# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>EDD VISION</td>
<td>1</td>
</tr>
<tr>
<td>EDD MISSION</td>
<td>1</td>
</tr>
<tr>
<td>EDD GOALS</td>
<td>1</td>
</tr>
<tr>
<td>INFORMATION TECHNOLOGY BRANCH (ITB) VISION &amp; MISSION</td>
<td>2</td>
</tr>
<tr>
<td>ITB STRATEGIES</td>
<td>2</td>
</tr>
<tr>
<td>EDD PROJECT SUMMARY</td>
<td>3</td>
</tr>
</tbody>
</table>
Beginning in 1994, the California Unemployment Insurance Code Section 4901, requires the director of the Employment Development Department (EDD) to prepare and submit a biennial report to the Legislature on or before February 1 of each even-numbered year.

The report shall include the department's automation plans, including any recommendation on improvements for the purpose of consideration by both policy and fiscal committees of the Legislature. The report shall provide a strategic information plan that describes the long-term goals and strategies which shall be undertaken by the department to create an information technology (IT) environment that will not only support the achievement of the department's strategic business mission and goals but set the foundation for using information technology to make substantial and sustainable improvements in how it conducts business.

EDD VISION

The EDD strengthens the economic vitality of Californians and their communities.

EDD MISSION

The EDD enhances California’s economic growth and prosperity by collaboratively delivering valuable and innovative services to meet the evolving needs of employers, workers, and job seekers.

EDD GOALS

The following section contains EDD’s five Strategic Goals. See the section titled STRATEGIC & TACTICAL PROJECT DETAILS for a description of the projects that support the EDD’s short-term and long-term strategies.

GOAL I: Fiscal Stewardship
Responsibly manage our public resources and align investments with strategic goals.

GOAL II: Skilled Workforce
Build a highly-skilled and responsive workforce with clear roles and responsibilities.

GOAL III: Sustainable Operations
Align system operations, administration, resources, and business processes with strategic priorities and budgetary parameters.

GOAL IV: Enabling Innovation
Invest in our future by supporting appropriate business and technology solutions.

GOAL V: Responsible Service
Negotiate clear commitments with stakeholders and focus on priorities.
Information Technology Branch (ITB) VISION & MISSION

ITB VISION

The ITB will be recognized and valued for its outstanding service, commitment to excellence, and leadership in technology.

ITB MISSION

The ITB enables the EDD’s business through the successful planning, deployment, and management of technology.

ITB STRATEGIES

The ITB plays an important role in achieving the EDD’s mission within the EDD’s values. As a service organization, ITB exists to help the EDD’s Program Partners make a difference for Californians.

ITB Top Strategic Objectives for 2016

1. Realign IT service level commitments with Program Partners to match current ITB capacity.
   • Aligns with EDD GOAL I & V.

2. Successfully transition State Disability Insurance Online (SDIO) and Continued Claims Redesign (CCR) systems into a sustainable operational mode.
   • Aligns with EDD GOAL II & IV.

