DE20023 DCSS ATLAS Replacement (AZCARES)

State of Arizona – Department of Economic Security

Informational Update & Change Request

January 18, 2023

DEPARTMENT OF ECONOMIC SECURITY
Your Partner For A Stronger Arizona

Agency Vision

All Arizonans who qualify receive timely DES services and achieve their potential

Agency Mission

DES will ensure the strength and economic stability of Arizona by providing timely, temporary benefit assistance, and aid to vulnerable, qualifying Arizonans.

Team Introduction

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Roles Present at ITAC:

- Mark Darmer – ADES/DTS Chief Information Officer
- Heather Noble – ADES/DCSS Assistant Director / AZCARES Project Sponsor
- Durga Pattela – ADES/DTS Chief Technology Officer / AZCARES Technical Sponsor
- Roberta Harrison - ADES/ DFO Chief Financial Officer
- Valeria Garcia – ADES/DCSS Business Administrator
- Kori Kappes - ADES/DFO Financial Services Administrator
- Ariv Sundara – ADES/DCSS AZCARES Project Director

Agenda

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Project:

- Introduction
- Informational Update / Status
- Change Request

Project Introduction

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High-level overview of the approved original project investment justification (PIJ):

On December 21, 2020, ADOA ASET approved the original project investment justification (PIJ) to procure the DCSS ATLAS Replacement (AZCARES) solution.

This solution shall provide the following benefits:

- Service Enhancement
- Increased Efficiency
- Problem Avoidance
- Increased Collections
- Modernized 21st Century System

Prior to purchase, a Feasibility Study / Cost Benefit Analysis was conducted in 2017 to identify an alternative solution recommended for replacing the legacy ATLAS system. The replacement of the legacy ATLAS system would alleviate the below critical deficiencies.

- Technical Platform and System Security
- Usability and Efficiency/Inflexibility
- Data Reliability and Reporting
- Customer Access

The original PIJ spanned January 2021 - January 2025 and had development costs of $58,738,366.

Project Information Update

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Description of Project

- Replacement of the Legacy ATLAS system to collect and distribute child support payments with a modern solution giving the ability to automate workflows and add efficiencies. The new AZCARES system will allow case managers to better serve the public

Status Updates

- Project overall status in yellow due to the inability to achieve the planned targets with respect to system testing
- Overall Project completion is 75%
- Completed 100% of development of Package 1, 2, & 3 of all functional requirements and Data Conversion activities
- IM vendor has completed 100% of SIT and SVT for Packages 1 & 2
- Project team collaboratively revised integrated master schedule (draft)
- The IM vendor continues with mitigation for systems integration testing, coordinating testing activities with the Quality Assurance (QA) Vendor, and ADES continues with UAT Planning
- Implementation, Training, Data Conversion, and Testing activities have continued for respective phases
- Statewide implementation is planned for June 2023

Project Informational Update

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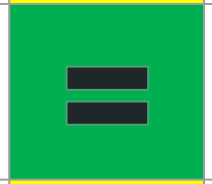
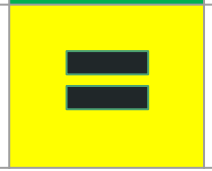
Project Health Card

Overall Project Health - Yellow

Schedule		• Schedule is yellow due to delays in Development and SIT
Scope		• Design Phase (Grooming) is complete. Applying the approved project governance related to the scope change management for updated requirements
Budget		• Budget is considered yellow due to requested changes in scope which will increase development costs.

Project Informational Update

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Based on Current Financials:

Development Budget	$58,738,366
Operational Budget	$2,017,968
Total Approved Budget	$60,756,334
Expenditures to Date	$14,771,127
Remaining Development Budget	$43,967,239
% Spent to Date	25%

Note: Expenditure data is through November 2022

Project Timeline

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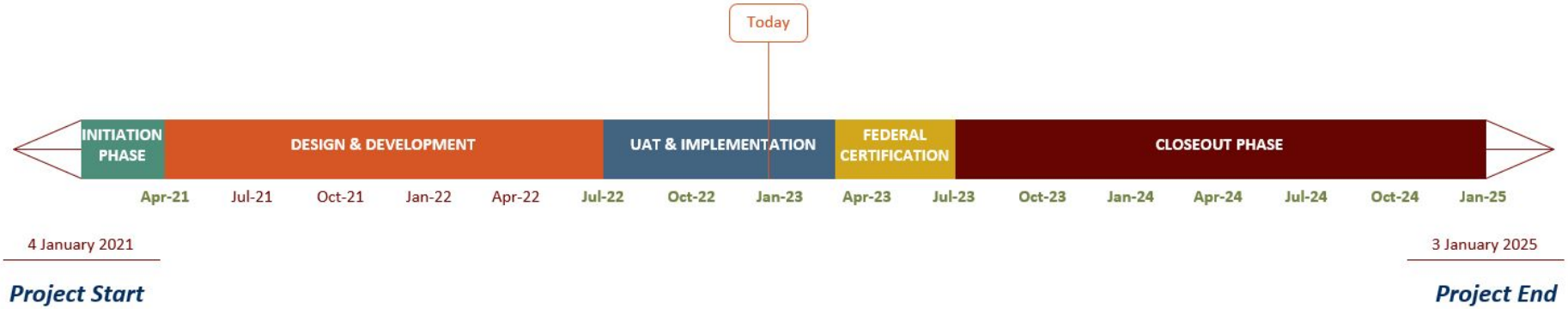
Current timeline for project

Note: Showing the original schedule.



