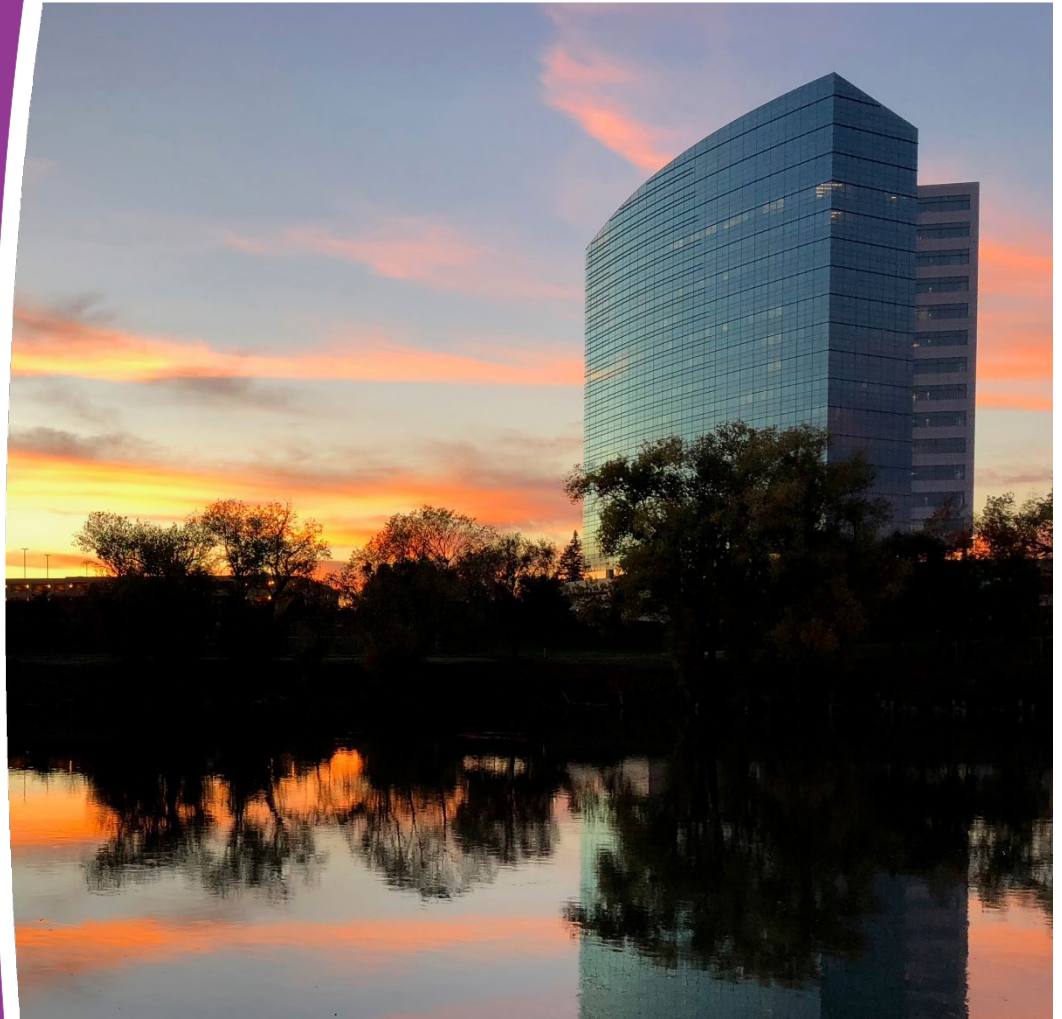




Enterprise Technology Projects

FISCAL YEAR

2020-21



THIRD QUARTER REPORT

Quarter Ending March 31, 2021

ENTERPRISE TECHNOLOGY PROJECTS

FISCAL YEAR 2020-21
THIRD QUARTER REPORT

At the end of the third quarter for fiscal year 2020-21, CalSTRS had eight enterprise projects: five major technology projects over \$1 million and three additional projects under \$1 million.

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

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 third quarter.