3. Establish and follow an IT workload governance process.
   • Aligns with EDD GOAL I & III.

4. Improve teamwork within ITB and with Program Partners.
   • Aligns with EDD GOAL II & III.

5. Adopt standard IT service delivery practices.
   • Aligns with EDD GOAL II & III.
## EDD PROJECT SUMMARY

### COMPLETED IT PROJECTS SINCE LAST BIENNIAL REPORT

<table>
<thead>
<tr>
<th>Completed IT Projects</th>
<th>Description of Project</th>
<th>Implementation Date</th>
</tr>
</thead>
</table>
| **California Workforce Services Network (CWSN)**  
  Phase 1A, CalJOBSSM replacement  
  Phase 1B, JTA replacement | The CWSN Project will be implemented in three phases, two of which have been completed. Phase 1A and 1B were successfully implemented which created a Web-based solution that supports integrated EDD Workforce Services to One-Stop Career Center (One-Stop) clients. | March 2013 – 1A  
  March 2014 – 1B |
| **Treasury Offset Program - Unemployment Insurance Compensation (TOP UIC)** | The TOP UIC Project allowed the EDD to participate in the Treasury Offset Program (TOP), which permits the EDD to offset the federal income tax refund of a claimant with a valid, delinquent, and legally enforceable Unemployment Insurance (UI) benefit overpayment debt due to fraud. To date the TOP has recovered $186 million in overpayments. | November 2014 |
| **Unemployment Insurance Modernization (UIMOD)** | The UIMOD Project consists of two subprojects:  
  1. The Call Center Network Platform and Application Upgrade Subproject built an infrastructure for the UI call centers so that the workload could be better managed with more flexibility, while at the same time reducing costs associated with the telecommunications infrastructure.  
  2. The Continued Claims Redesign (CCR) Subproject eliminated the most labor-intensive activities inherent in the continued claims and reopening claims processes and provided additional self-service capacity for customers, allowing for a redirection of staff resources to other business functions within the UI Program. The CCR deployed an Internet mobile application (UI Online) which improved self-service capability online. | April 2015 |
| **Unemployment Insurance Call Center Enhancement** | Voice Call Back Project – This project was implemented in two phases:  
  1. Phase 1, Virtual Hold, provided callers the option to save their place in the call queue, then to be called back when it is their turn, through an Interactive Voice Response (IVR) system.  
  2. Phase 2, Schedule Call Back, provided an option for the customer to make an appointment to speak with an agent at a later time during the same day. | November 2014 – Phase 1  
  May 2015 - Phase 2 |
<table>
<thead>
<tr>
<th>Completed IT Projects</th>
<th>Description of Project</th>
<th>Implementation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disability Insurance (DI) Call Center Upgrade</td>
<td>The aging telephone infrastructure in all DI call centers were upgraded from analog to Voice over IP (VoIP), Hosted IP Centrex (HIPC). Their call center management tool was also upgraded to Virtual Contact Center (VCC), which is a cloud application and allows skills-based call routing for better customer service.</td>
<td>February 2015</td>
</tr>
<tr>
<td>Tax Branch Call Center Upgrade</td>
<td>Tax Branch’s five Interactive Voice Response (IVR) call trees were combined into one IVR with three major paths. The IVR was implemented February 2015. The aging telephone infrastructure in the call centers was upgraded from analog to VoIP, HIPC. Their call center management tool was also upgraded to VCC, which is a cloud application and allows skills-based call routing for better customer service.</td>
<td>June 2015</td>
</tr>
<tr>
<td>State Disability Insurance (SDI) Mobile Application</td>
<td>The SDI Online Mobile Application offers a mobile-friendly version of SDI Online for registered claimants using a smartphone or tablet. The most commonly-used features have been optimized for easier viewing on mobile devices which include: 1. Certify to continue disability benefits 2. A quick snapshot of claimants DI claim summary including the last payment made, weekly benefit amount; and claim balance 3. View messages and notifications from SDI.</td>
<td>May 2015</td>
</tr>
<tr>
<td>CWSN Mobile Application and Job Spidering</td>
<td>The CWSN Mobile Application makes job matches faster and easier for both job seekers and employers by allowing users to access CalJOBS™ by downloading the free application to their mobile devices via Apple iTunes or Google Play stores. The CWSN Job Spidering imports job orders (postings) from other job banks and employer Web sites across the state and country via the Web, adding approximately 200,000 to 300,000 additional job listings into CalJOBS™, which provides additional job options to job seekers.</td>
<td>January 2015</td>
</tr>
<tr>
<td>Unemployment Insurance Fraud Detection</td>
<td>The EDD has implemented a comprehensive program integrity initiative using analytics and predictive technologies to identify suspect program participants and improper payments using data matching services, third party data integration to validate program participants, and geospatial link analysis to display the interactions between EDD, claimants, and employers.</td>
<td>March 2015</td>
</tr>
</tbody>
</table>
## 2016 - BIENNIAL REPORT TO THE LEGISLATURE

