



**COUNTY OF SAN LUIS OBISPO
BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Social Services	(2) MEETING DATE 4/23/2019	(3) CONTACT/PHONE Trish Avery Caldwell (805) 788-2601	
(4) SUBJECT Request to approve a 3-year extension to the CalWORKs Information Network (CalWIN) maintenance and operations service contract (Clerk's File) with DXC, for the period of February 1, 2020 through January 31, 2023 in the amount of \$3,754,845; and delegate authority to the County of San Luis Obispo Department of Social Services Director or designee to sign any amendments to the Contract. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board <ul style="list-style-type: none"> • Approve, and direct the Chairperson to sign, a 3-year extension to the service contract with DXC for CalWORKs Information Network (CalWIN) maintenance and operations service contract in the total amount of \$3,754,845 for a 3-year period starting February 1, 2020 through January 31, 2023; and • Delegate authority to the County of San Luis Obispo Department of Social Services Director or designee to sign any amendments to the Contract. 			
(6) FUNDING SOURCE(S) Federal 54% State 40% County 06%	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$1,203,404	(9) BUDGETED? yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) n/a		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: n/a <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date <u>Jan 6, 2015</u>	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) All Districts			



COUNTY OF SAN LUIS OBISPO

TO: Board of Supervisors

FROM: Social Services/Devin Drake
(805) 781-1825

DATE: 4/23/2019

SUBJECT: Request to approve a 3-year extension to the CalWORKs Information Network (CalWIN) maintenance and operations service contract (Clerk's File) with DXC, for the period of February 1, 2020 through January 31, 2023 in the amount of \$3,754,845; and delegate authority to the County of San Luis Obispo Department of Social Services Director or designee to sign any amendments to the Contract. All Districts.

RECOMMENDATION

It is recommended that the Board:

1. Approve, and direct the Chairperson to sign, a 3-year extension to the service contract with DXC for CalWORKs Information Network (CalWIN)¹ maintenance and operations (M&O) service contract in the total amount of \$3,754,845 for a 3-year period starting February 1, 2020 through January 31, 2023; and
2. Delegate authority to the County of San Luis Obispo Department of Social Services Director or designee to sign any amendments to the Contract.

DISCUSSION

As early as 1985 the California Department of Social Services (CDSS) had a vision for a Statewide Automated Welfare System (SAWS) to manage program delivery of social service benefits. However, it wasn't until Fiscal year (FY) 1995-1996 that funding was allocated and Federal government mandated all welfare agencies in the State of California to develop and implement a SAWS to streamline services and increase the accuracy of determining eligibility and benefit calculations. The end result was four (4) state systems: 1) CalWIN, 2) Los Angeles Eligibility Automated Determination, Evaluation and Reporting (LEADER)², 3) Interim Statewide Automated Welfare System (ISAWS)³ and 4) Consortium IV (C-IV). The County, along with seventeen (17) other counties, selected the CalWIN system.

¹ California Work Opportunity and Responsibility for Kids (CalWORKs) Information Network (CalWIN)

² Now known as Leader Replacement System (LRS)

³ In 2010 ISAWS converted to C-IV

The CalWIN system is a web-based, on-line, real-time automated system with multiple subsystems to support eligibility determination and benefit calculation, client correspondence, management reports, interfaces and case management for public assistance programs. CalWIN supports the following social service programs:

- California Work Opportunity and Responsibility to Kids (CalWORKs)
- Refugee Cash Assistance (RCA)
- CalFresh (CF)
- Medi-Cal (MC)
- Cash Assistance Program for Immigrants (CAPI)
- In-home Supportive Services (IHSS)
- Foster Care (FC)
- Kinship Guardianship Assistance Payment (KinGAP)
- General Assistance (GA)

In addition, CalWIN provides automated support for employment services for Welfare-to-Work (WTW), Child Care, Cal-Learn, and the CalFresh Employment Program.

The original Information Technology Agreement (Agreement) was approved by each of the 18 consortium counties of which the County of San Luis Obispo is a member. The original contract was for 99-months and on January 4, 2000, your Board approved the original Agreement with Electronic Data Systems Corporation (EDS) that became effective February 2000. After the development and testing phase, the CalWIN system was implemented in the County of San Luis Obispo May 1, 2006.

