Enterprise Technology Projects

Fiscal Year 2024-25

FOURTH QUARTER REPORT

Quarter Ending June 30, 2025

CALSTRS

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About this Report

The Project Support Office monitors and reports monthly on the technology appopriations budget and enterprise projects' status to the Enterprise Program Investment Council and quarterly to the Teachers' Retirement Board.

At the end of the fourth quarter for fiscal year 2024-25, CalSTRS had seven reportable enterprise projects: six major technology projects over $1 million and one project under $1 million.

The CalSTRS executive team is identified below.

Name	Title
Cassandra Lichnock	**Chief Executive Officer**
Lisa Blatnick	**Chief Operating Officer**
Julie Underwood	**Chief Financial Officer**
Melissa Norcia	**Chief Administrative Officer**
Teresa Schilling	**Chief Public Affairs Officer**
Ashish Jain	**Chief Technology Officer**
Jeff Zimmer	**Chief Benefits Officer**
Scott Chan	**Deputy Chief Investment Officer**

Major Enterprise Technology Projects

The following table summarizes the major enterprise technology projects over $1 million for the reporting quarter.

Project Name	Project Schedule	Schedule (Status)	Project Budget	Budget Expended	Budget (Status)
Business Intelligence and Data Warehouse[1]	Sep 2019 – Jul 2026	On Track	$7,722,005	$5,076,076	On Track
Contact Center Modernization[2]	Jun 2023 – Mar 2026	On Track	$1,375,000	$636,332	On Track
Data Quality[3]	Nov 2011 – Jun 2027	On Track	$38,815,252	$35,474,308	On Track
Datacenter Hosting and Migration Services	Nov 2020 – Jun 2026	On Track	$31,595,000	$23,332,864	On Track
Pension Solution	Jul 2014[4] – Jun 2027	On Track	$627,843,818	$460,955,074	On Track
SAP Ariba[5]	Apr 2024 – July 2026	On Track	$11,675,365	$2,658,518	On Track
Transformation Readiness[6]	Jul 2016 – Jun 2027	On Track	$30,972,842	$24,146,239	On Track

[1] Business Intelligence and Data Warehouse: A Change Request was approved by the Enterprise Program Investment Council in April 2025 to expand the scope, extend the project schedule for one year, for a new completion date of June 2026, and increase the project budget by $1,535,128 for a new total budget of $7,722,005.
[2] Contact Center Modernization: A Change Request was approved by the Enterprise Program Investment Council in April 2025 to expand the scope and extend the project schedule for one year, for a new completion date of March 2026.
[3] Data Quality: A Change Request was approved by the Enterprise Program Investment Council in June 2025 to increase the project budget by $1,278,337 for a new total budget of $38,815,252, to cover operating expenses for Fiscal Year 2025-26.
[4] Pension Solution: The project's start date represents the effective date of the first comprehensive project budget approved by the Teachers' Retirement Board and enacted through a Budget Change Proposal during the annual budget process. Pre-implementation project activities (e.g., discovery, requirements, and procurement) began in 2010.
[5] SAP Ariba: A Change Request was approved by the Enterprise Program Investment Council in June 2025 to expand the scope, extend the project schedule for six months, for a new completion date of July 2026, and increase the project budget by $4,395,365 for a new total budget of $11,675,365.
[6] Transformation Readiness: A Change Request was approved by the Enterprise Program Investment Council in May 2025 to increase the budget by $2,330,880 to extend the Planning Consultant contract through the end of the project. An additional Change Request was approved in June 2025 to increase the project budget by another $3,267,521 to cover operating expenses for Fiscal Year 2025-26. As a result, the new total budget of the project is $30,972,842.

Business Intelligence and Data Warehouse

The objective of the Business Intelligence (BI) and Data Warehouse (DW) project is to develop use cases, create predictive models and advanced analytical dashboards and reports. Additionally, the CalSTRS data platform will be optimized through architectural enhancements and a data governance framework will be designed to elevate data integrity and security.

NOTE: A Change Request was approved by the Enterprise Program Investment Council in April 2025 to expand the scope, extend the project schedule for one year, for a new completion date of June 2026, and increase the project budget by $1,535,128 for a new total budget of $7,722,005.