### APPROVED AND/OR DELEGATED IT PROJECTS

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Priority Ranking</th>
<th>Strategic Plan Connection</th>
<th>Project SFY Length</th>
<th>Approved Project Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disability Insurance Enhancement for Physician Assistants (SB 1083 Compliance)</td>
<td>1</td>
<td>V</td>
<td>15/16 – 16/17</td>
<td>$ 1,468,656</td>
</tr>
<tr>
<td>California Workforce Services Network (CWSN) Phase 2</td>
<td>2</td>
<td>III, IV, V</td>
<td>13/14 – 15/16</td>
<td>$ 4,905,273</td>
</tr>
<tr>
<td>California State Information Data Exchange System (CA-SIDES)</td>
<td>3</td>
<td>I, IV, V</td>
<td>13/14 – 15/16</td>
<td>$ 4,395,940</td>
</tr>
<tr>
<td>AB 1245 Employer Electronic Reporting</td>
<td>4</td>
<td>I, III, IV, V</td>
<td>15/16 – 17/18</td>
<td>TBD</td>
</tr>
</tbody>
</table>

### PROPOSED IT PROJECTS FOR 2016 REPORT*

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Priority Ranking</th>
<th>Strategic Plan Connection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit Overpayment Collection Automation (BOCA)**</td>
<td>5</td>
<td>I, III, IV</td>
</tr>
<tr>
<td>Estimated Project Length: SFY 16/17 – 19/20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated Cost: $11,080,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Third Party Data Request Automation (Formerly: Electronic Requestor Information Abstract Services)</td>
<td>6</td>
<td>I, III, IV, V</td>
</tr>
<tr>
<td>Workforce Innovation and Opportunity Act Required Enhancements</td>
<td>7</td>
<td>IV</td>
</tr>
<tr>
<td>UI Workshare Automation</td>
<td>8</td>
<td>IV</td>
</tr>
<tr>
<td>Replace Legacy Benefit Systems (UI/DI/PFL)</td>
<td>9</td>
<td>II, III, IV</td>
</tr>
<tr>
<td>DI Call Center Expansion and Enhancements</td>
<td>10</td>
<td>II, IV, V</td>
</tr>
<tr>
<td>Tax Branch Call Center Expansion and Enhancements</td>
<td>11</td>
<td>II, IV, V</td>
</tr>
<tr>
<td>National Directory of New Hires</td>
<td>12</td>
<td>III</td>
</tr>
<tr>
<td>Investigation Division Case Management Information System Replacement</td>
<td>13</td>
<td>I, II, III, IV, V</td>
</tr>
</tbody>
</table>

* These proposed projects do not reflect project duration or costs, as these efforts have not yet been approved through the new CA Department of Technology (CDT) Project Approval Lifecycle (PAL) process. Previous versions of this report included this information as it was required to be included in the submission of the IT Concept Statements to the CDT. With CDT’s revision to the PAL process, the IT Concept Statements are no longer required. As a result, duration and costs are determined at a later stage in the PAL and are therefore not available to be included in this report at this time.

** The EDD has submitted a Feasibility Study Report for the BOCA Project. Approval is pending.
### Project Name

**Disability Insurance Enhancement for Physician Assistants (SB 1083 Compliance)**

### Project Start & Finish

SFY 15/16 – SFY 16/17

**Duration**

2 Years

**Project Priority**

- 1

### Estimated Cost

$1,468,656

### Related Projects

None

---

**Strategic Plan Connection**

**GOAL V:** Responsible Service

**Project Description and Scope**

In order to qualify for Disability Insurance (DI) and Paid Family Leave (PFL) benefits coverage, each claim has to be certified by a practitioner. Section 2708 of the California Unemployment Insurance Code (CUIC) defines practitioner as a person duly licensed or certified in California acting within the scope of his or her license or certification who is a dentist, podiatrist, or a nurse practitioner. As currently designed, Physician Assistants (PA) are not amongst those able to certify a disability on a claim. Senate Bill (SB) 1083 amends Section 2708 (e)(2) to expand the definition of practitioner to include PAs as certifying practitioners, for DI purposes.

To ensure the integrity of the Unemployment Compensation Disability Fund and the proper payment of benefits, the EDD verifies provider's license information against a file provided by the Department of Consumer Affairs. This validation ensures that the certifying practitioner is properly licensed and certifying within the scope of their practice. When SB 1083 is enacted, the EDD will process PAs through the same validation. Pursuant to SB 1083, the necessary changes would need to be implemented by EDD on or before January 1, 2017.

