

BUREAU OF LABOR AND INDUSTRIES

HB 5015 BUDGET NOTE REPORT



CASE
MANAGEMENT
SYSTEM

JANUARY 16, 2026



Bureau of Labor and Industries - HB 5015 Budget Note Report

Budget Notes: Case Management System

January 16, 2025

Introduction

This report addresses the budget note requirements for the Case Management System project for the Bureau of Labor and Industries documented in the Legislative Fiscal Office (LFO) budget report from House Bill 5015 (2025). The Bureau of Labor and Industries is replacing its end-of-life case management systems, which are increasingly difficult to maintain, support, and secure. The current systems no longer meet agency needs. We have completed the initial business case and received Stage Gate 1 endorsement from the Department of Administrative Services' (DAS) Office of Enterprise Information Services (EIS). The estimated cost for phase two of this project is \$2.15 million, and we expect completion by the end of 2027. These estimates will be refined when vendor proposals are received during the Request for Proposal process.

Project Status

We continue to work closely with EIS. Coordination efforts will include monthly meetings with EIS and regular updates to LFO during the 2026 session and at each Stage Gate milestone. We are following the Joint State DAS Chief Information Officer (CIO) and LFO Stage Gate Review Process and have completed Stage Gate 1. We are actively preparing Stage Gate 2 artifacts for submission through the State CIO's Project Portfolio Management system, including the Baseline Project Management Plan, project risk and issue log, requirements, security planning confirmed by Cyber Security Services, and solicitation documentation, and anticipate completion during Q1 2026.

Work Completed With 2024 Allocation

In the 2024 Legislative Session, BOLI received \$250,000 to analyze our current systems and prepare for this transition. With that funding, we started a review process that included:

- Initiating a feedback process with staff who utilize the system documenting use cases and opportunities for improvement with the new system.
- Mapping the major processes for investigations, case tracking, and compliance work.
- Inventorying the forms and documents that support these activities so we can plan practical digitization and template management in the new system.
- Reviewing records retention and privacy requirements to make sure the future system will meet legal and policy obligations.
- Looking at accessibility and how people use our portals, identifying improvements to make them easier to navigate and more consistent.

- Running a Request for Information (RFI) process that identified 27 vendors with pricing and demonstrations to help the Bureau refine our requirements and have a better understanding of the potential options available on the market.

We also examined data quality in the current system and noted areas that will need attention. To manage cost and reduce complexity, we will migrate only active cases at go-live, leaving historical data cleanup for a future project.

Additional steps taken include:

- Early stages for training and a change management plan
- Beginning development on project governance and oversight

A recurring Case Management Workgroup is in place to identify issues in the current system and implement practical improvements ahead of the transition.

Market Research and Vendor Demonstrations

The RFI was released in late 2024 and we received a broad response from the market. Twenty-seven vendors submitted materials and fourteen were selected for demonstrations based on capabilities and alignment to our needs. We have completed several demonstrations and used them to refine requirements and focus on solutions that offer end-to-end case handling, strong security and audit trails, modern document and forms management, and reporting that will support both day-to-day operations and public accountability. We will carry forward those insights into the Request For Proposal (RFP) to ensure the statement of work and evaluation criteria match the needs of our divisions and the constraints of our budget.

Procurement and RFP Plan

The RFP will be released in Q1 2026. Vendor selection is expected in Q2 2026, followed by Stage Gate 2 review in mid-2026. The RFI results and vendor demonstrations informed us of our requirements and procurement approach. We are coordinating closely with EIS and DAS IT Procurement to ensure compliance with state standards and timelines. In alignment with the budget note, BOLI is creating a Limited Duration project manager position within the project scope and budget. This position will provide dedicated leadership, coordination, and a central point for governance groups, document and requirement tracking. If needed, we will supplement with contracted project management services. The RFP will include evaluation criteria that balance feature fit, total cost of ownership, implementation timing, accessibility, security, and vendor experience with government case management, along with references from similar implementations.

Data Migration and Records Strategy

Our migration approach focuses on active cases, so the cutover is simpler and costs are lower. Historical cases will remain in read only form for a period while we plan a separate data cleanup project. This approach allows us to move quickly without compromising records obligations. We will maintain documented retention schedules, legal hold procedures, and audit trails. The new system will support role-based access and a complete audit trail of changes to records. We will also ensure the system can generate reliable reports for public records requests and accountability reporting while the historical data remains in archive.

