

Change Request Review

Department of Water - Project # WC22002 - Application Modernization - CR-1111
Oversight Name: Les

OA Peer Review Date: 8/7/24 Approve with Standard Con... ▾	OA Recommendation Date: 8/7/24 Approve with Standard Conditions ▾	EM Review Date: 8/8/24 Approve with Standard Co... ▾
Oversight Director Decision Date: Approve ▾	OR Deputy CIO Decision Date: No Response ▾	

<u>Areas Affected:</u>		
<input checked="" type="checkbox"/> Budget	<input checked="" type="checkbox"/> Scope	<input checked="" type="checkbox"/> Timeline

Brief Project Description:

The Application Modernization project proceeded with the new vendor. As the project progressed, the vendor's development team had difficulty completing the work within the specified time frame. Salesforce did not complete all user stories assigned to early sprints and found that ADWR's data and processes were unexpectedly complex.

The Salesforce team did not have sufficient expertise in Public Sector Solutions to meet project needs. ADWR underestimated the workload associated with data mapping and struggled to keep up with the Salesforce pace during sprints.

ADWR is moving from a time and materials contract to a fixed-fee milestone-based contract.

The project scope is being changed to develop functionality for four (4) Business Units, all shared services, and data migration.

The development cost increased by \$1,813,700, and the overall budget increased from \$9,038,500 to \$11,044,000. This includes an increased cost due to moving to a fixed-fee milestone-based contract.

What Initiated This Change, Reasons:

1. Salesforce did not complete all user stories assigned to early sprints and found that ADWR's data and processes were unexpectedly complex.
2. ADWR is moving from a time and materials contract to a fixed-fee milestone-based contract.
3. The project scope is being changed to develop functionality for four (4) Business Units, all shared services, and data migration.

<p>CR Submission Date: 6/17/24</p> <p>Current Project Duration: 2 years and 1 month Start Date: 8/17/22 End Date: 9/3/24</p> <p>CR Project Duration: 2 years and 11 months Start Date: 8/17/22 End Date: 7/28/25</p>	<p>Current Project Budget</p> <p>Development Cost \$ 6,391,300.00 Operational Cost \$ 2,647,200.00 Total Cost \$ 9,038,500.00</p> <p>CR Project Budget</p> <p>Development Cost \$ 8,455,000.00 Operational Cost \$ 2,839,000.00 Total Cost \$ 11,294,000.00</p>
---	---

If the project has prior CR list below:

CR-ID	Approved Date	Type
CR-0863	2/1/2023	Development Cost
CR-1012	2/22/2024	Development Cost, End Date and Scope
CR-1111	Pending	Development Cost, End Date and Scope

Funding source re-verification* Required if there is a change to the Development costs on the project

The budget will be available through the following sources:	Funding expiration(s)? Yes
36% APF Budget	Start Date: 7/1/2022 End Date: 7/1/2026
64% Base Budget	Start Date: 7/1/2022 End Date: 7/1/2026
% Federal	Start Date: End Date:
% Other Appropriated	Start Date: End Date:
% Other Non-Appropriated	Start Date: End Date:

CR Checklist:

Requirement	Received?	Notes
Is the CR above 10%	Yes ▾	
Security approval (SSP update)	Not Needed ▾	
New SOW or quote from the vendor	Received ▾	
New Project Plan	Received ▾	
5-Year Equipment Refresh Plan for Equipment Purchases	Not Needed ▾	
Maintenance & Support Options Identified for Years 2-5	Not Needed ▾	
Cloud Exception Form for On-Prem Servers	Not Needed ▾	
Vendor activity or documentation (training, functionally change, etc.) to be Shared with Agency (Knowledge Transfer)	Received ▾	
Internal Approvals from the Director, CTO, CIO, CFO/Budget Manager via email	Received ▾	
Have the original ITAC conditions reviewed	Yes ▾	
If APF funding, Has it been discussed with Financial Analyst	Yes ▾	
Ask Report needed	Yes ▾	

Risks:

- | |
|--|
| <ol style="list-style-type: none">1. Additional Project Management Expertise Needed2. Undefined legacy data testing methods3. Readiness to Administer the System, no Salesforce Admin role |
|--|

CR Modifications + Follow-Up



OA Post-Approval Checklist

<input type="checkbox"/> Copy the information from this document into the Oversight Summary section in Salesforce (Project Background, Business Justification, Implementation Plan, Vendor Selection, and Budget or Funding Considerations).
<input type="checkbox"/> Ensure that within the Submission Info section of the PIJ in Salesforce, the IT Goal, Brief Description, Status Report Frequency, and Requested Development Amount fields have been populated.
<input type="checkbox"/> Add the appropriate conditions within the Conditional Approval Section.
<input type="checkbox"/> Complete any follow-up/edits to the CR that were noted in the executive review.
<input type="checkbox"/> After the CR is complete, pdf this document and attach to the Project.
<input type="checkbox"/> Click Generate CR Document, copy as a pdf, and attach to the approval email.
<input type="checkbox"/> Log the approval email to the Project in Salesforce using the Gmail Extension.

Guides

Milestones

Common milestones include, but not limited to:

- Project Kickoff
- Delivery of Signed SOW
- Delivery of Project Plan Document
 - Sometimes an Agency can only produce this after an assessment from the vendor. Ensure this is added as a milestone after the assessment takes place, and ensure the assessment is added as a milestone as well.
- Installation
- Configuration
- Sprints (design & build, with descriptions)
- UAT
- Training (support team/admin)
- Training (end users)
- Go Live
- Payment Invoices (by milestone or date(s))
- Final Payment of Invoices
- Lessons Learned
- Project Close

Common things to look out for:

- If milestones span a long interval of time, for example, several months or longer, there are events that take place within this milestone that can be broken into several milestones that can be more easily monitored.

Financials

- All financials during the first fiscal year are considered Development. Every year after is Operational. However this may be different for projects that span over 1 year.
- Professional services cannot be taxed.
- Ensure the quote from the vendor matches the financials' line items.
- Keep note of the funding expiration dates, when payments will be made (identified within milestones), and whether the Agency has the budget for the project. For example, some Agencies receive new funding every October. Ensure their payment dates are aligned with their ability to pay using the funding they anticipate to receive. Some projects will have multiple funding sources expiring at different times.
- Ensure the categorization of the line items makes sense and they are separated by 1 item per line. For example, licenses and professional services should not be combined; they should be separated into each line item with the applicable categorization and tax information.
- If static maintenance and support costs for years 2-5 are not guaranteed by the vendor, include a 2.5% increase year over year in order to account for any future price increases.

Risks

- Common risks include:
 - Aggressive timelines
 - Two or more agencies involved with the project
 - Two or more vendors involved with the project
 - Paying the vendor at one time, all upfront, prior to any work being performed
 - Any other items included in the conditional approval that are required within future status report submissions