**Estimated Benefits and Services Improvements**

- Compliance with SB 1083 legislation.
- Upon implementation, the SDI Online and DI legacy applications are able to accept certifications of PAs.
- Upon implementation, the DI legacy application will accept PA license information and process forms certified by PAs.
## 2016 - BIENNIAL REPORT TO THE LEGISLATURE

### EDD’s STRATEGIC & TACTICAL PROJECT DETAILS

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Start &amp; Finish</th>
<th>Estimated Cost</th>
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</thead>
<tbody>
<tr>
<td>California Workforce Services Network (CWSN) Phase 2</td>
<td>SFY 13/14 – SFY 15/16</td>
<td>$4,905,273</td>
</tr>
<tr>
<td></td>
<td>Duration 3 years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Project Priority - 2</td>
<td></td>
</tr>
<tr>
<td><strong>Related Projects</strong></td>
<td>None</td>
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</tr>
</tbody>
</table>

### Strategic Plan Connection

- **GOAL III**: Sustainable Operations
- **GOAL IV**: Enabling Innovation
- **GOAL V**: Responsible Service

### Project Description and Scope

The CWSN project is an effective, Web-based solution that supports integrated EDD Workforce Services to One-Stop Career Center (One-Stop) clients. The EDD staff, Local Workforce Investment Area (LWIA) staff, and other One-Stop partner agency staff will have the option to use an intuitive self-service application to administer Workforce Innovation and Opportunity Act of 2014 (WIOA) and Employment Training Panel (ETP) programs. Partner agencies and users will access this application through the Internet. Partner agency staff and training providers will have access to their information at the One-Stop or through the Internet. The solution will also supply enhanced access service reporting, data exchange, and security. The CWSN solution for Phase IA and IB has been completed.

The CWSN proposed solution for Phase II is an effective, Web-based solution that will provide a self-service model where information can be directly entered by the customers. The self-service model will also provide customers with contract financial management capabilities and will allow the ETP staff more time to be advocates for the program and complete outreach within their targeted regions.

### Estimated Benefits and Service Improvements for Phase II

- Improve services to California employers. Staff will be able to decrease the timeframe to review and process applications and issue contracts.
- Provide online access for California employers seeking to hire and/or train their workforce.
- Combine separate systems into a unified system that provides data entry efficiency, improves data integrity, and allows the state to submit a single employer seeker record.
- Provide customers with contract financial management capabilities that are not possible in the current business model, and will further allow the ETP staff more time to be advocates for the program and complete outreach within their targeted regions. The goal is to attract more businesses to the program and to keep jobs in California.
Project Name
California State Information Data Exchange System (CA-SIDES)

Project Start & Finish
SFY 13/14 – SFY 15/16
Duration
3 years
Project Priority - 3

Estimated Cost
$4,395,940

Related Projects
None

Strategic Plan Connection
GOAL I: Fiscal Stewardship
GOAL IV: Enabling Innovation
GOAL V: Responsible Service

Project Description and Scope
The CA-SIDES and CA-SIDES E-Response were developed through a strategic partnership between the U.S. Department of Labor (USDOL) and state Unemployment Insurance (UI) agencies. The CA-SIDES provides a nationally-standardized format in which employers and third-party administrators (TPA) can receive and easily respond to UI information requests, attach documentation when needed, and receive a date-stamped confirmation of receipt.

California’s EDD currently requests separation information from employers or their agents through a paper-based process using the U.S. Postal Service. Responding to paper-based UI information requests fully, and within tight deadlines, also creates a significant and costly administrative burden on companies today. Per information provided by the National Association of State Workforce Agencies (NASWA), employers and TPAs that use the national SIDES are able to better anticipate and supply the data needed for UI information requests. In return, using the national SIDES reduces follow-up phone calls, helps prevent payments to those who do not meet eligibility requirements, eliminates unnecessary appeals, and streamlines the UI response processes, which reduces paper work while saving time and money.