Accessibility and Equity

The future system will comply with state and federal accessibility requirements and will be configured to support clear and consistent self-service interactions. During the preparation work, we looked at how people use our portals and identified areas where forms and guidance can be simpler and more consistent. We will carry those improvements into new templates and workflows so investigators and staff can rely on standardized correspondence and so constituents can navigate our processes more easily.

Budget

The current budget provided through HB 5015 (2025) of \$2.15 million is \$565,938 for three positions, and \$1,589,080 for all other expenses related to vendor implementation, licenses, oversight, and other contractual requirements. \$1,898,393 of these funds are other funds, with the remaining \$256,625 being general fund. This amount will be refined through the RFP process once vendor proposals are received. Major cost areas include staff positions, software licensing, implementation services, data migration, and training. The decision to migrate only active cases at go live will help manage costs by reducing data conversion work. We have also set aside budget for Independent Quality Management Services regardless of the final determination by EIS. As pricing is finalized, we will maintain a reasonable contingency so the project can absorb minor changes without affecting scope or timeline.

Compliance With Budget Note Requirements

We will continue close coordination with EIS and regular reporting to LFO through the life of the project, with monthly meetings and updates during the 2026 session and at each Stage Gate milestone. We are following the Joint State CIO and LFO Stage Gate Review Process, and Stage Gate 1 is complete. We are working with EIS and DAS Procurement Services to ensure the project is led by a qualified project manager. BOLI is creating a Limited Duration project manager position within the project scope and budget, and we will supplement with contracted services if needed to maintain continuity. We updated the business case and foundational project management documents as required for Stage Gate 1 and will continue to update them for Stage Gate 2. Prior to Stage Gate 2, we will complete an initial risk assessment and quality control reviews on the updated business case, project management documents, and RFP materials. We are working with EIS to determine the level of Independent Quality Management Services oversight needed and have set aside budget for this purpose regardless of the determination. We will submit the updated business case, project management documents, risk assessment, and quality control reviews to both EIS and LFO for Stage Gate 2 review and endorsement through the PPM system. This report serves as the update to the Joint Legislative Committee on Information Management and Technology and the Joint Committee on Ways and Means for the 2026 session. We will continue to use the State CIO's Project Portfolio Management system for project reviews, approvals, status updates, and quality reporting.

Risk Management

Schedule risk remains a concern, and we are managing it through close coordination with EIS and DAS and by preparing procurement materials in advance. We are attempting to mitigate any delays with DAS IT Procurement by providing all necessary documents well in advance for each step of the procurement process. Data and migration risk is addressed by limiting migration to active cases,

archiving historical data, and performing thorough testing before cutover. Security and privacy are addressed through role based access, audit trails, and documented procedures for records retention and legal holds. Change management risk will be managed through clear communication, role based training, and support resources, including a network of super users to help staff adopt the new system with confidence. Prior to Stage Gate 2, we will complete and submit the risk assessment and quality reviews so oversight bodies have full visibility into the project's posture.

Governance and Reporting

We have established a steering committee and governance structure to guide decisions and maintain accountability. We will continue monthly coordination with EIS and provide regular updates to LFO during the 2026 session and at each Stage Gate milestone. All project documentation and status updates will be maintained in the State CIO's Project Portfolio Management system. We will submit the updated business case, project management documents, risk assessment, and quality control reviews to both EIS and LFO for Stage Gate 2 review and endorsement. The project is supported by internal operations leadership, a Case Management Workgroup, and technical staff who are coordinating with EIS on standards and oversight.

Reporting and Measures

We will track basic measures that reflect the benefits expected from a modern case management system. These include intake to assignment time, investigation cycle time, case backlog trends, user training completion, user adoption metrics, defect resolution time, and the availability of public facing portals. We will include these measures in updates to committees, so progress is visible as the project moves from procurement through implementation and go live.

Timeline and Milestones

Planning and Selection	Sep to Dec 2024
RFI and Market Research	2025
RFP Release	Q1 2026
Vendor Selection	Q2 2026
Stage Gate 2	Mid 2026
Implementation	Late 2026 to 2027
Go Live and Closure	Q3 to Q4 2027

Conclusion and Next Steps

Overall, we are on track with our timeline to be able to launch our new case management system and the end of 2027. Our immediate priorities are to continue with hiring positions, finalize Stage Gate 2 artifacts, release the RFP in Q1 2026, and complete vendor selection in Q2 2026. We will continue refining requirements, planning for implementation activities, and maintaining communication with staff and stakeholders. We will prepare the submission package for EIS and LFO and keep the PPM system current with status, risks, and quality documentation.