



ADOA - ASET

Arizona Strategic Enterprise Technology

Project Investment Justification

Version 01.01

A Statewide Standard Document for Information Technology Projects

Project Title:

PC Refresh FY15

Agency Name:	Arizona Department of Transportation
Date:	July 30, 2014
Agency Contact Name:	Jesse MacDonough
Agency Contact Phone:	
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I. Management Summary

The FY15 PC Refresh project addresses ADOT's ongoing technology equipment replacement needs. The hardware replacements will ensure that the Agency's technology services and resources satisfy the business requirements for all who use them.

Our computing infrastructure is comprised of thousands of hardware components including desktop and laptop computers, monitors and printers. Over time, these resources wear, age and/or become obsolete causing performance degradation, excessive support and repair activity, and loss of reliability. In order to manage these impacts, we propose to employ a cost-effective equipment upgrade and replacement program.

The goal of this project is to replace 3,800 desktop and laptop PCs that are older than three years. Additionally, peripheral equipment such as monitors and printers will be acquired within the scope of this project. Rather than purchasing new equipment as was done in the past, ADOT's Information Technology Group plans on employing a 3-year rental/lease program for the above-mentioned equipment. Professional services will be used to manage all aspects of equipment handling, including receiving, storage, configuration, deployment and disposal of all retired hardware through the Surplus Property Management Office.

II. Project Investment Justification (PIJ) Type

Yes No Is this document being provided for a Pre-PIJ / Assessment phase?

If Yes,

Identify any cost to be incurred during the Assessment phase.	\$
Based on research done to date, provide a high-level estimate or range of development costs anticipated for the full PIJ.	\$

Explain:

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Yes No Will a Request for Proposal (RFP) be issued as part of the Pre-PIJ or PIJ?

III. Business Case

A. **Business Problem**

ADOT has not executed a PC Refresh program since 2006. Of the 5,500 desktop and laptop computers used by the Agency, nearly 70% are more than 3 years old and 50% are 6-13 years old, yet still in operation. Impact to employee productivity is high due to slow performance and frequent hardware failures. Of the PCs still in production, 61% are still running Windows XP, which is no longer supported by Microsoft. Additionally, there are application and software compatibility issues with PCs running older operating systems and web browsers. As ADOT's business practices adapt and change, more complex applications and operating systems are required. However, out of warranty and older equipment does not provide the flexibility, performance and reliability currently needed.

B. Proposed Business Solution

In order to consistently provide for all of ADOT’s technology needs, the Agency recommends a three year hardware refresh cycle program via a lease/rental financial arrangement. This will enable us to continue to provide reliable and up to date agency technology services, while keeping the costs predictable and manageable.

At present, a business-area needs assessment is being conducted. The output of this analysis will be used to produce the detailed device type needs and counts for this project. The current counts identified herein are estimates based on ADOT’s current computer equipment that is greater than three years old. Peripheral hardware such as monitors, printers and scanners will also be included in the project’s scope to replace older equipment as specified by ADOT’s business area managers.

With this refresh, desktop software needs will also be reviewed, giving ADOT the opportunity to shed old, unneeded and/or unsupported titles and a full inventory of the department’s software portfolio. Titles found to be incompatible with Windows 7 and Windows 8.1 will be replaced with the most current versions.

“Turn-key” professional services will be used to accelerate project delivery and success, and provide rapid relief from the department’s current, ailing equipment issues.

C. Quantified Benefits

<input checked="" type="checkbox"/>	Service enhancement
<input type="checkbox"/>	Increased revenue
<input checked="" type="checkbox"/>	Cost reduction
<input checked="" type="checkbox"/>	Problem avoidance
<input checked="" type="checkbox"/>	Risk avoidance

Explain:

- Service Enhancements:
 - Newer PC equipment will run software and applications faster and without error, avoiding many of the performance and compatibility issues with older hardware and unsupported operating systems.
- Cost Reduction:
 - Support costs for older PC equipment are greatly reduced.
 - Hardware obtained through a leasing arrangement costs less than a straight purchase. The estimated figures in this document’s itemized list and PIJ financials sections reflect an estimated annual lease rate factor of 0.29, for a total hardware cost of \$4.51M over 3 years. Purchasing this same hardware outright instead, would have a onetime cost of \$5.26M.
- Problem Avoidance:
 - Leased computers that are replaced every 3 years will not require the maintenance that is typically required for equipment that is older than 3 years.
 - Avoiding problems associated with older operating systems no longer being supported, along with necessary security updates.
- Risk Avoidance:

- Assist in mitigating the risk of equipment failure and help balance the trade-offs between the total cost of ownership and operating efficiency.
- New hardware will allow the department to move to Microsoft’s fully supported, latest operating systems and resume critical security patching routines.