The original 99-month contract with EDS was scheduled to terminate on July 31, 2008, however a request to amend the Agreement due to implementation delays went to the County of San Luis Obispo Board on December 4, 2007, Item No. B-10, and your Board approved Amendment No. I to extend services through July 2010 and to increase the reimbursement amount of the Agreement to cover additional maintenance and operation costs. In 2008, during the term of the contract with EDS, EDS and Hewlett-Packard legacy services merged and became Hewlett-Packard Enterprise Services, LLC (HPES). Subsequently, Amendment II was approved by your Board on August 11, 2009, Item No. A-16, to extend the contract and to increase the reimbursement amount through July 31, 2013. The Amendment II with EDS/HPES was requested to allow the WCDS Consortium to complete a competitive solicitation process for the continuation of the CalWIN maintenance and operation (M&O) services, resolve caseload cap issues and address business needs such as hardware and software upgrades.

In 2010, based on the approved Amendment II, WCDS Consortium began the process to look for a capable CalWIN vendor via a competitive procurement. Unfortunately, federal-driven timelines and projects resulted in delays of this process and your Board approved the Amendment III, Item no. 5, on March 5, 2013, to keep HPES as the vendor of services through July 31, 2015. On March 1, 2013, the WCDS Consortium issued a Request for Proposal (RFP) in compliance with federal, state, and local laws to provide all interested parties an opportunity to bid on publicly funded contracts. The RFP was open for approximately five (5) months, closing on July 29, 2013. The RFP resulted in two (2) proposals and HPES was selected as the provider of CalWIN M&O services. Under the HPES contract the following services were provided:

- **MyBenefits CalWIN** – service provides a single access point that allows applicants/recipients to interact with CalWIN using an internet browser. Users can apply for aid, schedule appointments, access their benefit

information, view incoming Redetermination/Recertification and Renewal (RRR) dates, email their case worker, and/or live chat, upload/download documents via scanning applications, and includes links to other self-help entities and other useful applications. The portal can display emergency information for users to be directed to staging areas.

- **CalWIN Mobile Application** – service allows Apple and Android smartphone users to: 1) get an overview of the programs and services offered in CalWIN, 2) check to see if a disaster has been declared in their area and if assistance is available, 3) find information regarding their CalWIN Benefits, and 4) find the nearest CalWIN office location by utilizing their smartphone's GPS.
- **ACCESS CalWIN** – a centralized and standardized Interactive Voice Response (IVR) system from which applicants/recipients can obtain up-to-date case information for the CalFresh, CalWORKs, Medi-Cal and General Assistance programs. This self-service automated system is available to answer the most common questions from our applicants/recipients; anytime of the day/night without County staff intervention.
- **Service Management Access and Resource Tracking (SMART) System** - system facilitates applicant/recipient self-sufficiency by streamlining service delivery through electronic information sharing. The SMART system provides the ability to interface with individual County service partners such as contractors, and other County agencies in coordinating services for clients.

In 2016, Hewlett Packard Enterprise Company (HPE) announced corporate plans to split and merge HPES business with Computer Sciences Corporation (CSC) to focus its future services in specialized IT areas like next generation cloud, mobility, security, etc. This action resulted in a name change from HPES to Enterprise Services, LLC. Since there was only a name change to the open CalWIN M&O contract no amendment was required. The merger between HPSE and CSC was completed in April 2017, and the company launched became DXC Technology Company (DXC). DXC is a leading independent, end-to-end IT services company, that provides information technology (IT) consulting services to businesses and governments.

Three (3) Year M&O Contract Extension

The current DXC M&O Agreement is due to expire January 31, 2020, and allows for one 3-year extension, followed by one 2-year extension. The WCDS Board of Directors has requested that the initial 3-year extension be exercised by the participating counties. The extension would result in the DXC M&O Agreement starting February 1, 2020 and ending January 31, 2023. Minimal changes have been made to the contract and include the following:

1. Changing all HP references throughout the document to DXC.
2. Update the definition for the Central Site Facility in Section 1.7 to reflect current location.
3. Update Section 22.27, Notices to reflect current contact information.
4. Update Exhibit A Financial Matters to account for the associate costs of California Healthcare Eligibility, Enrollment and Retention System (CalHEERS) Interface and Contact CalWIN.
5. Add Exhibits J and K to incorporate Statements of Work for 30724 – CalHEERS Interfaces M&O Services and 30725 – Contact CalWIN M&O Support

It is anticipated the WCDS Consortium will begin the process to look for a California Statewide Automated Welfare System (CalSAWS) vendor via a competitive procurement in 2021. The CalSAWS is projected to replace the CalWIN system in 2022-23 depending on the roll-out date of each county.

