Janice K. Brewer
Governor

Kathy Peckardt
Interim Director

ARIZONA DEPARTMENT OF ADMINISTRATION

OFFICE OF THE DIRECTOR

100 NORTH FIFTEENTH AVENUE • SUITE 401
PHOENIX, ARIZONA 85007

(602) 542-1500

October 27, 2014

Ms. Kathy Peckardt, Interim Director
Arizona Department of Administration
100 N. 15th Ave.
Phoenix, AZ 85007

Dear Kathy:

In response to the Project Investment Justification (PIJ) for the **"Oversight Automation"** project, my staff has reviewed your proposal to develop a web-accessible automated management application to enable and streamline Oversight operational processes and related activities.

The PIJ implies funding is available from the Automation Projects Fund (APF) in the amount of $1,700.0 thousand, and from the Web Portal Fund in the amount of $1,800.0 thousand, for a total five-year life cycle cost of the project of $3,500.0 thousand.

This is the Arizona Strategic Enterprise Technology Office's **Approval with Conditions** of the technology project as follows:

1. As a result of further planning and deployment efforts, should the final costs exceed the estimated costs by 10% or more, or should there be significant changes to the proposed technology, scope of work or implementation schedule, ADOA must amend the PIJ to reflect the changes and submit it to ADOA-ASET for review and approval prior to further expenditure of funds.

You may 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.

Best Wishes,

Aaron V. Sandeen
State CIO and Deputy Director
Arizona Strategic Enterprise Technology (ASET) Office

jc

cc: Philip Manfredi, ADOA-ASET
Christine Starr, ADOA-ASET
Gretchen Swift, ADOA-ASET
Rico Cruz, ADOA-ASET
Andrew Smith, JLBC
John Arnold, OSPB
Barbara Corella, SPO
Mike Lettman, ADOA-ASET
Jeffrey Crane, ADOA-ASET

ASET# AD15005

Analyst: Jeffrey Crane **PIJ Summary - ASET** Project Number: AD15005

Agency Name & Address	*Contact Information*
Arizona Department of Administration 100 N. 15th Ave Phoenix, Arizona 85007	Christine Starr 602-542-0691 christine.starr@azdoa.gov
Project and Investment Justification Name	*Date Submitted*
Oversight Automation	October 27, 2014

Project Overview

Problem Description

The Strategic Oversight team, within the Arizona Department of Administration (ADOA), Arizona Strategic Enterprise Technology (ASET) office, is required by Arizona Revised Statute (A.R.S. § 41-3504) to evaluate and monitor Information Technology (IT) projects, including expenditures, activity reports and periodic reviews. For IT projects of $25,000 or higher, a Project Investment Justification (PIJ) is required. In these cases, an analysis is performed by the Oversight team, and recommendation for approval with or without conditions, or disapproval, is provided to the State CIO, who has approval authority for all PIJs under $1,000,000. As per A.R.S. § 41-3504, Information Technology Authorization Committee (ITAC) approval is required for all proposed IT projects, including project changes and contract amendments to an originally approved project, with a total PIJ development (implementation) cost of $1,000,000 or more.

The existing PIJ approval process includes numerous manual entries of similar information across disparate documents. During the PIJ review, analysis, approval, and monitoring processes, multiple iterations of documents are produced. A subset example of these include: draft PIJ, agency approved PIJ, Oversight reviewed PIJ, approval letter with PIJ summary, memo to file, ITAC recommendation letter with PIJ summary, ITAC PowerPoint presentation, project status update spreadsheets, physical file folder, electronic folder, and others.

Real-time status information regarding a PIJ submission, related documents, or requests submitted to ADOA-ASET is not currently available under the current manual process. In order to submit a PIJ for review, stakeholders must manipulate paper documents, edit, sign and scan those to file, and submit a version in-person, or by email, to ADOA-ASET. Important statewide decision-making and planning data, such as trends in buying habits, enterprise infrastructure technologies, methodologies, hardware, software, and vendor services are not tracked or aggregated, and cannot be easily compiled or reported through the current manual process.

Solution

ADOA-ASET proposes to develop a robust, web-accessible automated management application to enable and streamline ADOA-ASET Oversight operational processes in order to improve customer service and reduce process turn-around time. These improvements will have positive business impact for ADOA- ASET, the Oversight team, ITAC, and stakeholders. The proposed application will improve workflow and information access across all Oversight operational tasks.