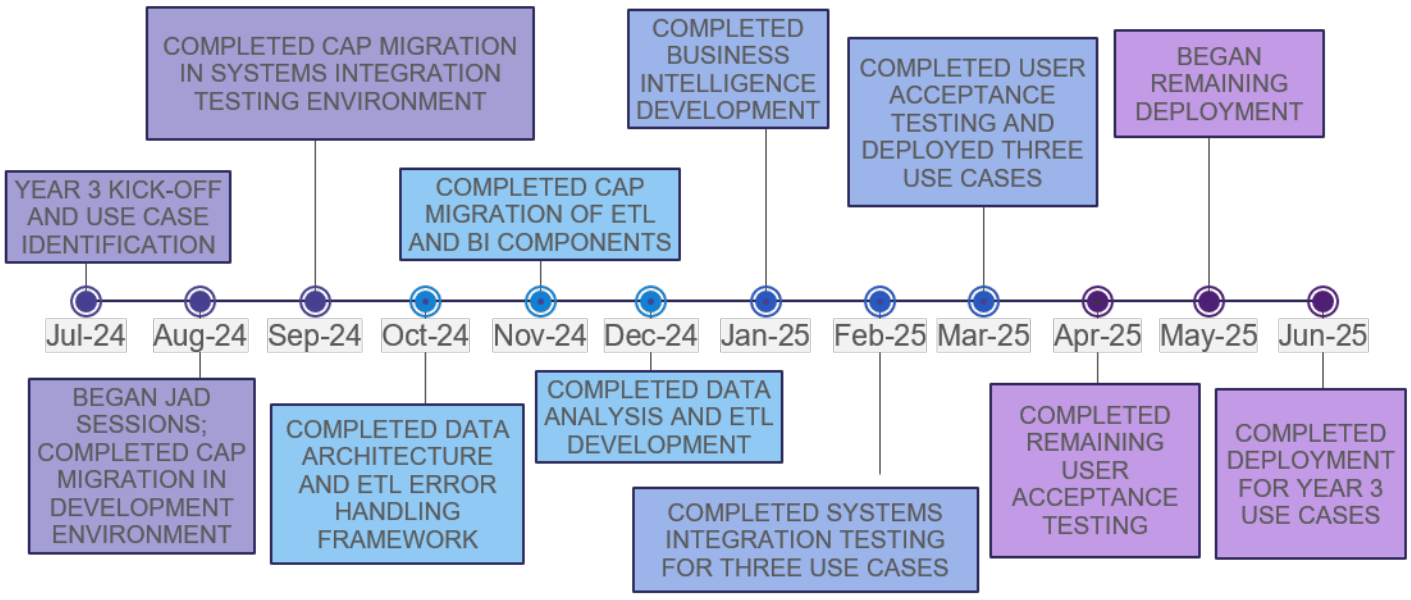
Accomplishments – Period Ending June 30, 2025

- Completed User Acceptance Testing and production deployment for the last two use cases.
- Completed planning for Year 4 Data Governance deliverables.
- A Change Request for Year 4 Data Governance deliverables was approved by the Enterprise Program Investment Council.

Planned Major Activities & Milestones by September 30, 2025

- Identify and finalize use-cases for Year 4 (new use cases and enhancements to existing use cases).
- Complete testing of I dashboards with BenefitConnect csv data.
- Complete business requirement gathering for enhancements to one existing use case.
- Complete business requirement gathering for one new use case.
- Complete business value assessment of use-cases delivered from Years 1 – 3.

Fiscal Year 2025-26 Major Milestones



ETL = Extract, Transform, And Load; EDAP = Enterprise Data & Analytics Platform

Contact Center Modernization

The Contact Center Modernization project replaced the prior Contact Center platform, Genesys, with the NICE CXone platform. In addition, three additional surveys, automated speech recognition and interaction analytics to enhance services to CalSTRS members and employers were implemented. Phase 3 is to implement a NICE CXone AI-powered Knowledge Management System (KMS) and AutoSummary to allow staff to optimize the services CalSTRS provides to our members and employers.

