

**STATE OF CALIFORNIA**  
**Budget Change Proposal - Cover Sheet**  
 DF-46 (REV 07/23)

<b>Fiscal Year</b> 2024-25	<b>Business Unit Number</b> 2660	<b>Department</b> Transportation
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<b>Hyperion Budget Request Name</b> 2660-072-BCP-2024-GB	<b>Relevant Program or Subprogram</b> 9900100 – Administration 9900200 - Administration-Distribution 18500100 – Equipment Service Program 1850019 – Distributed Equipment Services Program Cost
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**Budget Request Title**  
 F\$Cal Onboarding Planning

**Budget Request Summary**

The California Department of Transportation (Caltrans) requests a one-year augmentation of \$13,500,000, which includes \$4,971,000 for 34 limited-term positions in FY 2024-25 and \$8,529,000 in operating expenses (OE), of which \$8,217,000 is for professional consulting services, to support the transition and onboarding to the F\$Cal System (System).

<b>Requires Legislation (submit required legislation with the BCP)</b> <input type="checkbox"/> Trailer Bill Language <input type="checkbox"/> Budget Bill Language <input checked="" type="checkbox"/> N/A	<b>Code Section(s) to be Added/Amended/Repealed</b> Click or tap here to enter text.
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<b>Does this BCP contain information technology (IT) components?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	<b>Department CIO</b> Marcie Kahbody (Acting)	<b>Date</b> Click or tap to enter a date.
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**For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), the approval date, and the total project cost.**

**Project No.** Click or tap here to enter text.    **Project Approval Document:** Click or tap here to enter text.

**Approval Date:** Click or tap to enter a date. **Total Project Cost:** Click or tap here to enter text.

**If proposal affects another department, does other department concur with proposal?**  Yes  No

*Attach comments of affected department, signed and dated by the department director or designee.*

<b>Prepared By</b> GILBERT PETRISSANS	<b>Date</b> Click or tap to enter a date.	<b>Reviewed By</b> KEITH DUNCAN	<b>Date</b> Click or tap to enter a date.
<b>Department Director</b> TONY TAVARES	<b>Date</b> Click or tap to enter a date.	<b>Agency Secretary</b> TOKS OMISHAKEN	<b>Date</b> Click or tap to enter a date.

**Department of Finance Use Only**

**Additional Review:**  Capital Outlay  ITCU  FSCU  OSAE  Dept. of Technology

<b>Principal Program Budget Analyst</b> James Moore	<b>Date submitted to the Legislature</b> 1/12/2024
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**A. Problem Statement**

The California Department of Transportation (Caltrans) requests a one-year augmentation of \$13,500,000, which includes \$4,971,000 for personnel services (PS) for 34 limited-term (LT) positions in Fiscal Year (FY) 2024-25 and \$8,529,000 in operating expenses (OE), of which \$8,217,000 is for professional consulting services, to support the transition and onboarding to the FI\$Cal System (System).

In 2018, Caltrans informed the Department of Financial Information System for California (FI\$Cal) that Advantage v3.7 requires to be upgraded because the system is no longer supported by the vendor and at end-of-life. FI\$Cal conducted a functional business fit/gap analysis in May 2020. Although the fit/gap analysis identified significant gaps, FI\$Cal informed Caltrans in February 2021, that Caltrans would onboard to the System. Planning resources were requested for FY 2022-23, with the intent to work closely with FI\$Cal to project the full onboarding schedule and thoroughly review the Master Department Workplan (MDW) that will drive the resources required beginning July 1, 2023, through the determined 'go-live' date.