Estimated Benefits and Services Improvements
- Reduce the annual postage costs associated with the Notice of Unemployment Insurance Claim Filed (DE 1101CZ) by 20% within 18 months of completion of the CA-SIDES project.
- Reduce the annual printing costs associated with the DE 1101CZ by 20% within 18 months of completion of the CA-SIDES project.
- Twenty percent (20%) of employers and TPAs will submit their DE 1101CZ electronically to the EDD within 18 months of completion of the CA-SIDES Project.
Project Name

AB 1245 Employer Electronic Reporting

Project Start & Finish

SFY 15/16 – SFY 17/18

Duration

3 Years

Project Priority - 4

Estimated Cost

TBD

Related Projects

None

Strategic Plan Connection

GOAL I: Fiscal Stewardship
GOAL III: Sustainable Operations
GOAL IV: Enabling Innovation
GOAL V: Responsible Service

Project Description and Scope

Assembly Bill 1245 is a mandate requiring employers to report and pay taxes to the EDD by electronic means. The implementation will be phased over a two-year period to allow the EDD to appropriately conduct a comprehensive education and outreach campaign to assist employers and their representatives, perform staff resource analysis and organizational change management activities, and perform and review all system requirements to ensure employers can report electronically.

The EDD has two primary electronic reporting/payment tools, Federal State Employment Taxes (FSET) (for large employers) and eServices for Business (for small/medium employers and agents). To ensure successful implementation, the EDD must ensure the electronic tools provide effective and efficient ease of use by the employer community, including the systems, infrastructure, etc.

Estimated Benefits and Services Improvements

- Improved efficiency, increased interest revenue, more accurate data, reduced processing costs, and fewer manual processes.
- Cost savings for the State. After full implementation has taken place, approximately $7.6 million per year is projected in savings, which can be redirected to tax revenue generating activities for the State.
- Enables redirection of manual workloads to tax generating activities and electronic tax program support.
- Funds deposited electronically are available to the State Treasurer’s Office from three to five days earlier than paper checks, which could result in greater investment opportunities.
Proposed Project Name

*Benefit Overpayment Collection Automation (BOCA)*

<table>
<thead>
<tr>
<th>Project Start &amp; Finish</th>
<th>Estimated Cost</th>
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<tbody>
<tr>
<td>SFY 16/17 – SFY 19/20</td>
<td>$11,080,000</td>
</tr>
<tr>
<td><strong>Duration</strong></td>
<td><strong>Related Projects</strong></td>
</tr>
<tr>
<td>4 years</td>
<td>Treasury Offset Program - Unemployment Insurance Compensation (TOP UIC)</td>
</tr>
<tr>
<td><strong>Project Priority - 5</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Strategic Plan Connection**

**GOAL I:** Fiscal Stewardship  
**GOAL III:** Sustainable Operations  
**GOAL IV:** Enabling Innovation

**Project Description and Scope**

The proposed BOCA system will provide an automated solution integrated with the existing tax application that will offer overpayment liability collection, storage, and account management to improve the effectiveness of the EDD’s operations and staff. The proposed system will also provide better services to claimants reducing the time and effort needed to interact with the EDD.

The EDD will replace the existing Benefit Overpayment Collection System by adding functionality to the existing Automated Collection Enhancement System (ACES) in production at the EDD. The ACES currently provides liability collection functions for the EDD’s tax collections and, with this proposed solution, the EDD will expand the ACES to also collect Unemployment Insurance (UI) and Disability Insurance (DI) benefit overpayments. This software would provide the primary functionality to support program activities and to generate management reports.

**Estimated Benefits and Services Improvements**

- Improve system support by integrating the Benefit Overpayment Collection System into the ACES system.
- Collect $23 million through the levy process, within one year after implementation.
- Improve access to the EDD by offering self-service options to benefit overpayment customers with a 10 percent adoption rate, within one year after implementation.
- Reduce the number of manually posted paper remittances by 50 percent, within one year after implementation.
- Image incoming correspondence, within one year after implementation.
- Provide customers with additional payment options to facilitate compliance by allowing customers to make electronic payments for billed liabilities, within 18 months after implementation.
- Leverage the ACES functionality to automate work processes requiring manual intervention by integrating the Benefit Overpayment Collection System into the ACES, within 18 months after implementation.
### Project Name