Project Name	Project Duration	Schedule (Status)	Project Budget ¹	Budget Expended ²	Budget (Status)
Data Quality	Nov 2011 – Jun 2022		\$30,910,879	\$24,393,914	
Datacenter Hosting and Migration Services	Nov 2020 – Oct 2023		\$19,900,000	\$335,609	
HR Link	Dec 2018 – Aug 2021		\$1,522,667	\$409,717	
Pension Solution	Jul 2014 – Feb 2023	 ³	\$304,833,040	\$202,138,173	
Transformation Readiness	Jul 2016 – Jun 2021		\$16,795,033	\$12,046,025	

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

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 The yellow indicator is due to the vendor experiencing significant delays with Contractor Acceptance Testing - Part B (CAT-B) for Functional Rollout (FR) 2. CalSTRS is also experiencing a lower than expected pass rate in User Acceptance Testing. Additionally, the vendor is making slower progress in fixing the defects than anticipated. The delayed completion is impacting the project schedule and all downstream project activities including User Acceptance Testing and the Go-Live dates for both FR2 and FR3.

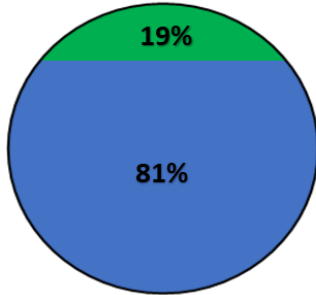
MAJOR ENTERPRISE TECHNOLOGY PROJECTS

DATA QUALITY

The Data Quality project 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

\$30.9 Million



● % Expended ● % Remaining

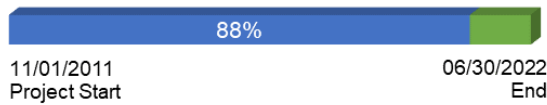
ACCOMPLISHMENTS – PERIOD ENDING MARCH 31, 2021

- Completed or closed four conversion fallout issues.
- Completed data fix for Termination Out of Balance – START (legacy pension administration system) Born False Balances.

PLANNED MAJOR ACTIVITIES & MILESTONES BY JUNE 30, 2021

- Complete Termination Out of Balance Additional Annuity Credit / Additional Earnings Credit Population and Interest Only Populations, resolving all Termination Out of Balance populations.

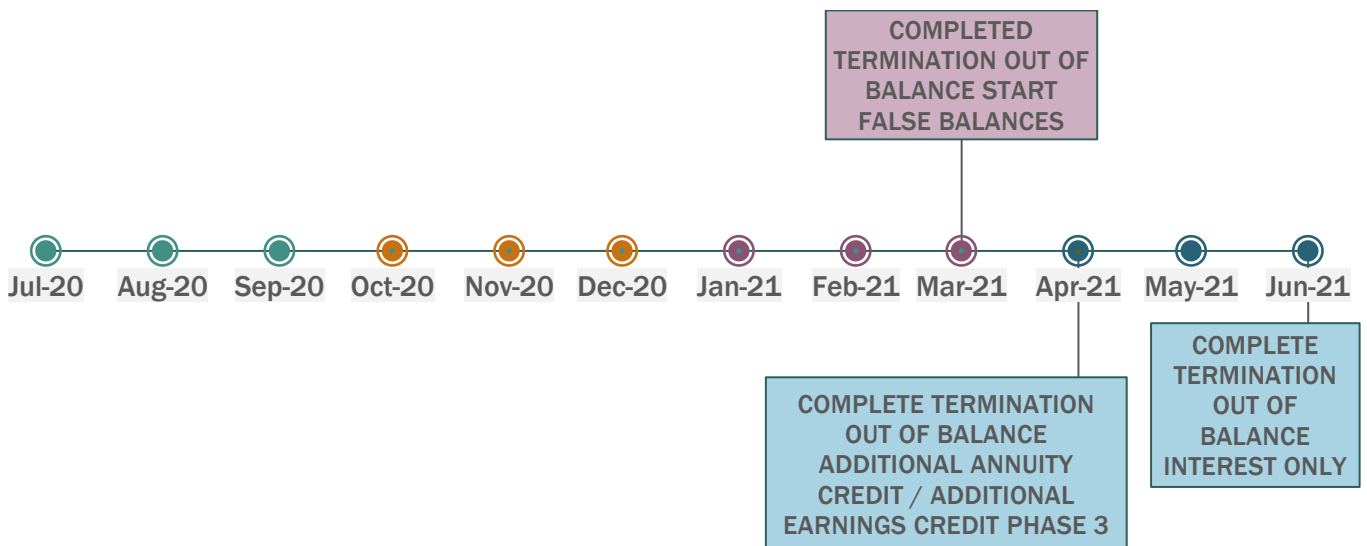
PROJECT SCHEDULE STATUS TIMELINE



11/01/2011
Project Start

06/30/2022
End

FISCAL YEAR 2020–21 MAJOR MILESTONES⁴



⁴ As approved by Pension Solution Steering Committee.