NOTE: A Change Request was approved by the Enterprise Program Investment Council in April 2025 to expand the scope and extend the project schedule for one year, for a new completion date of March 2026.

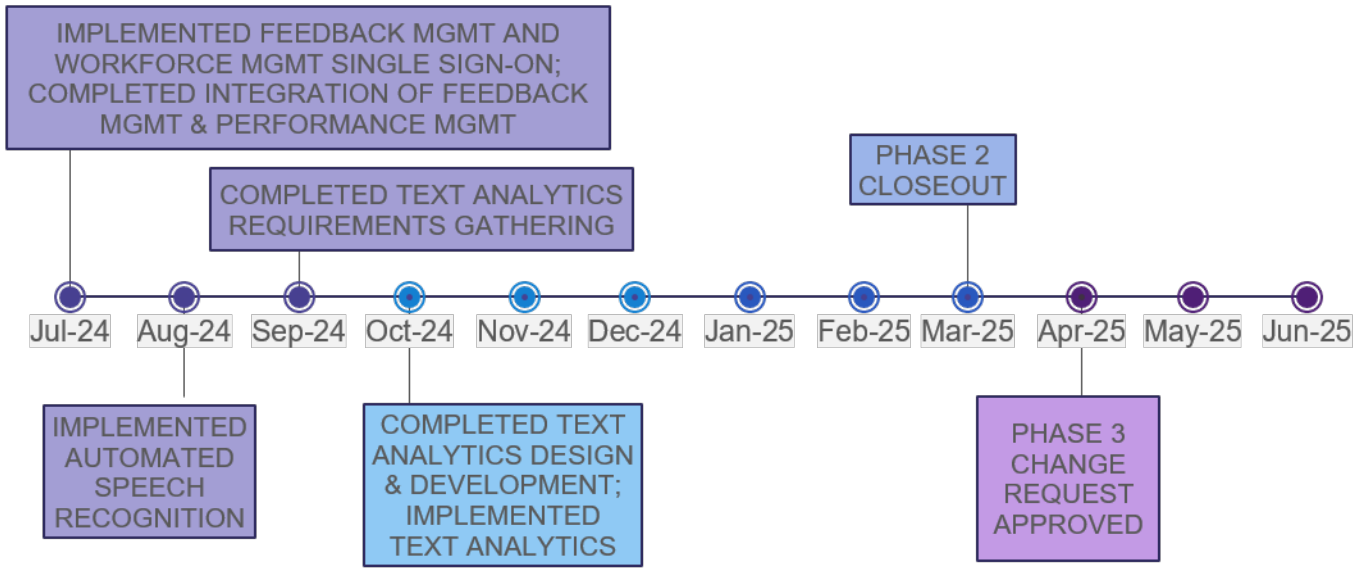
Accomplishments – Period Ending June 30, 2025

- Change Request to implement Phase 3 scope was approved by the Enterprise Program Investment Council.

Planned Major Activities & Milestones by September 30, 2025

- Initiate implementation of NICE CXone AI-powered Knowledge Management System and AutoSummary.
- Conduct requirements analysis and finalization of AutoSummary.
- Initiate design and build configuration of AutoSummary.

Fiscal Year 2025-26 Major Milestones



Data Quality

The Data Quality Project will prepare the legacy pension administration data for conversion to BenefitConnect (BC), the new pension administration system. The project is in the second phase of data cleansing and includes data clean-up, rerun of data fixes, resolution of conversion fallout and preparation for data conversion.

NOTE: A Change Request was approved by the Enterprise Program Investment Council in June 2025 to increase the project budget by $1,278,337 for a new total budget of $38,815,252, to cover operating expenses for Fiscal Year 2025-26.

