State of California
Enterprise Data-to-Revenue

Increasing revenues, transparency and taxpayer service through benefits-funded modernization

Since 2011, CGI has helped California modernize its tax systems through the Enterprise-Data-to-Revenue (EDR) project, generating more than $2.8 billion in additional revenue as of October 2016, the project goal. A common view of information for government and taxpayers also increases transparency and citizen service. Total revenue increases from the EDR project are projected to be $2.9+ billion during the state's 5 year modernization project, exceeding its goals. In recognition of its role in EDR project successes, CGI received a 2014 Best Fit Integrator award for Performance and Modernization from the Center for Digital Government, as nominated by its client.

The challenge

The State of California's annual estimated tax gap—the difference between what taxpayers owe and what they voluntarily pay—is estimated to be nearly $10 billion. To help offset this deficit, the California Franchise Tax Board (FTB) undertook a number of initiatives to increase voluntary compliance, identify taxpayers not filing correct amounts, and pursue outstanding debt. Yet, those efforts were constrained by outdated and redundant systems, disparate data, and inefficient processes. To alleviate these problems, FTB defined a clear strategy to improve tax administration and program delivery by moving to a fully integrated enterprise organization. The cornerstone of their vision is the EDR project.

The solution

The State chose CGI to deliver the EDR solution based on a number of key factors, including the company's ability to deliver complex solutions for FTB and other government tax clients, as well as CGI's strong local presence, deep California government expertise, and proven benefits-funded approach. CGI's innovative solution supports FTB's fundamental process changes by:

- Modernizing legacy systems with a service oriented architecture (SOA)
- Delivering a new returns processing system that automates manual processes, improves data capture and validation, and processes individual and business taxes through a single technology architecture

FTB at a glance

- Contributes more than $50 billion to the State's General Fund
- Processes over 17 million personal and business entity tax returns/year
- Responds to 3 million taxpayer calls/year
- Sends 9 million notices/year

Key EDR benefits for FTB

- Far more centralized approach to collections
- Single view of the taxpayer
- Use of workflow and data analytics to help determine best strategies
- Faster, more accurate return processing
- More efficient collection operations
- Powerful new taxpayer self-service capabilities
- Business rules that are changed and managed more easily
- Simpler and less costly legacy system maintenance.

"The EDR project success is not a fluke. The CGI team has been successful due to strengths in five key areas. These include planning and phasing the project; effective processes including risk management; teaming with the FTB staff; use of modern technology tools and optimizing the solution for success and taxpayer needs."

Cathy Cleek, Chief Information Officer, California Franchise Tax Board

- Making all data accessible to legacy systems and FTB users through an enterprise data warehouse, and using enterprise data modeling to improve collection and audit activities and reduce noncompliance
- Providing a secure, online Taxpayer Folder that gives FTB staff, taxpayers, and other authorized users access to information (such as tax returns, payments, correspondence, etc.) for a comprehensive view of the taxpayer, increasing taxpayer awareness and promoting self-service and self-compliance
- Capturing significantly more tax data from all channels (e.g., tax forms, correspondence) while decreasing the number of documents requiring manual intervention.

KEY TECHNOLOGIES AND METHODS

EDR's mission-critical, highly available technology is an industry-leading platform designed to expand the use of data and significantly improve tax return processing, resulting in better service to taxpayers. Key components include:

- Service oriented architecture (SOA) allows reuse of processes and technology components across FTB business functions. SOA enforces technology standards compliance, protecting investments and allowing FTB to seamlessly "plug in" additional technologies to meet future business needs.
- Master data management (MDM) provides FTB with a single source of reliable data to leverage across all business processes. This central repository of reliable, timely data will improve almost every aspect of FTB's business.

Business process management (BPM) allows FTB to rapidly build, test, deploy, and share business workflows, as well as document and reuse business rules across business processes, as appropriate.

FTB challenge	CGI EDR solution at a glance
Data availability	▪ Makes enterprise data available 24/7 and improves data quality ▪ Increases data availability by capturing and imaging more data from tax forms
Filing processes	▪ Processes and validates significantly more tax data ▪ Reduces manual intervention ▪ Scans and stores all pages from tax forms for electronic access throughout the enterprise
System redundancy	▪ Leverages SOA to maximize reuse and efficiency
Filing self-services	▪ Provides secure access to enterprise data ▪ Expands self-service options, reducing contact center costs
Data analysis	▪ Provides state-of-the-art enterprise modeling, improves collection activities, and reduces fraud
Inflexible systems	▪ Designed for ongoing change as technology evolves ▪ Eliminates dependencies on proprietary and outdated technologies ▪ Improves user experience

ABOUT CGI

Founded in 1976, CGI is one of the largest IT and business process services providers in the world, delivering high-quality business consulting, systems integration and managed services. With a deep commitment to providing innovative services and solutions, CGI has an industry-leading track record of delivering 95% of projects on time and within budget, aligning our teams with clients' business strategies to achieve top-to-bottom line results.

We deliver built-for government IT solutions that maximize revenue while minimizing costs. As a full service systems integrator and managed services provider, CGI has the industry know-how, tools and technologies to address business challenges across the public sector spectrum. CGI provides state and local governments with creative IT solutions that drive efficiencies, effectiveness and cost containment—all while achieving your short-term needs and maintaining your long-term vision.

CONTACT

For more information on our tax, revenue and collection services and solutions, visit **www.cgi.com/tax** or email **cgiadvantage@cgi.com**