*Third Party Data Request Automation*

*Formerly: Electronic Requester Information Abstract Services*

<table>
<thead>
<tr>
<th>Project Start &amp; Finish</th>
<th>Estimated Cost</th>
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<tbody>
<tr>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td>Duration</td>
<td></td>
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<tr>
<td>TBD</td>
<td></td>
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<tr>
<td>Project Priority - 6</td>
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</tbody>
</table>

### Strategic Plan Connection

**GOAL I:** Fiscal Stewardship  
**GOAL III:** Sustainable Operations  
**GOAL IV:** Enabling Innovation  
**GOAL V:** Responsible Service

### Project Description and Scope

The EDD currently provides both paper and electronic confidential information abstracts (summaries of information accumulated under a given Social Security Number (SSN)) to external, legally authorized governmental agencies and requesters. This project would replace an aged, and difficult to maintain, 1970’s mainframe batch processing system with access to confidential information via secure file transfer processes and authorized online services. Full accountability for external requester account agreements, electronic access, requester authentication, authorization, and a detailed audit trail of activity would be established.

### Estimated Benefits and Services Improvements

- The ability to leverage new automation technologies to replace outdated systems.
- The electronic process will be able to handle requests more timely and accurately.
- Electronic processing eliminates manual processing time in order to handle entry and outputs, to package and ship abstract products.
- Allows customers to access their data on an as-needed basis.
**Project Name**

*Workforce Innovation and Opportunity Act Required Enhancements*

<table>
<thead>
<tr>
<th>Project Start &amp; Finish</th>
<th>Estimated Cost</th>
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<tbody>
<tr>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td>Duration</td>
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<td>TBD</td>
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<td>Project Priority - 7</td>
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</tbody>
</table>

**Related Projects**

None

**Strategic Plan Connection**

**GOAL IV: Enabling Innovation**

**Project Description and Scope**


The Workforce Services Branch of the EDD will be directly impacted by the implementation of WIOA. The Department of Labor will establish requirements that EDD must adhere to. The Workforce Services Division is responsible for ensuring that the department provides the tools and resources needed to promote compliance with the new WIOA requirements.

With the implementation of these new requirements, CalJOBS\textsuperscript{SM} has the potential to become the integrated intake, case management and reporting system in California, which may expand to include: California Department of Social Services, California Department of Developmental Services, California Department of Rehabilitation, and California Department of Education/California Community Colleges. The new WIOA requirements and the addition of each of these agencies requires that the CalJOBS\textsuperscript{SM} system is enhanced to incorporate additional modules in an effort to ensure that EDD provides a product that meets the needs of its customers and promotes compliance with the WIOA regulations.

**Estimated Benefits and Services Improvements**

- Enhance the current CalJOBS\textsuperscript{SM} system to adopt additional functionality to support compliance with the WIOA for both the EDD and all other potential stakeholders.
- Develop a data management and data imaging system that is accessible by various agencies and programs, and allows for document and information sharing.
- This will promote compliance with the WIOA requirements through the support of effective communication across agencies and programs.
2016 - BIENNIAL REPORT TO THE LEGISLATURE
EDD’s STRATEGIC & TACTICAL PROJECT DETAILS

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Start &amp; Finish</th>
<th>Estimated Cost</th>
<th>Related Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>UI Workshare Automation</td>
<td>SFY 16/17 – SFY 17/18</td>
<td>TBD</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td>Duration</td>
<td></td>
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<tr>
<td></td>
<td>2 Years</td>
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<td></td>
<td>Project Priority - 8</td>
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</tbody>
</table>

Strategic Plan Connection

GOAL IV: Enabling Innovation

Project Description and Scope

The EDD received federal grant funding from the U.S. Department of Labor to improve the administration of the Short-Time Compensation program called the Work Sharing (WS) program to streamline operation functions and implement recently identified and critical system enhancements. The WS program's processes are outdated and in need of improvement to allow for more timely and efficient processing of WS applications, claim filing, continued claims, and determinations. The WS program's processes have generally remained unchanged for many years with the exception of some changes made in the California Unemployment Benefit Services (CUBS) system. To help California's employers avert layoffs, the EDD needs to be able to handle increased employer enrollment in the program and administer the program more efficiently.