Approval of the Agreement with DXC will ensure the CalWIN system, that provides timely and accurate benefits to applicants and recipients of services, will continue to operate as needed and to maintain the integrity of the CalWIN system and support the County's vision of a community that is well governed. The total cost for the County of San Luis Obispo's share of services is outlined in the Financial Considerations section of this letter.

OTHER AGENCY INVOLVEMENT/IMPACT

The County actively participated in the WCDS consortium activities resulting in this extension of services. County Counsel has reviewed and approved this contract as to legal form and effect.

FINANCIAL CONSIDERATIONS

The DXC contract is a multi-county contract that represents the computerized needs of the WCDS eighteen (18) consortium counties and is funded with the County's annual CalWIN allocation of Federal and State funds which cover 94-96% of the cost of the contract. Only a small County share between 4-6% is required to pay for County-only programs like General Assistance (GA). The CalWIN allocation also provides expenditure reimbursement for other CalWIN related costs, such as project staff salaries, travel and equipment maintenance. This letter requests funding for the DXC maintenance and operation (M&O) contract only, since the revenue and expenditure detail related to the CalWIN allocation is part of the annual budget approval process.

State DXC CalWIN Contract Costs

This Agreement will be effective February 1, 2020 through January 31, 2023. The total cost of the pending contract is \$279,672,549 and includes \$188,042,705 for Contractor charges, up to \$50,600,572 for special Premise funds and up to \$41,029,272 for Change Requests. The County is exercising the first of two optional extension periods available that extend the contract out to January 31, 2023. If at the end of the first 3-year extension the second optional extension period of 2-years is exercised the contract would extend out to January 31, 2025.

County DXC CalWIN Contract Costs

Each of the 18 WCDS consortium counties' cost is determined by a sharing table calculation and the methodology is based on the county size and projected caseload percentage ratios. The total cost for San Luis Obispo County's share of services over the 36-month term (3-years) is projected at \$3,754,845 (or approximately 1.3% of the \$279,672,549) with a net County cost of approximately \$225,291 (6%) after Federal and State reimbursement. Costs between counties may be adjusted due to factors such as relative caseload changes, specific programs charged for various work, and new premise funding.

The adopted FY 2019-2020 DSS budget includes funding for CalWIN, including the DXC contract costs and will require no additional General Fund contributions. The table below reflects San Luis Obispo County's DXC contract costs for the current fiscal year as well as the estimates for the four (4) fiscal years under the pending contract which would cover the contract period out to January 2023.

DXC Contract Costs for San Luis Obispo County				Sharing Ratios*	
Fiscal Year	Costs	State & Federal Share	County Match	Fed/State	County
18-19 Estimate	\$1,200,000	\$1,128,000	\$ 72,000	94%	6%
19-20 Estimate	\$1,203,404	\$1,131,200	\$ 72,204	94%	6%
20-21 Estimate	\$ 989,465	\$ 930,097	\$ 59,368	94%	6%
21-22 Estimate	\$ 986,694	<u>\$ 927,492</u>	\$ 59,202	94%	6%
22-23 Estimate	<u>\$ 575,282</u>	<u>\$ 540,765</u>	\$ 34,517	94%	6%
Total Contract Costs	\$3,754,845	\$3,529,554	\$225,291	94%	6%

RESULTS

In 2006 the CalWIN system replaced the WCDS system that was in operation for more than thirty-one (31) years in San Luis Obispo County. The new system was developed to meet current and projected programmatic data, tracking and technical needs. After converting from Case Data System (CDS) to CalWIN on May 1, 2006, the following outcomes have been realized:

1. Pending applications have decreased approximately seventeen percent (17%) as processing speed has increased.
2. Immediate need benefit issuance in CalWORKs and Expedited Services in Food Assistance are consistently completed timely (within 3 days of application).
3. Regulations are applied in a more effective, consistent manner, as CalWIN is a regulation driven system, requiring less interpretation from the worker, and a benefit issuance review prior to authorizing benefits.
4. CalWIN has resulted in a fifty percent (50%) reduction in forms inventory as both Department and State forms are now available on-line therefore reducing both the number of County maintained paper forms and storage costs.