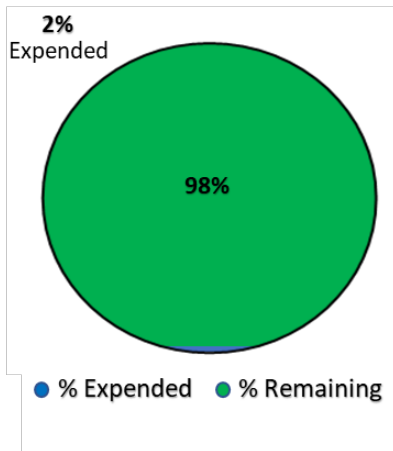
MAJOR ENTERPRISE TECHNOLOGY PROJECTS

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

\$19.9 Million



ACCOMPLISHMENTS – PERIOD ENDING MARCH 31, 2021

- Completed the assessment of current datacenter and application architecture.
- Completed the build-out of new hybrid cloud environment at the two new Datacenter (DC) buildings and the Amazon Web Services (AWS) cloud environment for Proof of Viable Service (PoVS).
- Completed the assessment and design effort for the BusinessDirect (BD) migration
- SD-WAN solution (software-defined networking in a wide area network) has been set up at CalSTRS HQ and the Equinix SV10 DataCenter.
- Completed the AppGate SDP ZTNA (zero-trust network access) PoC (Proof of Concept) as part of the replacement for myRemoteDesktop.

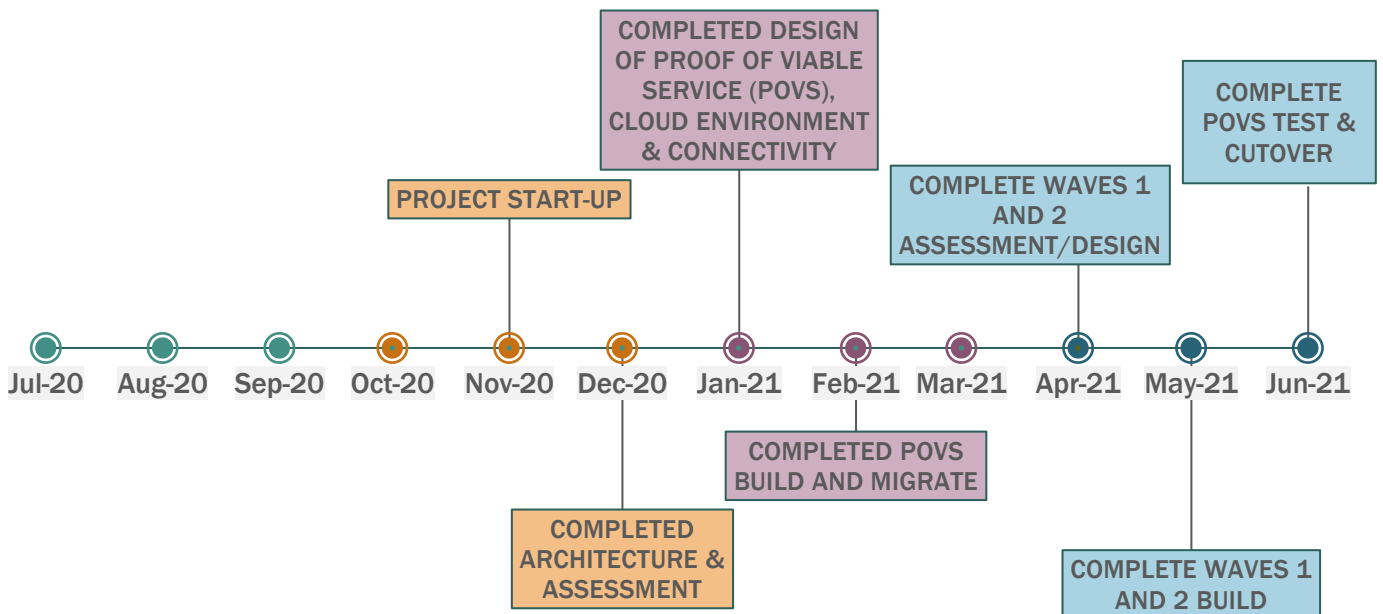
PLANNED MAJOR ACTIVITIES & MILESTONES BY JUNE 30, 2021

- Complete PoVS by successfully migrating Active Directory (AD), 403B Compare, Online Forms, and various Connectors into the AWS cloud.
- Complete the assessment/design and build-out effort for Electronic Content Management System (ECMS), Investment CPEs, Genesys, and BD migrations.

