

Change Request Review
Department of Economic Security - DE24011 -Returned Mail Solution - CR-1182
Oversight Name: Akhil

OA Peer Review Date: 02/19/2025 Approve with Additional Con...	OA recommendation Date:02/18/2025 Approve with Standard Conditions	EM Review Date: No Response
Oversight Director Decision Date: Approve	OR Deputy CIO Decision Date: No Response	

Area of Impact

<input type="checkbox"/> <u>Budget</u>	<input checked="" type="checkbox"/> <u>Scope</u>	<input checked="" type="checkbox"/> <u>Timeline</u>
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Brief Project Description

The Department of Economic Security (DES) will obtain and utilize a digital mailroom document scanner solution to improve their returned mail process.

What Initiated This Change, Reasons

This request is to move the current PIJ End Date from 3/31/2025 to 12/31/2025.
A slight change in scope due to using OnBase as the returned mail image repository.

The vendor is **Konica Minolta**

The change in time is due to AHCCCS security document requirements and an expired contract.
DBME is still working with AHCCCS to provide the required security documents. The documents were submitted in early February and are awaiting a response from AHCCCS. AHCCCS has up to 90 days to respond.

While trying to approve a change order and contract amendment, ADES procurement notified DBME in January that the current NASPO contract, which this task order fell under, expired . A new task order is required to bring the contractor back and resume the project.

The new Task Order will be under the New Multi-Functional Devices and Related Software Services and Cloud Solutions Contract.

The scope change is due to completing the AHCCCS required security documents. AHCCCS informed DBME that OnBase would be the only approved image repository solution.

With the new OnBase solution, the Bot will take all scanned images and use existing Document Understanding (DU) and Optical Character Resolution (OCR) to extract the data required. It will send that metadata and PDF images to be uploaded into OnBase, including the exception and error codes.

By extending the time and modifying the scope slightly, these changes benefit DBME by ensuring the existing contract team can complete the project following state procurement rules.

The extension of the time allows sufficient time to create and receive approval of a new task order, ensure successful approvals received from AHCCCS and DTS, and 10-12 weeks of development, UAT, and pre-production work, as well as payment of invoices and project close-out.
DBME PMO has been in contact with all stakeholders and has ensured timely communication with the teams as needed.

<u>CR Submission Date:</u> 02/05/2025	<u>Original Project Budget</u>
<u>Original Project Duration:</u>	Development Cost \$ 262,253.69
Start Date: 9/30/2023	Operational Cost \$ 3,813.96
End Date: 5/1/2024	Total Cost \$ 266,067.65
<u>CR Project Duration:</u>	<u>CR Project Budget</u>
Start Date: 9/30/2023	Development Cost \$ 1,269,438.67
End Date: 12/31/2025	Operational Cost \$ 3,814.00
	Total Cost \$ 1,273,252.67

If the project has prior CR list below:

CR-ID	Approved Date	Type
CR-1003	12/15/2023	End Date,Development cost & Scope
CR-1181	11/22/2024	End Date

Security Review

OnBASE is AZRAMP authorized. SSP update needed for any system boundary changes.

DES confirmed no changes to the system environment are done.

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)?
% Base Budget	Start Date: End Date:
% Federal	Start Date: End Date:
% APF	Start Date: End Date:
% Other Appropriated	Start Date: End Date:
100% Other Non-Appropriated	Start Date: 7/1/2023 End Date: 01/31/2026

CR Checklist

Requirement	Received?	Notes
Is the CR above 10%	Received ▾	
Security approval (SSP update)	Received ▾	

New SOW or quote from the vendor	Missing ▾	<p>Change request acceptance letter from the vendor is received.</p> <p>We are in the process of drafting a task order: TO25-000255, Description: Return Mail Automation Continuance. This will now fall under the NASPO Multi-Function Devices and Related Software, Services, and Cloud Solutions.</p>
New Project Plan	Received ▾	
5-Year Equipment Refresh Plan for Equipment Purchases	Not Needed ▾	
Maintenance & Support Options Identified for Years 2-5	Received ▾	
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	Received ▾	
If APF funding, Has it been discussed with Financial Analyst	Not Needed ▾	
Ask Report needed	Not Needed ▾	

Risks

- AHCCCS approval to the security documents sent by DES.

Vendor Selection if applicable (3 Quote)

- Considered Vendors: Konica Minolta
- Selected Vendor: Konica Minolta
- 3 Quotes Obtained: No

- Exception Reason:

CR Modifications + Follow-Up

- ☐ The security documents review with AHCCCS has been happening since October 2024. It's been more than 3 months. So, what is DES 'plan to engage AHCCCS more productively so that this issue can be resolved at the earliest ?

The team has been meeting regularly with AHCCCS to understand and write the requirements needed. Three security documents will be submitted today, barring any additional delays from DTS. Those documents are the SSP, PIA, and ISRA.

- ☐ Can we safely assume that at least 60% of the development work has been completed in this project? Yes

- ☒ Please explain this change request
- ☒ Since this project is being extended till December 2025, when are funds expiring ?
- ☒ Any update on the task order with the vendor, Konica Minolta ? DES procurement working with SPO on getting a signed task order
- ☒ According to the latest project plan which was submitted, why are there 2 line items for UAT ?
- ☒ Please provide descriptions for Wave 4 & 5 in milestones
- ☐ From a security stand point, if there are any system boundary changes, an updated SSP will be required.
- ☐

OA Post-Approval Checklist

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| <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