The fully integrated CalWIN system has increased availability of required information to staff, improved notification to participants regarding changes to their benefits, and reduced system errors, which has resulted in consistently and accurately providing participants with correct information and benefits in a timely manner.

The following results are a partnership between the CalWIN Consortium, California Department of Social Services (CDSS), and DXC to provide benefits and program outcomes. The performance outcomes are listed in the Agreement and can be located in Exhibit C of the contract. When a service level is not met, liquidated damages are assessed.

Service Level Agreement Matrix (SLA)

SLA #	SLA Name	Performance Standard	Results
3.1.1	System Availability CalWIN System	The CalWIN System will be Available 99.5% of the CalWIN System Availability Time.	Measure Not Met The SLA in the most current year was met 92% of the time.
3.1.2	System Availability Benefits CalWIN System	The Benefits CalWIN System shall be Available 99.8% of the Benefits CalWIN Availability Time.	Measure Not Met The SLA in the most current year was met 83% of the time.
3.1.3	System Availability ACCESS CalWIN System	The ACCESS CalWIN System shall be Available 99.8% of the ACCESS CalWIN Availability Time.	Measure Not Met The SLA in the most current year was met 92% of the time.
3.1.4	Wide Area Network (WAN) Availability	The WAN (Network equipment in the data centers) connection shall be Available 99.5% of the WAN Availability Time.	Measure Met The SLA in the most current year was met 100% of the time.
3.1.5	Release Quality within User Acceptance Test (UAT)	The Systems shall have a Release Quality Performance Standard of no more than one unique Deficiency per 1000 lines of Software Source Code introduced by the Contractor in a Release in UAT.	Measure Met The SLA in the most current year was met 100% of the time.
3.1.6	Deliverable(s) produced in Change Request Delivered to UAT on Schedule	Deliverable(s) produced in Change Request and included in a Release shall be delivered to UAT no later than the baseline planned Release to UAT date set forth in the Release Work Plan.	Measure Not Met The SLA in the most current year was met 42% of the time. WCDS was granted a waiver for not meeting this performance outcome as the changes introduced during the contract period were not available in UAT.
3.1.7	Deficiency Resolution Timeliness	All priority Medium, High, and Urgent Deficiencies introduced into the Production environment with a Release and found in the first 90 Days after the operations effective date (OED) shall be resolved prior to the OED of the next Release or within 60 Days of entry into the Service Request tool, whichever is greater. All priority Low Deficiencies specifically introduced into the Production environment in a Release and found in the first 90 Days after implementation into	Measure Not Met The SLA in the most current year was met 73% of the time.

SLA #	SLA Name	Performance Standard	Results
		Production shall be resolved within 150 Days after entry into the Service Request tool.	
3.1.8	Batch Processing and System Outputs	All Systems processes and outputs, as identified in the System Operations Plan, shall be successfully completed and delivered on schedule ninety nine percent (99%) of the time.	Measure Met The SLA in the most current year was met 100% of the time.
3.1.9	Monthly Batch Issuance	One hundred percent (100%) of all monthly issuance jobs shall be completed by Contractor by the deadline of the monthly batch issuance schedule.	Measure Met The SLA in the most current year was met 100% of the time.
3.1.10	CalWIN System Transaction Response Time	The CalWIN System Transaction Response Time shall be as follows: <ol style="list-style-type: none"> 1. Ninety six percent (96%) of all monthly user-initiated transactions, in between the County POP router and the Contractor's servers, shall complete Processing in accordance with applicable Specifications within 2 seconds or less. 2. Ninety eight percent (98%) of all monthly user-initiated transactions, in between the County POP router and the Contractor's servers shall complete Processing in accordance with applicable Specifications within 8 seconds or less. 	Measure Met The SLA in the most current year was met 100% of the time.
3.1.11	Eligibility Determination Benefit Calculation (EDBC) Transaction Response Time	The EDBC Transaction Response Time shall be as follows: <ol style="list-style-type: none"> (1) Ninety six percent (96%) of all monthly user initiated EDBC transactions in between the County POP router and the Contractor's 	Measure Met The SLA in the most current year was met 100% of the time.