**Information Technology Resource History**  
(Dollars in thousands)

<b>Program Budget</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
Authorized Expenditures	\$127,285	\$114,390	\$112,153	\$135,595	\$162,760
Actual Expenditures	\$123,433	\$114,454	\$110,818	\$136,341	\$168,330
Authorized Positions	556.0	556.0	556.0	561.0	596.0
Filled Positions	519.5	521.9	517.0	548.3	541.0
Vacancies	36.5	34.1	39.0	12.7	55.0

**B. Justification**

The current Caltrans commercial off-the-shelf enterprise resource planning system, Advantage v3.7 (Advantage), is no longer supported and at its end-of-life. FI\$Cal conducted a functional business performance fit/gap analysis in May 2020 and concluded that the System could meet Caltrans' critical financial management and business operation needs. Working closely with FI\$Cal, this request will provide the necessary resourced for Caltrans to continue the onboarding into the System and performing MDW tasks.

The requested resources will support the following major functions:

- Project Management
- Onboarding activities, including the following:
  - Business Process Workshops (BPW)/Re-design
  - Conversion Assessment
  - Interface Assessment
  - FI\$Cal Learning Center (FLC) Training for Caltrans to be introduced to the functions of the new System

- o Organizational Change Management

This request includes 34 positions in 2024-25 to execute the functions listed above. Additionally, Advantage integrates with twenty-four (24) legacy systems which are critical to Caltrans business objectives. The fit/gap analysis indicates that there are systems other than Advantage that may be converted. If other systems are converted, it will result in more requirements and additional interfaces. To ensure a smooth transition to and deployment of the FI\$Cal System, it is crucial for Caltrans to have dedicated experienced staff, commonly referred to as Subject Matter Experts (SMEs) and/or super users participating on this project. The SMEs will work closely with the FI\$Cal deployment team to develop a comprehensive knowledge of the new System and how it will be utilized to meet Caltrans' mission critical needs.

The following table details the requested by Division and Classification:

Division	Classification	Positions
		BY
Accounting	Accounting Administrator III	1
	Staff Services Manager II (Specialist)	1
	Accounting Administrator II (Sup)	2
	Accounting Administrator I (Specialist)	11
Budgets	Staff Services Manager I (Sup)	1
	Associate Governmental Program Analyst	1
DPAC	Staff Services Manager I (Sup)	1
	Associate Governmental Program Analyst	2
IT	Information Technology Specialist III	1
	Information Technology Specialist II	6
	Information Technology Specialist I	6
Equipment	Staff Services Manager I (Specialist)	1
Total Positions		34

This is a follow-up request to the resources approved in the 2023-24 Enacted Budget for the additional planning. The requested resources are needed to support increased workload over the onboarding period in reviewing, analyzing, and updated business and technical gaps, business requirements and business processes, identifying system interfaces, data conversion, testing, training, reporting, cybersecurity, communication, and organizational change management. These resources will support administrative services positions in the Division of Accounting, Division of Budgets, Division of Information Technology (IT), Division of Procurement and Contracts (DPAC), and the Division of Equipment.

More specifically, the requested resources will support the following major onboarding activities:

- Project Management – coordinate and lead the Caltrans implementation team
- Business Requirements – review, analysis, document, and update
- Business Operations – review, analysis, document, and update
- Procedures/Desk Manuals – review, update, and create
- Testing – create and execute scripts, validation
- Training – FLC training for Caltrans, develop Caltrans training materials and provide training to over 4,000 Caltrans users

- Data Conversion – create functional and technical specifications, cleanse, and migrate data
- System interfaces – identify interfaces and recreate for the FI\$Cal System
- Legacy System – update and reconfigure legacy information with FI\$Cal System Chart of Account information
- Reporting – compare FI\$Cal System reports based on coding structures, business rules, and data element availability to create or modify reports to align with mission critical needs
- IT Security – provide cybersecurity oversight, guidance, and support
- Organizational Change Management – create plan, determine messages, and deliver communication through multiple channels to stakeholders

Professional consulting services resources totaling \$8,217,000 are also included in this request. Specifically, Caltrans will seek Organizational Change Management consulting services to provide strategies for effecting change, controlling change, and helping staff adapt to change; Data Conversion consulting services to ensure data is successfully exported, cleansed, imported, and validated from Advantage and other Caltrans legacy systems that are being replaced by the System; interface consulting services to build and validate the interfaces between the System and Caltrans Legacy systems; Data Reporting consulting services to compare System reports based on coding structures, business rules, and data element availability to create or re-engineer reports to align with mission critical needs (the data reporting consulting services will also address the current Corporate Reports and Business Intelligence needs of Caltrans); Testing consulting services to test the interfaces, data conversion, business processes and all the new FI\$Cal System functionality that is added for Caltrans.

