

CHANGE REQUEST / AMENDMENT

DC13007 - Offender Management System (OMS) AIMS Replacement

Arizona Department of Corrections

Amended Budget:

Total Development Budget	\$ 30,877,237
<u>Total Operational Budget</u>	<u>\$ 13,825,294</u>
Total Overall Budget	\$ 44,702,531

Areas Affected:

End Date	Yes
Development Costs	Yes
Scope	No

Current End Date: 06/30/2019

Revised End Date: 02/29/2020

Change Description:

AMENDMENT 02: (06/14/19 ITAC)

Change Description Justification:

ADC had requested a project change from 6/30/2019 end date to a Go-Live date of 11/29/2019 which was approved in AMENDMENT TO ADOC14-00003359/14-25-23 and signed 04/26/2019. There is a 90 day validation period ending the project at 02/29/2020. This change is for several Change Requests that have been determined needed in order to go live with the application. Due to the complexity of the Sentence Calc module, it is still being developed and tested from the previous Change Request. There are Requirement gathering and Functional Specification Document (FSD) creations being conducted for the new Change Requests AIMS2-064 through 079. These are related to required items in modules Sentence Calc, Visitation and Discipline. This change was determined after identifying defects in the process of testing and re-testing issues. This change is to allow additional time to successfully complete this complex project.

Risk:

This change will require additional business analysis, development, QA and migration activities, which will impact the overall end date of the project. Without a correctly functioning system, public safety issues and legal risks are possible, including life threatening situations. The application must function correctly and consistently at all times, and the additional time is required to insure it does.

Dependencies/constraints:

The smooth operation and functionality of the AZ Department of Corrections is dependent on this system functioning as expected.

Scope:

There is no change in scope. The recent Change Requests have come about due to misses during Requirements gathering early in the project. As of May 17, 2019, there are no more change request being allowed. If issues arise that require a Change Control Board hearing, they will be acknowledged, tracked and placed in the Parking Lot for correction in the Maintenance and Operations phase of the contract.

Budget relevant to the changes:

This is a Fixed-Price Contract Project, however, several project challenges (briefly described above) have increased the project cost beyond the \$24M budget. The extension of the Go-Live date will result in an increased cost for ADC staffing, performance bond, 3rd party assessment and contracted staffing. In addition, the signed amendment formalizes several change requests totaling \$2.9M.

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PREVIOUS AMENDMENT : (11/14/2018 ITAC)

On June 24, 2014, the Adult Inmate Management System (AIMS) Replacement project, was approved with conditions by ITAC. The objective of this implementation is to modernize the system Arizona Department of Corrections (ADC) uses to provide critical information and core business services such as Inmate Identification, Movement, Location, Count, Sentencing, Disciplinary Actions, Trust Accounting, and Time Computation.

On November 2, 2018, ADC submitted a change request to modify the scope of the project. The scope change from ADC is to incorporate changes to the Board of Executive Clemency and Sentence Calculation modules of the system that were not identified in the requirement gathering and Functional Specification Document. In addition, ADC has experience development delays associated with the controls and practices around user acceptance testing, bug identification, retesting and approval. ADC and the vendor have worked together with ADOA-ASET and the IV&V vendor to identify and implement improvements in these activities.

ADC and the vendor are currently negotiating a contract amendment which would include the increased scope of work. ADC does not feel there will be increased development cost beyond the \$24,000,000.00 approved by ITAC. However, ADC has acknowledged that there are multiple areas that need to be addressed after the system is in production and expect an increase to the operational costs in the amount of \$2,800,000.00 to address these requirements. The requirements are not being addressed in the development stage of the project to allow the project to move forward into production on the current timeline with the projected end date of June 30, 2019.

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Financial Detail:

The original project cost did not account for the operational costs of the project based on the original approval focusing completely on APF funds dedicated to development.

Original PIJ Financials: Approved 06/24/14

<i>Five Year Life-Cycle Summary</i>						
<i>Cost Description</i>	<i>FY2014</i>	<i>FY2015</i>	<i>FY2016</i>	<i>FY2017</i>	<i>FY2018</i>	<i>Total</i>
Development Costs	\$9,759,102	\$6,178,809	\$8,062,0890	\$0	\$0	\$24,000,000
Operational Costs	\$0	\$0	\$0	\$0	\$0	\$0
Total Project Costs	\$9,759,102	\$6,178,809	\$8,062,0890	\$0	\$0	\$24,000,000

New Project Financials (Projected): 06/14/19 ITAC

<i>Cost Description</i>	<i>FY2015</i>	<i>FY2016</i>	<i>FY2017</i>	<i>FY2018</i>	<i>FY2019</i>	<i>FY2020</i>
Development Costs	\$6,402,438	\$4,890,402	\$5,964,680	\$3,784,800	\$3,806,814	\$6,028,102
Operational Costs	\$0	\$0	\$0	\$0	\$0	\$1,894,782
Total	\$6,402,438	\$4,890,402	\$5,964,680	\$2,908,249	\$3,834,231	\$7,922,884

<i>Cost Description</i>	<i>FY2021</i>	<i>FY2022</i>	<i>FY2023</i>	<i>FY2024</i>	<i>FY2025</i>	<i>FY2026</i>
Development Costs	\$0	\$0	\$0	\$0	\$0	\$0
Operational Costs	\$1,920,011	\$1,946,123	\$1,973,149	\$2,001,121	\$2,030,071	\$2,060,036.12
Total	\$1,920,011	\$1,946,123	\$1,973,149	\$2,001,121	\$2,030,071	\$2,060,036.12

<i>Cost Description</i>	<i>Total</i>
Development Costs	\$30,877,236
Operational Costs	\$13,825,293
Total Project Costs	\$44,702,529