SLA #	SLA Name	Performance Standard	Results
		<p>servers complete Processing within 30 seconds or less.</p> <p>(2) Ninety eight percent (98%) of all monthly user initiated EDBC transactions in between the County point of presence (POP) router and the Contractor's servers complete Processing within 45 seconds or less.</p>	
3.1.12	Deficiency Service Ticket Resolution Performance	<p>Deficiency Service Ticket Resolution Performance shall be as follows:</p> <ol style="list-style-type: none"> 1. Urgent Deficiency Service Tickets: ninety nine percent (99%) of County-generated Service Request Tickets will be resolved within 4 hours of Contractor receiving the Service Request Ticket in the Service Request Tool Contractor queue. 2. Urgent Deficiency Service Tickets: 100% of County-generated Service Request Tickets will be resolved within 14 Days of Contractor receiving the Service Request Ticket in the Service Request Tool Contractor queue. 3. High Deficiency Service Tickets: ninety eight percent (98%) of County-generated Service Request Tickets will be resolved within three (3) Days of Contractor receiving the Service Request Ticket in the Service Request Tool Contractor queue. 4. High Deficiency Service Tickets: one hundred percent (100%) of County-generated Service Request Tickets will be resolved 	<p>Measure Not Met</p> <p>The SLA in the most current year was met 73% of the time.</p>

SLA #	SLA Name	Performance Standard	Results
		<p>within 30 Days of Contractor receiving the Service Request Ticket in the Service Request Tool Contractor queue.</p> <p>5. Medium Deficiency Service Tickets: eighty five percent (85%) of County-generated Service Request Tickets will be resolved within 14 Days of Contractor receiving the Service Request Ticket in the Service Request Tool Contractor queue.</p> <p>6. Medium Deficiency Service Tickets: One hundred percent (100%) of County-generated Service Request Tickets will be resolved within 45 Days of Contractor receiving the Service Request Ticket in the Service Request Tool Contractor queue.</p> <p>7. Low Deficiency Service Tickets: eighty five percent (85%) of County-generated Service Request Tickets will be resolved within 30 Days of Contractor receiving the Service Request Ticket in the Service Request Tool Contractor queue.</p> <p>8. Low Service Tickets: One hundred percent (100%) of County-generated Service.</p>	
3.1.13	Disaster Recovery	Verify annually that disaster recovery procedures and facilities exist and that tests have been performed to allow for alternate means of System Availability within 24 hours in the event a Disaster has been declared for the Central Site Facility.	Measure Met The SLA in the most current year was met 100% of the time.
3.1.14	Backup Completion & Server Data Retention	1. At least 95% of all backup jobs scheduled to be completed	Measure Met

SLA #	SLA Name	Performance Standard	Results
		<p>within a month are completed in accordance with applicable Specifications within the Non - Business Operations Window.</p> <p>2. One hundred percent (100%) of all backup jobs scheduled to be completed within a month are completed in accordance with applicable Specifications prior to next Non - Business Operations Window.</p>	The SLA in the most current year was met 90% of the time.
3.1.15	Operations Deliverables and Reports Delivery	The Key Deliverables described in Attachment A of this Agreement shall be completed in accordance with applicable Specifications by the Contractor within five (5) working days after the date for completion as identified in the table within Attachment A.	Measure Met The SLA in the most current year was met 100% of the time.
3.1.16	Security Management Notice and Mitigation	<p>Contractor shall notify Counties Executive Director within one (1) hour following the identification of any potential or actual major or minor incident, including any breach, any attack, or the introduction of any disabling device, related to the Systems.</p> <p>Contractor shall take corrective action to mitigate the potential or actual major or minor security incident within two (2) hours following the identification of each potential or actual security incident.</p>	Measure Met The SLA in the most current year was met 100% of the time.

SLA #	SLA Name	Performance Standard	Results
3.1.17	Security Management Report	<p>Contractor shall provide a written report and assessment within twelve (12) hours following the identification of the minor security incident to the Counties Executive Director regarding all actions taken concerning each identified minor security incident, including any breach, any attack, or the introduction of any disabling device, the current status, and any potential impact(s) of the security incident.</p> <p>Contractor shall provide a high level and summary analysis in two hours and written report and assessment within eight hours to the Counties Executive Director following the identification of the major security incident regarding all actions taken concerning each identified major security incident, including any breach, any attack, or the introduction of any disabling device, the current status, and any potential impact(s) of the security incident.</p>	<p>Measure Met The SLA in the most current year was met 100% of the time.</p>

ATTACHMENTS

- 1 Clerk's File Statement for DXC CalWIN M&O Contract