- Conducted internal change management activities to promote project awareness.

**PLANNED MAJOR ACTIVITIES & MILESTONES BY MARCH 31, 2020**

- Conduct final vendor interviews for implementation services.
- Select vendor for implementation services and finalize contract.
- Complete interface and data requirement analysis.
- Progress business analysis and project management activities for preparation of vendor onboarding.
- Conduct internal change management activities to promote project awareness.

**PROJECT SCHEDULE STATUS TIMELINE**

**FISCAL YEAR 2019–20 MAJOR MILESTONES**

- REQUEST FOR PROPOSAL RELEASED
- COMPLETED BUSINESS PREPARATION ACTIVITIES
- IMPLEMENTATION VENDOR ONBOARD
- PROCURED SOFTWARE LICENSING (EMPLOYEE CENTRAL) AND COMPLETE CONTRACT
TRANSFORMATION READINESS

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

PROJECT BUDGET
$16.8 Million

ACCOMPLISHMENTS – PERIOD ENDING DECEMBER 31, 2019

- Held the Pension Solution Open House to increase staff awareness and engagement with projects teams and activities.
- Introduced readiness approach with affected business areas sponsors to define roles and responsibilities for change activities related to Functional Rollout 2 (FR2).
- Facilitated sessions with representatives from impacted business areas to develop usage standards for annotations in the new pension administration system.
- Held a Change Champion Network Quarterly meeting to increase project awareness and provide an opportunity for participants to share best practices.
- Implemented the Pension Solution Soft Launch learning and development effort in collaboration with Member Account Services by delivering six instructor-led training courses, three computer-based training courses (CBTs) and a Train-the-Trainer program to selected MAS staff.
- Developed and delivered the Pension Solution Soft Launch training program for the Contributions unit in the Financial Services Branch.
- Published the Introduction to the new pension administration system CBT on the project SharePoint site and made available to all staff.

PLANNED MAJOR ACTIVITIES & MILESTONES BY MARCH 31, 2020

- Develop a schedule to address decisions where cross-functional standards need to be developed.
- Continue finalization of to-be process documentation to support change and testing preparation.
- Develop “A Leader’s Role in Change” CBT module.
- Deliver “Resistance Management, Manager and Sponsor Change Management” training to the Retirement Readiness division leadership team.
- Finalize and publish 18 CBT modules for employers.
- Approve the 8.1 FR2 Training Plan in collaboration with Team CGI.
- Socialize the FR2 training curricula with training leadership and staff.

PROJECT SCHEDULE STATUS TIMELINE

FISCAL YEAR 2019–20 MAJOR MILESTONES

- Collected Impacts from Business Areas
- Complete Functional Rollout 2 Training Plan
- Pension Solution Open House for Staff and Defined Roles for Functional Rollout 2 Change Activities
- Begin Functional Rollout 2 Training Development
The following table summarizes other reportable enterprise projects under $1 million during the second quarter.

<table>
<thead>
<tr>
<th>Project and Description</th>
<th>Project Duration</th>
<th>Schedule (Status)</th>
<th>Project Budget&lt;sup&gt;9&lt;/sup&gt;</th>
<th>Budget Expended&lt;sup&gt;10&lt;/sup&gt;</th>
<th>Budget (Status)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAP Concur (Travel and Expense Management)</td>
<td>Estimate 8-10 months</td>
<td>☀</td>
<td>$865,000</td>
<td>$0</td>
<td>☀</td>
</tr>
</tbody>
</table>

Adds a new digital service to the CalSTRS portfolio while significantly improving the end user experience. Provides travelers a “one stop shop” for all travel and expense needs which does not exist in the current application and significantly decreases the time it takes users to create and submit expense reports while reducing the high number of errors during the expense submission process.

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<sup>9</sup> Project Budget – Amount represents the sum of the projects’ prior years’ actual expended, remaining encumbrances, and current and future years budgeted amounts.

<sup>10</sup> Budget Expended – Amount represents the total expended.