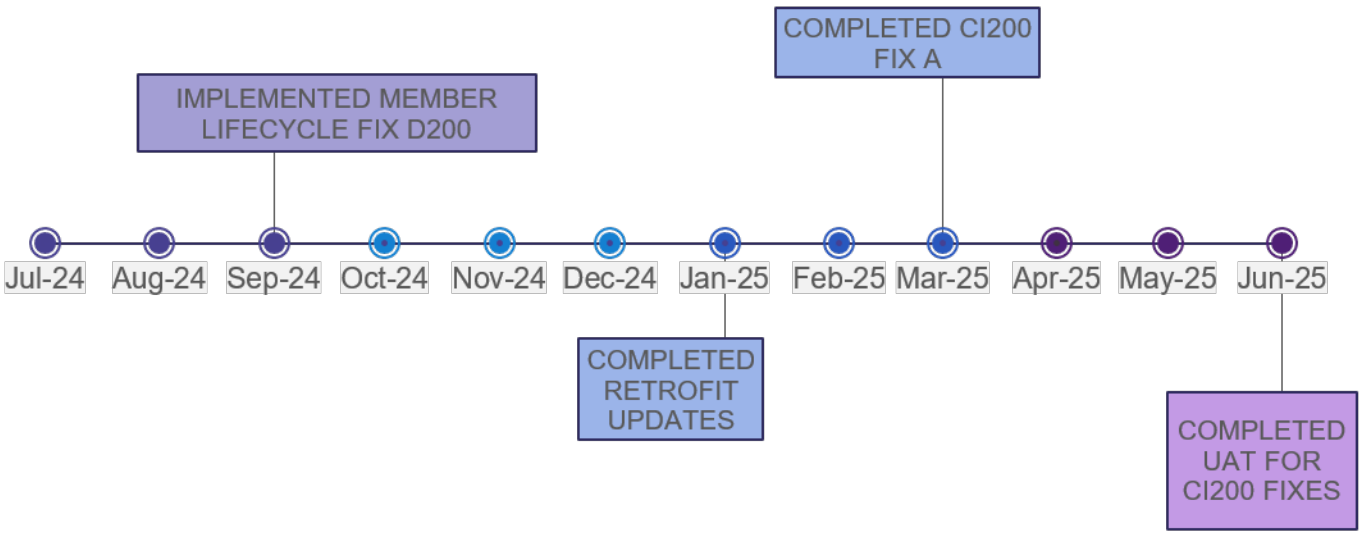
Accomplishments – Period Ending June 30, 2025

- Completed User Acceptance Testing for remaining CI 200 Member Lifecyle Fixes (B & D).
- Completed 100% of Data Copy Utility tasks.
- Completed System Integration Testing for the combined run of the remaining Fixes.

Planned Major Activities & Milestones by September 30, 2025

- Complete Final Archive Flag Rerun.
- Complete ongoing fixes for the 16 identified basis issues and periodically apply fixes after every data extract.

Fiscal Year 2025-26 Major Milestones



Datacenter Hosting and Migration Services

The Datacenter Hosting and Migration Services (DHMS) project will enable CalSTRS to mitigate the business continuity risks, support CalSTRS enterprise strategic goals, and establish a flexible framework for operational efficiency and cost optimization through the migration of on-premises critical systems/equipment onto a multi-modal data center solution.

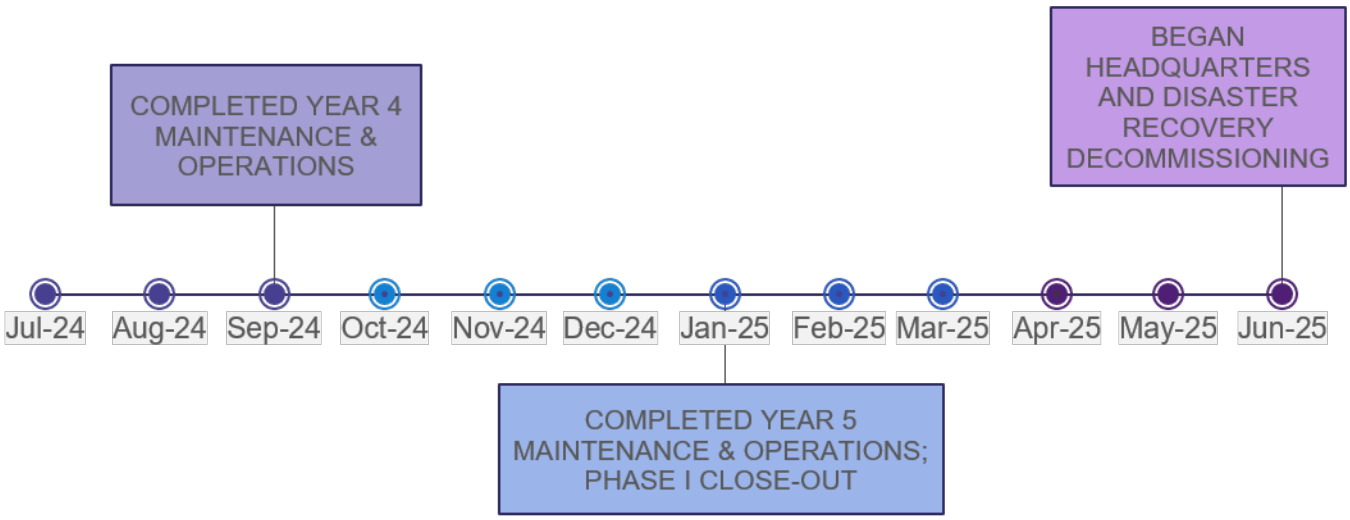
Accomplishments – Period Ending June 30, 2025