IV. Technology Approach

A. Proposed Technology Solution

We propose to procure the following hardware needed to support the three year IT refresh cycle plan, focusing on refreshing equipment which has greater than three years of use. Table 1 provides an overview and estimate of the equipment types and counts that will be acquired in FY15.

Table 1

EQUIPMENT DESCRIPTION	QUANTITY
Standard Desktop	2,300
Power Desktop/Workstation	150
Standard Laptop	550
Ultralight Laptop	500
Rugged Laptop	100
Tablet	200
Laser Printer	500
Monitor	2,000
Scanner	300

B. Technology Environment

ADOT proposes to rent the proposed equipment outlined above and incorporate it into the existing ADOT information technology infrastructure. ADOT’s end-user computing environment consists predominately of a base Windows operating system and locally installed applications. Desktop and laptop computers will be deployed with Windows 7; Tablets will run Windows 8.1. All devices will include Office 2010 Professional and required up-to-date, compatible software as specified by business area managers.

C. Selection Process

A Request for Proposal (RFP) will be issued to determine which vendor the Agency will use. The primary factors that will determine our selection are:

1. Method of Approach
 - a) Plan of Execution for Project Completion
 - b) Ability to conform to Department Timeline
2. Overall Cost of the Project
 - a) Hardware Rental
 - b) Professional Services
 - c) Maintenance/Service Plan
3. Experience of the Firm and Staff in Providing Similar Hardware and Services (including references)
 - a) Previous Projects Completed

- b) Experience of Personnel and Management Team
- c) References
- 4. Overall Organization and Completeness of Proposal

V. Project Approach

A. Project Schedule

Project Start Date: 9/1/2014 **Project End Date:** 2/15/2015

B. Project Milestones

Major Milestones	Start Date	Finish Date
Issue RFP and Select Vendor	9/1/2014	10/1/2014
Design (Finalize schedule & approach with services vendor)	10/1/2014	10/15/2014
Construction (Provide vendor customer contact information, detailed user-based hardware/software requirements, operating system and software source files and license keys. Manage vendor conformance to specifications.)	11/1/2014	11/15/2014
Testing & Implementation (Manage vendor conformance to specifications)	11/16/2014	01/31/2015
Closing	02/01/2015	02/15/2015

VI. Roles and Responsibilities

A. Project Roles and Responsibilities

Role	Responsibility	Team member
Project Sponsor	Resolution of management escalation issues and approval of project deliverables.	Rich Nacinovich
Project Manager	Manage project schedule, cost and scope. Provide communication to key stakeholders and coordinate project to completion.	Bruce Bosco
In-House Resources	The ITG PCLAN team will act as the technical point for project deployment	Jeff Hazel Raymond Adams

B. Project Manager Certification

- Project Management Professional (PMP) Certified
- State of Arizona Certified
- Project Management Certification not required

C. Full-Time Employee (FTE) Project Hours

Total Full-Time Employee Hours	2,344
Total Full-Time Employee Cost	

VII. Risk Matrix, Areas of Impact, Itemized List, PIJ Financials

VIII. Project Approvals

A. Agency CIO Review

Key Management Information	Yes	No
1. Is this project for a mission-critical application system?	X	
2. Is this project referenced in your agency's Strategic IT Plan?	X	
3. Is this project in compliance with all agency and State standards and policies for network, security, platform, software/application, and/or data/information as defined in http://aset.azdoa.gov/security/policies-standards-and-procedures , and applicable to this project? If NO , explain in detail in the "XI. Additional Information" section below.	X	
4. Will this project transmit, store, or process sensitive, confidential or Personally Identifiable Information (PII) data? If YES , in the "XI. Additional Information" section below, describe what security controls are being put in place to protect the data.		X
5. Is this project in compliance with the Arizona Revised Statutes (A.R.S.) and GRRC rules?	X	
6. Is this project in compliance with the statewide policy regarding the accessibility to equipment and information technology for citizens with disabilities?	X	

B. Project Values*

The following table should be populated with summary information from other sections of the PIJ.

Description	Section	Number or Cost
Assessment Cost (if applicable for Pre-PIJ)	II. PIJ Type - Pre-PIJ Assessment Cost	\$
Total Development Cost	VII. PIJ Financials tab	\$1,140,000
Total Project Cost	VII. PIJ Financials tab	\$5,651,850
FTE Hours	VI. Roles and Responsibilities	2,344

C. Agency Approvals

Contact	Printed Name	Signature	Email and Phone
Project Manager:	Bruce Bosco		
Agency Information Security Officer:	Thomas Branham		
Agency CIO:	Doanh Bui		
Project Sponsor:	Rich Nacinovich		
Agency Director:	John Halikowski		

IX. Optional Attachments

A. *Vendor Quotes*

X. Glossary

XI. Additional Information

Links:

[ADOA-ASET Website](#)

[ADOA-ASET Project Investment Justification Information Templates and Contacts](#)

Email Addresses:

[Strategic Oversight](#)

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