PROJECT SCHEDULE STATUS TIMELINE



FISCAL YEAR 2020–21 MAJOR MILESTONES



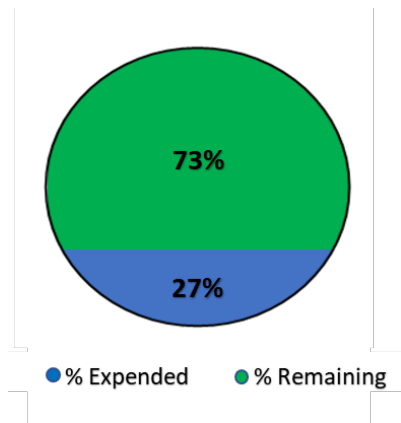
MAJOR ENTERPRISE TECHNOLOGY PROJECTS

HR LINK

The HR Link 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 and Learning and Development are the first modules and include a core HR platform, time and attendance management, and a learning management system.

PROJECT BUDGET

\$1.5 Million



ACCOMPLISHMENTS – PERIOD ENDING MARCH 31, 2021

- Completed Iteration 2 (configuration and validation) for Employee Central and Time and Attendance
- Completed Iteration 2 workshops and configuration for Learning Management System.

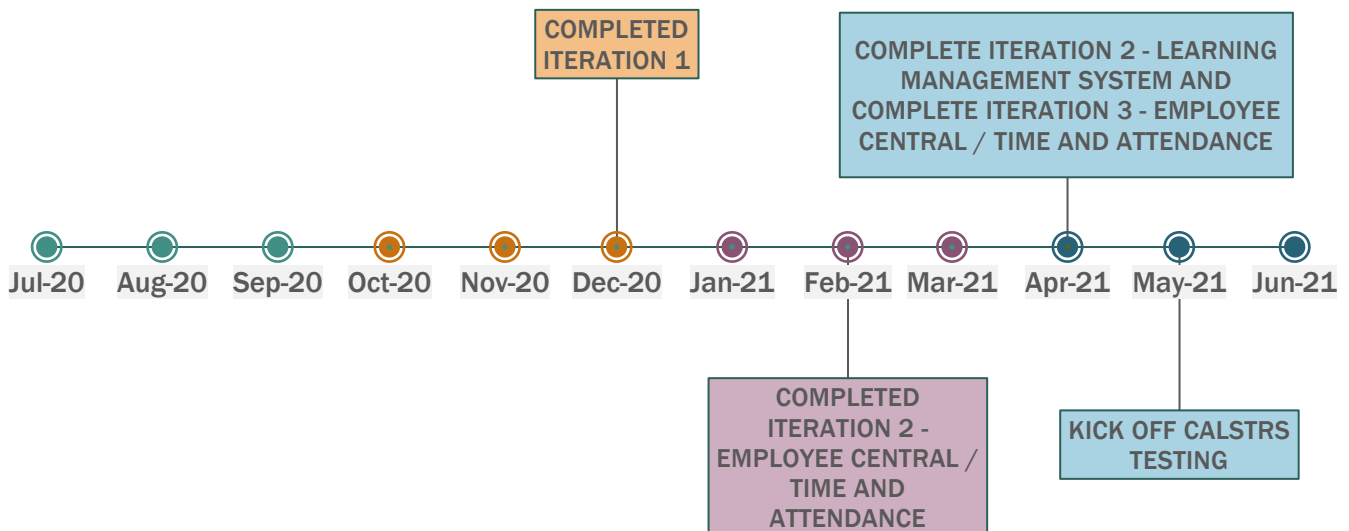
PLANNED MAJOR ACTIVITIES & MILESTONES BY JUNE 30, 2021

- Complete Iteration 2, Learning Management System.
- Complete Iteration 3 Employee Central and Time and Attendance.
- Complete configurations for Learning Management System, Employee Central, and Time and Attendance.
- Complete Integrations.
- Kick off CalSTRS testing (System Integration and User Acceptance).

PROJECT SCHEDULE STATUS TIMELINE



FISCAL YEAR 2020–21 MAJOR MILESTONES



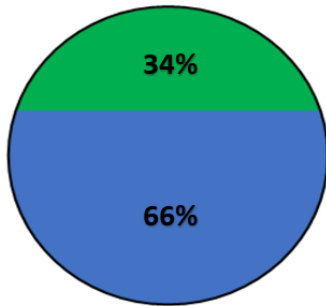
MAJOR ENTERPRISE TECHNOLOGY PROJECTS

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.