- Completed WAVE 8 (Several Network Infrastructure and Information Security Office application tools migrated).

Planned Major Activities & Milestones by September 30, 2025

- Complete WAVE 9 (completes migration for all pre-BenefitConnect Go-Live to CAP, including remaining network infrastructure and information security solutions/apps).
- Prepare for Maintenance and Operations transition.
- Prepare for Microsoft Hyper-V Solution at CalSTRS HQ to support the remaining required on-premises infrastructure (WAVE 10).
- Plan for shared service servers needed in CAP after BenefitConnect Go-Live (WAVE 11).

Fiscal Year 2025-26 Major Milestones



Pension Solution

The Pension Solution project will replace CalSTRS legacy pension administration system with a new solution, BenefitConnect, 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.

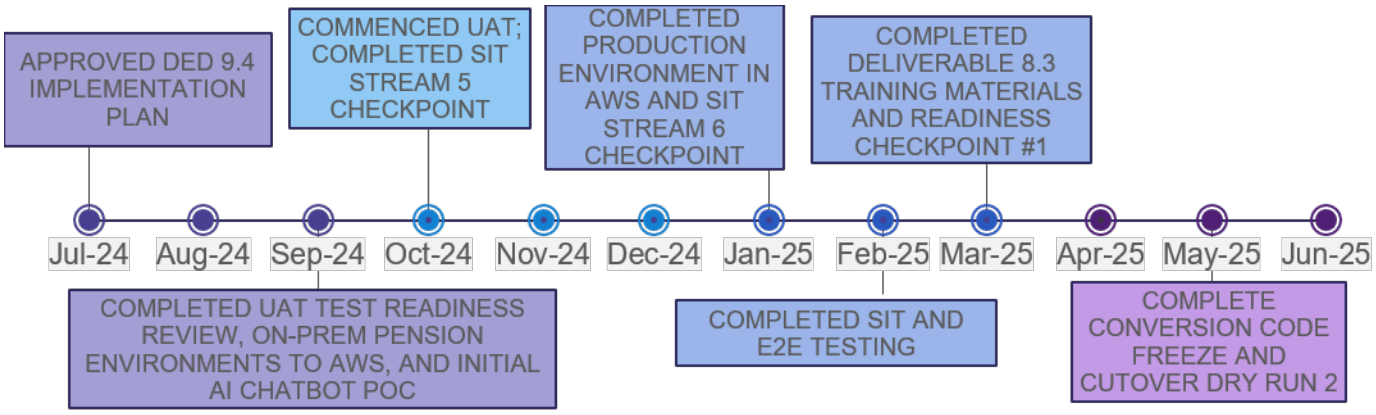
Accomplishments – Period Ending June 30, 2025

- Completed Performance Testing.
- Completed Conversion Code Freeze.
- Completed Dry Run #2.
- Completed Readiness Checkpoint #2.
- Completed User Acceptance Testing (UAT) and Validation.
- Completed BusinessDirect Retrofit Integration/Regression and UAT.
- Completed Interface Testing for Go Live.
- Completed Operational Reports for UAT.

