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Acting Director

ARIZONA DEPARTMENT OF ADMINISTRATION

OFFICE OF THE DIRECTOR

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September 10, 2015

Mr. Timothy Jeffries, Director
Arizona Department of Economic Security
1717 West Jefferson Street
Phoenix, AZ 85007

Dear Tim:

In response to the Pre-Project Investment Justification (PIJ) Assessment for the “**Replacement Analysis for the Arizona Tracking and Locate Automated System (ATLAS)**” project, my staff has reviewed the proposal to issue a Request for Proposal (RFP) to ascertain cost, and viability of replacing ATLAS.

The Pre-PIJ implies funding is available from Federal Funds and Base Budget General Funds to cover *estimated* project costs in amounts from \$800.0 thousand and up to \$1,500.0 thousand.

This is notification of Arizona Strategic Enterprise Technology Office's recommendation to the Information Technology Authorization Committee (ITAC) for **Approval with Conditions** of the technology project as follows:

1. The DES may proceed with the discovery phases needed to define requirements, produce a cost benefit study, alternative analysis, and feasibility study. However, DES may not proceed with further development efforts until a full PIJ, reflecting the final costs, scope of work, technology, and implementation schedule for the proposed solution, has been submitted to ADOA-ASET, and the Information Technology Authorization Committee (ITAC) if required, for review and approval.

ITAC is scheduled to meet on September 23, 2015 to review this project.

Should the ITAC approve the project, you may then proceed to secure additional approvals as required from the Joint Legislative Budget Committee, the Office of Strategic Planning, and Budgeting and the State Procurement Office.

Mr. Timothy Jeffries, Director

September 10, 2015

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Best Wishes,



Michael J. Lettman
Acting State CIO and Chief Information Security Officer
Arizona Strategic Enterprise Technology (ASET) Office

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ASET# DE15010

Analyst: Clark Lathrum

Pre PIJ Summary - ASET

Project Number: DE15010

<i>Agency Name & Address</i>	<i>Contact Information</i>
Arizona Department of Economic Security 1717 West Jefferson Street Phoenix, AZ 85007	Kim Hartleroad 602-274-5359 x1263 KHartleroad@azdes.gov
<i>Project and Investment Justification Name</i>	<i>Date Submitted</i>
Replacement Analysis for the Arizona Tracking and Locate Automated System (ATLAS)	August 20, 2015

Project Overview

Problem Description

ATLAS is the core system for administering child support cases in Arizona. The system is mainframe-based and is approximately 20 years old. It is one of the oldest child support enforcement systems in the country and it supports two primary categories of child support cases:

- **IV-D:** DES-DCSS is mandated and authorized through Title IV-D of the Social Security Act to provide child support enforcement services for children and parents. Services include locating non-custodial parents, establishing paternity and child support orders, enforcing court orders and distributing and disbursing child support collections.
- **Non IV-D:** The non IV-D program differs from the IV-D program primarily because it has only minimal enforcement remedies available. Non IV-D child support cases typically have paternity and child support orders established and do not require enhanced monitoring and collection efforts.

ATLAS deficiencies are categorized in five primary areas:

- **Technical Platform:** The core ATLAS application is mainframe-based and is almost twenty years old. The application runs on an IBM Z-Series OS with NATURAL programming language and ADATABASE database technologies. Technical resources needed to support the maintenance and operations of the mainframe system are increasingly difficult to locate, often requiring significant in-house training.
- **Usability:** The current system utilizes an older mainframe user interface (UI) “green screen” approach. Navigation between the 720 screens in ATLAS is not intuitive and users require an extended period of time to become proficient in its use.
- **System Security:** The security infrastructure of ATLAS is complex and difficult to maintain. Although the mainframe security tools used to support ATLAS are considered a strong point, when combined with the independent security components utilized in the periphery systems and the complexity of the ATLAS application itself, maintaining appropriate security controls are proving to be increasingly difficult.
- **Inflexibility:** Changes to business processes to achieve efficiencies or changes to comply with updated Federal OCSE rules are very difficult and time-consuming to implement in ATLAS. The system has over four million of lines of code and has a long history of revisions by internal staff and external contractor staff.
- **Data Reliability and Reporting:** Accurate reporting of program statistics is a challenge for DCSS staff to comply with federal reporting requirements. The reporting process is complex and requires significant manual intervention and staff time to execute.