PROJECT BUDGET

\$304.8 Million



● % Expended ● % Remaining

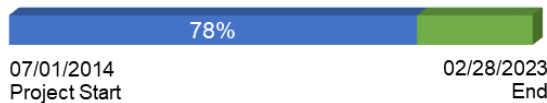
ACCOMPLISHMENTS – PERIOD ENDING MARCH 31, 2021

- Completed Employer Readiness Visits for all Report Sources.
- Commenced Employer Final File Validation activities.
- Updated the Employer Toolkit.
- Completed Maintenance Release 2 User Acceptance Testing activities for Functional Rollout 1.
- Completed Maintenance Release 2 Implementation activities for Functional Rollout 1.
- Delivered Functional Rollout 2 Computer-Based Trainings to employers.
- Commenced Functional Rollout 3 User Acceptance Testing Test Case Development.

PLANNED MAJOR ACTIVITIES & MILESTONES BY JUNE 30, 2021

- Complete Final File Validation Employer Webinar Series.
- Commence Secure Employer Website Decommission.
- Complete Contractor Acceptance Testing (Part-B) for Functional Rollout 2.
- Complete the FR2 Business Transition meetings and summarize the results.
- Complete Development activities for Functional Rollout 3.

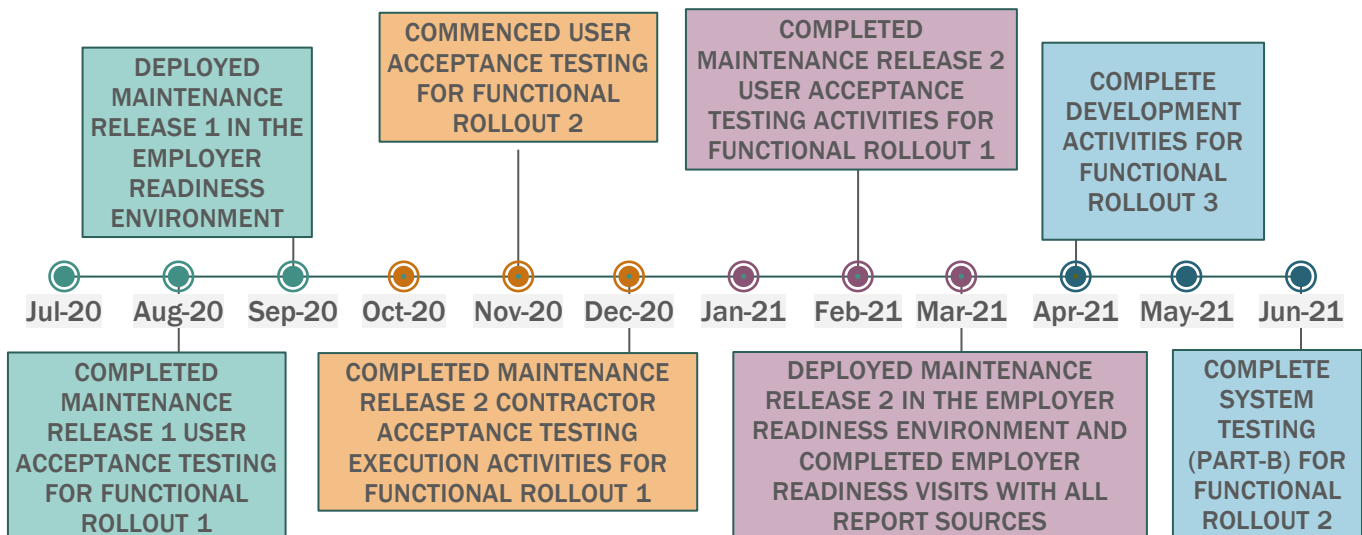
PROJECT SCHEDULE STATUS TIMELINE⁵



07/01/2014
Project Start

02/28/2023
End

FISCAL YEAR 2020-21 MAJOR MILESTONES



⁵ 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).