Planned Major Activities & Milestones by September 30, 2025

- Complete Change Controls for Go Live.
- Complete Interface Testing.
- Complete Operational Reports for Go Live.
- Complete Disaster Recovery Testing.
- Complete Balancing at Conversion.
- Complete UAT Regression Testing.
- Complete Application Code Freeze.
- Complete Readiness Checkpoint #3.
- Complete Soft Launch.
- Complete Final Regression Test.
- Conduct Readiness Checkpoint #4: Go/No-Go Decision to enter Cutover.
- Complete Cutover Activities.
- BenefitConnect Go Live.
- Complete Maintenance Release 1 System Integration Testing (includes Streams 1 and 2).
- Complete Maintenance Release 2 Change Control Analysis and Configuration Testing.

Fiscal Year 2025-26 Major Milestones



MR = Major Release

SAP Ariba

The SAP Ariba Project will procure and implement the next-generation cloud-based SAP procurement solution, SAP Ariba, to replace CalSTRS current source-to-pay solutions, SAP Supplier Relationship Management (SRM) and Supplier Self Service (SUS) Portal (Invoicing), before they reach end-of-life and end-of-support in December 2027. SAP Ariba will enhance CalSTRS supply chain and procurement processes and source-to-contract and procure-to-pay workflows to streamline the purchasing lifecycle, improve supplier collaboration, and optimize procurement operations.

NOTE: A Change Request was approved by the Enterprise Program Investment Council in June 2025 to expand the scope, extend the project schedule for six months, for a new completion date of July 2026, and increase the project budget by $4,395,365 for a new total budget of $11,675,365.

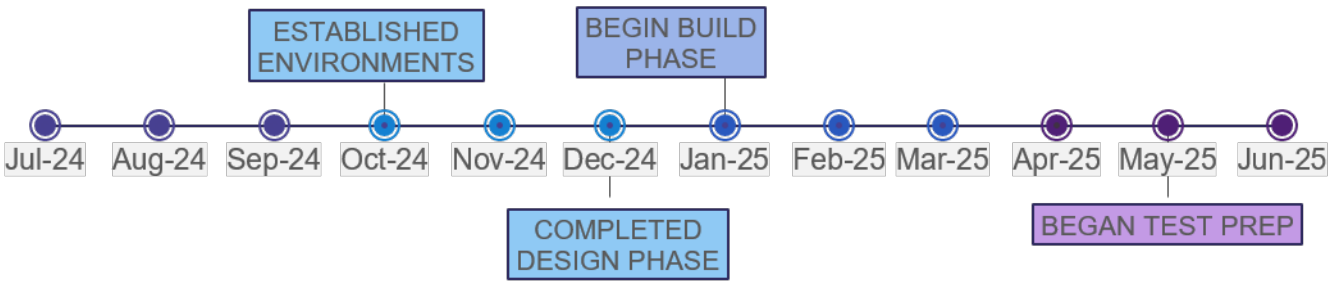
Accomplishments – Period Ending June 30, 2025

- Completed Sprint Builds 4 and 5 and conducted associated playbacks of functionality across all modules.
- Set up all security and testing roles in advance of integration testing.
- Prepared test scenarios for integration testing and mapped requirements to test scripts.
- Finalized both Testing and Data Conversion Plans.
- Defined data conversion strategy and completed master data validation in legacy systems.
- Change Request approved by Enterprise Program Investment Council to expand the scope, extend the schedule, and increase funding to implement SAP Fieldglass and SAP Supplier Risk modules.
- Purchase the remaining Custom Fields and extend SAP Shared Services through the end of the project.

Planned Major Activities & Milestones by September 30, 2025

- Complete and sign off on all configuration documents, functional specifications, and technical specifications.
- Complete Integration Test Cycle 1 and begin Integration Test Cycle 2.
- Complete Mock Data Conversion Cycle 1 and begin Mock Conversion Cycle 2.
- Begin Single Sign-On and Mobile testing.
- Obtain approval for Deloitte Change Request to fund the SAP Ariba project through June 30, 2026, from the Teacher's Retirement Board.
- Sign Change Request with Deloitte and kick off projects for SAP Fieldglass SAP and Supplier Risk.
- Purchase software for WalkMe, SAP Fieldglass, and SAP Supplier Risk.