The EDD plans to do this in a two-prong approach:
- The first initiative involves a comprehensive end-to-end business process assessment of its WS program to streamline the overall functions and achieve administrative efficiencies.
- The second initiative involves the design, development, and implementation of enhancements in the CUBS system to improve WS program processes.

Estimated Benefits and Services Improvements

Streamlining the overall functions will allow the WS program staff to:
- Process the employer WS applications and benefit payments more timely
- Creating efficiencies in the processing of the work that will allow the EDD to handle the workload without working overtime, or at least significantly reduced overtime.
**Project Name**
*Replace Legacy Benefit Systems (UI/DI/PFL)*

**Project Start & Finish**
TBD

**Duration**
TBD

**Project Priority - 9**

**Estimated Cost**
TBD

**Related Projects**
None

### Strategic Plan Connection

**GOAL II:** Skilled Workforce  
**GOAL III:** Sustainable Operations  
**GOAL IV:** Enabling Innovation

### Project Description and Scope

The EDD proposes to replace its multiple benefit systems with a single, integrated benefit system. The individual systems include: the California Unemployment Benefit Services (CUBS) /Unemployment Insurance Online (UIO), State Disability Insurance Online (SDIO), Paid Family Leave (PFL) and the EDD’s Single Client Database (SCDB) mainframe systems.

The current legacy systems will not be sustainable beyond 2020. The benefits systems are very specialized, custom applications and on-going support costs continue to increase. Additionally, recruiting and retaining IT staff with legacy system knowledge is becoming increasingly difficult. There is duplication of data due to disparate systems and data does not always match.

The solution would provide one technology development platform which is less complex. Making changes and updates to one system can be done quickly and efficiently.

A Commercial-Off-The-Shelf (COTS) solution will be researched to achieve these goals.

### Estimated Benefits and Services Improvements

- Offers an agile solution to efficiently and effectively meet changing customer needs.
- A COTS vendor will automatically enhance the system to embrace new technologies and new federal program requirements.
- A COTS solution requires significantly fewer support staff (both vendor and the EDD).
- Mitigate all the legacy system issues including its ongoing support cost and sustainability (Legacy solution will not be sustainable beyond 2020 and the cost of supporting the legacy solution will outweigh the return in value).
- Provide one technology development platform; less complex.
- Mitigate data synchronization issues.
- Eliminate all duplicate logic/services, thus simplifying the EDD support needs.
2016 - BIENNIAL REPORT TO THE LEGISLATURE
EDD’s STRATEGIC & TACTICAL PROJECT DETAILS

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Start &amp; Finish</th>
<th>Estimated Cost</th>
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</thead>
<tbody>
<tr>
<td>Disability Insurance Call Center Expansion and Enhancements</td>
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<td></td>
<td>Duration</td>
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Strategic Plan Connection
GOAL II: Skilled Workforce
GOAL IV: Enabling Innovation
GOAL V: Responsible Service

Project Description and Scope
The Disability Insurance (DI) Call Center Upgrade project was completed in February 2015, which helped improve the customer service experience through modernization and features. The implementation of additional enhancements will further mitigate issues such as high deflect rates, abandoned calls, and extended wait time for customers.

The Virtual Hold enhancement will enable the Interactive Voice Response (IVR) to provide callers the option to save their place in the call queue, and then be called back when it is their turn. The Schedule Call Back enhancement will provide the customer an option to make an appointment to speak with an agent at a later time during the same day. Management enhancements will be added to assist with live coaching, training, and monitoring. The DI program will also expand the call center capacity to enable more agents to take calls.

Estimated Benefits and Services Improvements
- Enhance customer service.
- Enhance staff training and coaching.
- Reduce overall call time.
2016 - BIENNIAL REPORT TO THE LEGISLATURE
EDD’s STRATEGIC & TACTICAL PROJECT DETAILS

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Start &amp; Finish</th>
<th>Estimated Cost</th>
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</thead>
<tbody>
<tr>
<td>Tax Branch Call Center Expansion and Enhancements</td>
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<td></td>
<td>Duration</td>
<td>Related Projects</td>
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</table>

Strategic Plan Connection

GOAL II: Skilled Workforce
GOAL IV: Enabling Innovation
GOAL V: Responsible Service

Project Description and Scope

The Tax Branch Call Center Upgrade project was completed in June 2015, which helped to improve the customer service experience through modernization and features. The implementation of other enhancements will further enhance the caller experience.