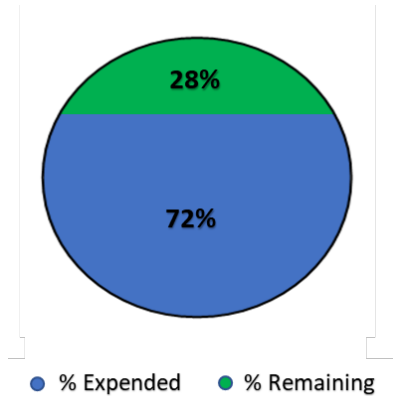
MAJOR ENTERPRISE TECHNOLOGY PROJECTS

TRANSFORMATION READINESS

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

PROJECT BUDGET

\$16.8 Million



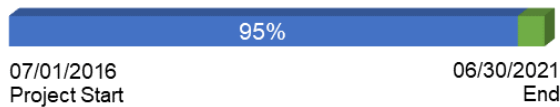
ACCOMPLISHMENTS – PERIOD ENDING MARCH 31, 2021

- Completed Business Process Readiness Analysis for Functional Rollout 3.
- Consolidated the Role Profile Matrix with additional extracts in preparation of creating users and system access at conversion.
- Created the Change Management Activity Catalogue to identify and utilize already developed readiness tools and activities.
- Delivered a change management learning module, Managing Resistance and Change Communication
- Delivered the organization-wide change readiness assessment results.
- Completed draft training materials for the 40 Functional Rollout 2 training courses for staff, members, and employers in collaboration with business area training staff and subject matter experts.
- Conducted virtual instructor-led training and computer-based training workshops for Functional Rollout 2 course developers.

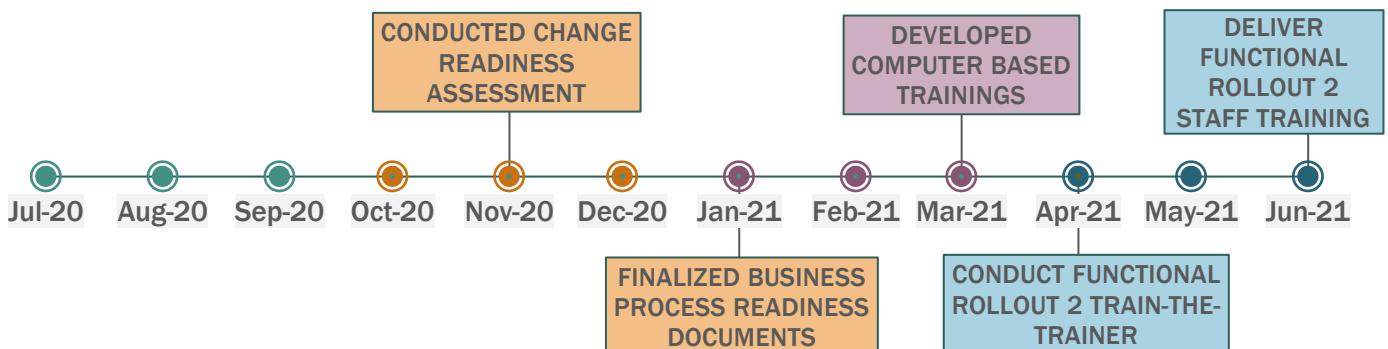
PLANNED MAJOR ACTIVITIES & MILESTONES BY JUNE 30, 2021

- Begin the Information Technology Process Readiness effort.
- Conduct a Pension Solution Open House to increase organizational awareness of project activities.
- Deliver a change management learning module, Engaging with Manager and Sponsors During Change.
- Deliver all presentations and reports with findings and recommendations for the Pension Solution Readiness Assessment
- Complete the Functional Rollout 2 Train-the-Trainer and Staff Training Schedules.
- Finalize Pension Solution learning plans for CalSTRS employees.
- Finalize training materials for the 40 Functional Rollout 2 training courses for staff, members, and employers in collaboration with business area training staff and subject matter experts.

PROJECT SCHEDULE STATUS TIMELINE









FISCAL YEAR 2020-21 MAJOR MILESTONES



OTHER ENTERPRISE PROJECTS UNDER \$1 MILLION

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

Project and Description	Project Duration	Schedule (Status)	Project Budget ⁶	Budget Expended ⁷	Budget (Status)
<p>CalSTRS.com Modernization</p> <p>Provides CalSTRS with a modern public-facing website that meets the latest web architecture standards and caters to members, investors, and all other CalSTRS business partners' needs.</p>	Sep 2020 – Feb 2022		\$678,123	\$0	
<p>Print to Mail Software</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		\$559,283	\$0	
<p>SAP Concur (Travel and Expense Management)</p> <p>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.</p>	Jan 2020 – May 2021		\$865,000	\$477,250	

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

⁶ Project Budget – Amount represents the sum of the projects' prior years' actual expended, remaining encumbrances, and current and future years budgeted amounts.

⁷ Budget Expended – Amount represents the total expended.

