



**MEMORANDUM**

TO: HUMAN SERVICES COMMISSION

THROUGH: TRENT RHORER, EXECUTIVE DIRECTOR

FROM: DANIEL KAPLAN, DEPUTY DIRECTOR  
JOHN TSUTAKAWA, DIRECTOR OF CONTRACTS JT

DATE: APRIL 19, 2019

SUBJECT: **CONTRACT MODIFICATION: DXC TECHNOLOGY SERVICES, LLC TO PROVIDE OVERSIGHT AND MAINTENANCE OF THE CalWIN SYSTEM**

	<u>Current</u>	<u>Modification</u>	<u>Revised</u>	<u>Contingency</u>	<u>Total</u>
CONTRACT TERM:	7/1/15- 6/30/20	7/1/20 1/31/23	7/1/15 1/31/23		7/1/15 1/31/23
TOTAL AMOUNT:	\$22,970,068	\$11,253,500	\$34,223,568	\$3,422,356	\$37,645,924
ANNUAL AMOUNT:	FY15/16 \$3,909,509	FY16/17 \$4,739,083	FY17/18 \$4,321,476	FY18/19 \$5,000,000	FY19/20 \$5,000,000
	FY 20/21 \$4,364,093	FY21/22 \$4,352,005	FY22/23 \$2,537,402		
FUNDING SOURCE:	County	State	Federal	Contingency	Total
MODIFICATION FUNDING:	\$482,775	\$2,925,910	\$7,844,815	\$1,125,350	\$12,378,850
PERCENTAGE:	4.29%	26%	69.71%		

The Department requests authorization to modify the existing contract agreement with DXC Technology Services, LLC for the time period of July 1, 2020 through January 31, 2023, in the additional amount of \$11,253,500 plus a 10% contingency for a total amount not to exceed of \$37,645,924. The purpose of this contract is to provide continuing development, maintenance and operation support of the CalWIN system, a computer based system for the administration of public benefit programs.

## **Background**

Sections 10823 through 10824 of the California Welfare and Institutions Code require counties to use computer data management systems to administer public benefit programs, join a consortium, and provide funding to maintain and operate the CalWORKs Information Network (CalWIN), which is a case management system used by 18 counties including San Francisco.

The CalWIN case management system is collectively managed by the 18-county Welfare Case Data System Consortium (WCDS) of which San Francisco is a member. WCDS counties share costs associated with the continued development, implementation, maintenance, and operation of the CalWIN data management system. DXC Technology Services (formerly Hewlett Packard Enterprise Services LLC) provides maintenance and operation services of CalWIN.

In 2018, the federal Centers for Medicare and Medicaid Services and the Food Nutrition Services agencies of the United States Department of Agriculture directed California to create a single state-wide automated welfare system (CalSAWS) by 2023. In April 16, 2019, the Board of Supervisors approved the resolution for the creation of a 58-county Joint Powers of Authority (JPA) to be known as CalSAWS Consortium, and approve the memorandum of Understanding (MOU) between CalSAWS Consortium and the City and County of San Francisco. The purpose of the CalSAWS JPA is to exercise such powers to design, develop, implement, migrate, operate and maintain statewide automated welfare systems including CalWIN, C-IV and Los Angeles' Leader Replacement System. The CalSAWS Consortium will be governed and administered by a twelve-member board of directors, who will represent six regions (with San Francisco belonging to Region 1). The CalSAWS JPA has an effective date of June 28, 2019, pending final execution of the JPA Agreement and MOU by all 58 Boards of Supervisors of each respective California county.

The contract with DXC Technology Services, LLC, shall be reassigned to the CalSAWS JPA with an effective date of September 1, 2019.

## **Services to be Provided**

CalWIN (CalWORKs Information Network) is an online, real-time computer system that supports the administration of public assistance programs in California. These include CalWORKs, CalFresh (food stamps), Medi-Cal, (Medicaid), General Assistance/General Relief, Foster Care, and case management functions for employment services. It facilitates fiscal and management reports, interfaces with California state systems, and satisfies the US federal mandate for the Statewide Automated Welfare System (SAWS).

The contract modification includes the following:

- San Francisco's share of cost in the multi-county agreement;
- Maintenance and operation of the CalWIN system;
- Enhancements to the CalWIN system to prepare for transition to the new 58-county SAWS, CalSAWS;
- 8,500 hours per year of system enhancements.

**Funding**

This contract is funded by a combination of Federal, state and county general funds.

**Selection**

The DXC Technology Services contract was competitively bid by the Welfare Client Data Systems Consortium (WCDS) on behalf of the 18 WCDS Counties. The proposed grant is over \$10,000,000, it is subject to approval from the Board of Supervisors in accordance with Charter Section 9.118(b) of the San Francisco Administrative Code. The department received approval from the Board of Supervisors on May 13, 2015 for the contract term February 1, 2015 through January 31, 2025 in the amount of \$82,571,463. The resolution number is 200-15.

**Attachments**

Appendix B2 - Contract Budget Breakdown

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	San Francisco FY15/16	San Francisco FY16/17	San Francisco FY17/18	San Francisco FY18/19	San Francisco FY19/20	San Francisco FY 20/21	San Francisco FY 21/22	San Francisco FY 22/23	San Francisco 8yr Total				
DXC	\$3,909,509	\$4,739,083	\$4,321,476	\$5,000,000	\$5,000,000	\$4,364,093	\$4,352,005	\$2,537,402	\$34,223,568				