The Virtual Hold enhancement will enable the Interactive Voice Response (IVR) to provide callers the option to save their place in the call queue, and then be called back when it is their turn. The Schedule Call Back enhancement will provide the customer an option to make an appointment to speak with an agent at a later time during the same day. Management enhancements will be added to assist with live coaching, training, and monitoring.

Estimated Benefits and Services Improvements

- Enhanced customer service.
- Enhanced staff training and coaching.
## Project Details

<table>
<thead>
<tr>
<th>Project Name</th>
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<th>Estimated Cost</th>
<th>Related Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Directory of New Hires</td>
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### Strategic Plan Connection

**GOAL III: Sustainable Operations**

### Project Description and Scope

Currently, California uses the State New Employee Registry (NER) to determine an individual’s work status and to detect and prevent potential unemployment insurance fraud. In Unemployment Insurance Program Letter (UIPL) No 3-07, Change 1, the Department of Labor mandated states to utilize the National Directory of New Hires (NDNH) data from employers.

California's participation and use of the NDNH data will provide another resource to validate an individual’s work status. Therefore, system changes need to be made to allow California to retrieve data from the NDNH and perform new hire crossmatch activity.

### Estimated Benefits and Services Improvements

- This will allow California to be in compliance with the legislative mandate in the UIPL No. 3-07, Change 1 and legislative bill H.R. 4783.
- This programming should help prevent potential Unemployment Insurance fraud.
### Project Name

*Investigation Division Case Management Information System Replacement*

<table>
<thead>
<tr>
<th>Project Start &amp; Finish</th>
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<tbody>
<tr>
<td>TBD</td>
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<td><strong>Duration</strong></td>
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</table>

**Related Projects**

None

### Strategic Plan Connection

**GOAL I: Fiscal Stewardship**
**GOAL II: Skilled Workforce**
**GOAL III: Sustainable Operations**
**GOAL IV: Enabling Innovation**
**GOAL V: Responsible Service**

### Project Description and Scope

Under Section 317 of the California Unemployment Insurance Code (CUIC), the EDD Investigation Division (ID) is assigned the responsibility for investigation, fraud deterrence, and detection. The ID relies solely on the Investigation Division Information System (IDIS) for retention of casework inventory, investigation activities, and administrative infrastructure, including attendance reporting and budgeting.

The IDIS was created in 2006 at a branch level, on desktop computers by Program Review Branch's (PRB) information technology personnel. The system was intended to function as a preliminary model of a previous mainframe inventory system that was no longer supported.

The IDIS is nominally supported at this time, replacement of the system would allow for reliable data back-up, recovery and updates. It would decrease the risk of gathering unstable data that cannot be isolated in time nor replicated for audit reviews.

### Estimated Benefits and Services Improvements

- Develop a system with capabilities allowing for automated data back-up, automated system recovery, and automated system update or enhancements.
- Create sufficient reports with ad-hoc capabilities as needed for queries.
- Develop the automated capability to track investigative costs and budget projections.
- Develop a system with capability for linear flow when creating new cases, allowing intuitive searches using current technologies, and programming that will alert the user to pre-existing data to eliminate duplicate data entry.
- Develop a system with capability to store queries, allowing for identical searches to be performed at later times that will deliver results replicating previous searches.
Memorandum

To: Patrick Henning, Jr., Director
   Employment Development Department

Date: May 6, 2016

From: Amy Tong, Interim Director
      California Department of Technology

Subject: Employment Development Department’s (EDD) Biennial Automation Report to the Legislature

Pursuant to Section 4903 of the California Unemployment Insurance Code, the Department of Technology (CDT) has reviewed the EDD’s Biennial Automation Report to the Legislature. The CDT finds the requirements of the report have been met, and the cost and benefits identified are consistent with projects previously submitted, as required. Further, the report is in line with the state’s IT strategic plan. We have no changes to suggest and have no objections to the report being submitted to the legislature.