Fiscal Year 2025-26 Major Milestones



Transformation Readiness

The Transformation Readiness Project supports business areas and prepares staff for impacts, changes, and benefits from large enterprise modernization efforts. Transformation Readiness will work closely with Pension Solution project leadership to ensure that change management and learning activities are completed respective to the project schedule.

NOTE: A Change Request was approved by the Enterprise Program Investment Council in May 2025 to increase the budget by $2,330,880 to extend the Planning Consultant contract through the end of the project. An additional Change Request was approved in June 2025 to increase the project budget by another $3,267,521 to cover operating expenses for Fiscal Year 2025-26. As a result, the new total budget of the project is $30,972,842.

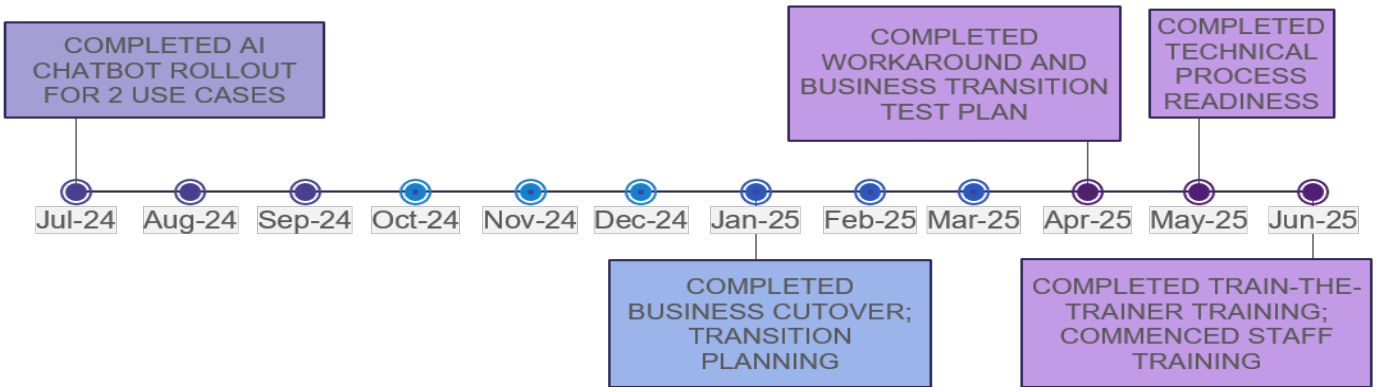
Accomplishments – Period Ending June 30, 2025

- Conducted Spring Change Champions Meeting.
- Began external communications to members.
- Completed Business Decision Log closeouts.
- Conducted Internal Pension Solution Project Survey.
- Conducted User Acceptance Testing and Train-the-Trainer recognition events.
- Completed Business Transition Test Plan.
- Completed Technical Process Readiness.
- Completed the Pension Solution Train-the-Trainer Program.
- Completed staff enrollment in the Pension Solution Training Program.
- Commenced all Pension Solution staff training.
- Drafted the Training Transition Plan.
- Two Change Requests were approved by the Enterprise Program Investment Council to increase the budget.

Planned Major Activities & Milestones by September 30, 2025

- Complete Pension Solution staff training.
- Complete Cross Functional Decision Log items.
- Approve and implement the Training Transition Plan.
- Develop and implement the Change Support Plan for impacted leaders.
- Develop and implement the Change Management ADKAR Knowledge Assessment.
- Complete update of critical/high priority procedures for impacted business areas.
- Conduct Summer Change Champions meeting.

Fiscal Year 2025-26 Major Milestones



Enterprise Projects Under $1 Million

The following table summarizes the major enterprise technology projects over $1 million for the reporting quarter.

Project and Description	Project Duration	Schedule (Status)	Project Budget	Budget Expended	Budget (Status)
Print to Mail Software Install and integrate Pitney Bowes print-to-mail software, Planet Press, between the new pension administration system, BenefitConnect, and CalSTRS 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.	Dec 2020 – Jun 2027	On Track	$559,283	$149,185	On Track