Solution

The proposed business solution is to procure a contracting firm to evaluate modernization/replacement options for the Arizona Tracking and Locate Automated System (ATLAS). The proposed solution is consistent with the initial “Planning Phase” of the Federal OCSE-prescribed systems replacement process. This process will include the following actions and outputs:

- Evaluate the current ATLAS system;
- Complete a feasibility study to include:
 - Analysis of alternatives
 - Cost/benefit analysis for each alternative including estimated costs, risks, and implementation durations and resource requirements
- Define user requirements (functional and non-functional) to a level of detail sufficient to all competitive bidding on the Implementation phase of the project
- Develop a draft project schedule (for the Implementation Phase)
- Recommend a modernization/replacement budget
- Provide a recommendation to DCSS Management of the most cost effective solution
- Provide DCSS Management with a presentation of the Feasibility Study and recommended solution
- Develop an IAPD document

Major Deliverables and Outcomes

Major Milestones	Start Date	End Date
Preliminary draft Feasibility Study RFP to OCSE for review	3/15/2015	5/15/2015
RFP to DES Office of Procurement for approval	4/15/2015	5/15/2015
PAPD to OCSE for review and approval	4/21/2015	4/21/2015
RFP to OCSE for review and approval	6/04/2015	6/04/2015
Pre-PIJ to ADOA-ASET	7/05/2015	7/10/2015
Pre-PIJ to ITAC for approval	9/23/2015	9/23/2015
Feasibility Study RFP issuance and perform vendor selection	9/23/2015	10/29/2015
Selected vendor of Feasibility Study RFP sent to OCSE for approval containing contract for approval (not yet executed)	10/29/2015	12/29/2015
Author Feasibility Study PIJ and send to ASET for approval	10/29/2015	11/29/2015
Award contract to selected vendor	12/29/2015	12/29/2015
Vendor execution of Feasibility Study and Development of the IAPD	12/29/2015	12/29/2016
Final Feasibility Study sent to OCSE for approval	12/29/2016	2/28/2017
OCSE final approval of Feasibility Study	2/28/2017	4/29/2017

Benefits

- **Service Enhancement:** Customers currently have limited access to their case information via self-service web and IVR interfaces.
- **Increased Revenue:** A modern case management system will increase child support collections by allowing enhanced automated data cross-matches with more financial institutions.

- **Cost Reduction:** It is anticipated that a new or updated system will require less ongoing expenditures than ATLAS in its current form. Major sources of savings will be platform expenditures (if platform is changed) and support resources.
- **Risk Avoidance:** The risk of maintaining ATLAS for an extended period in its current form is significant. The risk is derived from three primary conditions: obtaining and retaining staff with needed skills, Federal program changes that are increasingly complex to address in this legacy format, and a complex security that addresses only the ATLAS system and nothing else.

Project Management

Project manager is State of Arizona certified and will be responsible for the full management, tracking and reporting on this project.

Enterprise Architecture

Not applicable as this project is for analysis and evaluation.

Summary of Estimated Costs

<i>Cost Description</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>Total</i>
	\$800,000 -					\$800,000 -
Development Costs	\$1,500,000	0.0	0.0	0.0	0.0	\$1,500,000
Operational Costs	0.0	0.0	0.0	0.0	0.0	0.0
Total Project Costs	\$800,000 - \$1,500,000	0.0	0.0	0.0	0.0	\$800,000 - \$1,500,000

Recommendation: Approval with Conditions

1. The DES may proceed with the discovery phases needed to define requirements, produce a cost benefit study, alternative analysis, and feasibility study. However, DES may not proceed with further development efforts until a full PIJ, reflecting the final costs, scope of work, technology, and implementation schedule for the proposed solution, has been submitted to ADOA-ASET, and the Information Technology Authorization Committee (ITAC) if required, for review and approval.