### **C. Departmentwide and Statewide Considerations**

This proposal supports the Caltrans' 2020-2024 Strategic Plan goal to Strengthen Stewardship and Drive Efficiency. Specifically, transitioning to the System would meet the department's strategy to standardize and modernize Caltrans' equipment, facilities, and technology, and supporting work practices. Approval of this request would provide resources to begin strategically planning the transition from Caltrans' financial management system to the statewide System which provides a stable, functional, and secure system to meet the financial and reporting requirements of the State Controller's Office, the Department of Finance, the Department of General Services, and FI\$Cal. In addition, System implementation will enable accurate financial and project information to Caltrans' stakeholders.

### **D. Outcomes and Accountability**

Transitioning to the System will enable Caltrans to perform accounting, budgeting, cash management, and procurement functions transparently and efficiently. In addition, Caltrans will continue to perform its statutory requirements, including the following mission critical activities:

- Transportation project initiation, close-out, and cost accounting of over 26,000 active transportation projects
- Billing and collection of over \$4.5 billion in Federal Reimbursements annually
- Preparation of over 100 financial statements for 48 funds
- Timely payment of approximately 1 million invoices for over 7 billion of expenditures annually

- Collection of over 30,000 accounts receivables for over \$1 billion in revenue, reimbursements, and abatements annually
- Accurate budgeting and forecasting of Caltrans's \$20 billion budget
- Efficient reporting of asset inventory, value, and depreciation of assets

**E. Implementation Plan**

Continued onboarding activities will begin July 1, 2024.

**F. Supplemental Information (If Applicable)**

N/A

**BCP Fiscal Detail Sheet**

**BCP Title: Fi\$CAL Onboarding**

**BR Name: 2660-072-BCP-2024-GB**

**Budget Request Summary**

	FY24					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Personal Services						
Positions - Permanent	0.0	34.0	0.0	0.0	0.0	0.0
<b>Total Positions</b>	<b>0.0</b>	<b>34.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Salaries and Wages						
Earnings - Permanent	0	3,082	0	0	0	0
<b>Total Salaries and Wages</b>	<b>\$0</b>	<b>\$3,082</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Total Staff Benefits	0	1,889	0	0	0	0
<b>Total Personal Services</b>	<b>\$0</b>	<b>\$4,971</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Operating Expenses and Equipment						
5301 - General Expense	0	194	0	0	0	0
5302 - Printing	0	8	0	0	0	0
5304 - Communications	0	38	0	0	0	0
5306 - Postage	0	2	0	0	0	0
5320 - Travel: In-State	0	27	0	0	0	0
5322 - Training	0	4	0	0	0	0
5326 - Utilities	0	29	0	0	0	0
5340 - Consulting and Professional Services - External	0	8,217	0	0	0	0
5344 - Consolidated Data Centers	0	10	0	0	0	0
<b>Total Operating Expenses and Equipment</b>	<b>\$0</b>	<b>\$8,529</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Budget Request</b>	<b>\$0</b>	<b>\$13,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Fund Summary**

Fund Source - State Operations

0042 - State Highway Account, State  
Transportation Fund

0      13,500      0      0      0      0

**Total State Operations Expenditures**

**\$0      \$13,500      \$0      \$0      \$0      \$0**

**Total All Funds**

**\$0      \$13,500      \$0      \$0      \$0      \$0**

**Program Summary**

Program Funding

1850010 - Equipment Service Program

0      150      0      0      0      0

9900100 - Administration

0      13,350      0      0      0      0

**Total All Programs**

**\$0      \$13,500      \$0      \$0      \$0      \$0**