Project Change Request Overview

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What in the PIJ is changing?:

- ✓ Timeline
  - Project End date from: January 2025 to February 2026
- ✓ Scope
  - Descoping X and Adding X
- ✓ Development Budget
  - From $58,738,366 to $60,270,283

What initiated this change?:

- The project transitioned to yellow status due to project delays during the development phase of the project impacting the overall schedule. In addition, change requests were identified during grooming impacting the scope and budget.
- Yellow status initiated during the design (grooming) phase of the project.

Change Request Project Timeline

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Updated timeline for project:

Note: *Showing the newly drafted re-baselined schedule which is still pending Federal approval*

Updated Project Timeline

Revised timeline for Solution:						
Date	Jan 2021	Jan 2022	Jan 2023	Jan 2024	Jan 2025	Jan 2026
Initiation & Planning						
Requirements & Validation						
Design						
Development						
System Testing						
User Acceptance Testing						
Implementation						

Updated Project Timeline

Revised timeline for Solution Continued:						
Date	Jan 2021	Jan 2022	Jan 2023	Jan 2024	Jan 2025	Jan 2026
Go Live						
Federal Certification						
Warranty						
Transition						
Operations and Maintenance (O&M)						
Closeout						
Payment of Final Invoices						

Revised Project Timeline

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Identify any change in timeline and possible benefits:

Milestone Name	Milestone Health	% Complete	Original Start Date	Original End Date	Revised Start Date	Revised End Date
Initiation & Planning	Completed	100%	01/04/2021	03/31/2021	01/04/2021	04/02/2021
Requirements & Validation	Completed	100%	01/04/2021	03/31/2021	01/04/2021	04/02/2021
Design	Completed	100%	04/01/2021	06/30/2022	04/05/2021	06/30/2022
Development	Completed	100%	04/01/2021	06/30/2022	04/05/2021	12/16/2022
System Testing	In Progress	85%	06/30/2021	06/30/2022	04/02/2021	01/12/2023
User Acceptance Testing	Not Started	0%	07/01/2022	09/30/2022	01/23/2023	04/14/2023
Implementation	Not Started	0%	10/01/2022	01/04/2023	04/17/2023	06/05/2023
Go-Live	Not Started	0%	02/09/2023	03/08/2023	06/05/2023	06/05/2023
Federal Certification	Not Started	0%	04/08/2023	05/07/2023	09/06/2023	11/09/2023
Warranty	Not Started	0%	01/04/2023	01/03/2024	11/10/2023	11/14/2024
Transition	Not Started	0%	01/04/2023	01/03/2025	06/05/2023	05/08/2025
Operations & Maintenance (O&M)	Not Started	0%	01/04/2023	01/03/2025	11/10/2023	11/14/2024
Closeout	Not Started	0%	12/01/2024	01/03/2025	10/06/2025	11/05/2025
Final Invoices Paid	Not Started	0%	N/A	N/A	11/06/2025	02/04/2026

Change Request for Revised Project Scope

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The following Changes are requested:

PIJ Category	Vendor	Amount	Description
Professional & Outside Services	Implementation (IM)	$3,144,198	Updates to scope including schedule timeline, training, forms, interfaces, and descoping.
	Quality Assurance (QA)	$532,986	Additional resources to increase system testing to 30%
	Independent Verification & Validation (IV&V)	$171,000	Additional reports requested by federal partner and with extension to timeline
	Project Contracted Resources	$4,353,319	Additional resource needs were identified through project kick off and Development (Grooming) phase
Software Licenses	Software Vendors	($4,845,210)	Most licenses acquired in first year of project and transitioned renewals to Licenses & Maintenance
Facilities	Implementation (IM)	($1,824,375)	Minimal facilities cost incurred during year 1 & 2 of project due to the pandemic impact
	Change Request Net Total	**$1,531,917**	

Change Request for Revised Project Scope

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Change Request Details:

Change Request Description	Status	Cost	Savings
Descoping Interfaces	Cost Approval Process		($210,000)
Revised Training Approach	Federal Approved	$622,000	
Interface Architecture Redesign	Federal Approved	$806,400	
Revised Schedule	Federal Review	$1,702,798	
Additional NN Forms	Federal Review	$196,000*	
Conversion Mapping	Change Control Board Review	$27,000	
Additional QA Resources	Federal Approved	$227,412	
Additional As Needed IV&V Reports	Federal Approved	$145,800	

*Additional forms are for the Navajo Nation and the Nation will be funding these costs

Change Request for Revised Project Scope

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Change Request Details Continued:

Change Request Description	Status	Cost	Savings
Additional Monthly IV&V Status Reports	Federal Approved	$25,200	
AZCARES Conversion Data Transfer	Federal Approved	$47,472	
AZCARES Resources	Federal Approved	$276,240	
3rd Party Security Testing	Cost Approval Process	$90,000	
Project Contracted Resources	Federal Approved	$3,939,607	
Software transitioned to Licenses & Maintenance	On going		($4,845,210)
Facilities	On going		($1,824,375)

Q & A Session