The application solution will include:

- A single repository of data accessible by various methods
- Automation of Pre-PIJ and PIJ documents and related submittals
- Automation of stakeholder project approvals and Oversight recommendations
- Automated means of communication between ADOA-ASET and stakeholders, including agency CIOs, directors, ITAC, the Joint Legislative Budget Committee (JLBC), third parties, and others
- Improved project initiation, change request, status reporting, project closure, and internal reporting capabilities
- Aggregated and historical data for enterprise architecture and trend reports
- Public reporting/transparency via MyAZ.gov

To improve government transparency, a historical and real-time information database about technology projects will be made available to stakeholders, via the web. Dashboards, reports, alerts, and notifications will provide an enhanced view into what and when project related activities are taking place across the State.

Data will be stored in a MySQL relational database with the ability to be queried by users and other applications. All relevant communications, comments, record history, edits, workflow, and audit trail metadata will be captured. Integration between this application and the Arizona Enterprise Services Platform (AESP) will enable data lookup functions. Approval routing will be configurable to enable required and desired approval flows for the customer. Wet signatures will be eliminated and digital signatures will be utilized where mandated by State statutes.

Major Deliverables and Outcomes

The Automated Project Services Application (APSA) will be developed on the State's existing AESP. Using this platform will allow the application to leverage various existing technologies and services as well as provide flexibility for future integration opportunities. Deliverables to be provided, utilizing elements of the existing solution architecture, will include:

- **User interface (UI)** – The UI will be made available through MyAZ.gov.
- **MySQL** – A dedicated MySQL database will be developed for this solution including instances for development, testing, and production.
- **Application Server/Data Services Server (AS/DSS)** – This will serve as a data abstraction layer and provides isolation between the Relational Database Management System (RDBMS) and the rest of the platform, preventing any dependency between the platform and the database technology. The application server will be customized to manage the interaction between the RDBMS and other layers of the solution.
- **Business Processing Server (BPS)** – A customization of the BPS will be created specific to this application, and will be responsible for execution of business processes and workflows.
- **Business Rules Server (BRS)** – The BRS functionality will be developed for this solution and will provide capability for defining, deploying, monitoring, and maintaining Oversight's business decisions.

Elements of the existing solution architecture associated with this solution, but not necessarily a direct deliverable, will include:

- **Enterprise Service Bus (ESB)** – The ESB will serve as a single point of communication for web applications.
- **API Manager (APIM)** – The APIM will facilitate the creation, publication and management of related APIs. The APIM consists of the API Gateway, API Store, and API Publisher.
- **Identity Server (IS)** – The IS will provide secure identity management by appropriately managing entitlements of the users.
- **Security and Fault Tolerance** – The AESP resides within State network infrastructure and is secure in accordance with current requirements. Business continuity will be ensured by employing established solution architectures and services.

Development costs in the PIJ are based on the estimated expenses associated with the developer bid to be obtained once initial project requirements are finalized. Operational costs are estimated pending further identification and finalization of technical requirements, platform support, and ongoing staff costs associated with the application support.

Benefits

The following statewide benefits are anticipated:

- ADOA-ASET Enterprise Architecture to benefit from the collection and reporting of infrastructure data not currently gathered, facilitating long-term planning processes
- Drastic reduction in the need for scanned documents and physical files (unless required by Statute) thereby reducing consumption, storage, management, and archival of paper records

The following cost reduction benefits are anticipated:

- Reduced time required for write-ups and document preparation by State agency personnel requesting project approvals
- Reduced time spent by Oversight in reviewing project justification forms and providing feedback
- Decreased time required for ITAC meeting preparation with improved communication processes

The following service enhancement benefits are anticipated:

- Increased transparency
- Reduced PIJ/project approval time
- Automated PIJ submittal application process
- Streamlined analysis and monitoring work processes
- Reduced data entry redundancy
- Approval and review status available to stakeholders through web-based application

Project Management

Professional services will be procured to assist in the development and implementation of this solution. This will include resources chosen from the four vendors awarded the Web Portal and Enterprise Services Platform State contract. This selection will be made by means of a competitive bid release to these vendors once the project's business requirements have been finalized. These vendors have performed work successfully in the past on many State software projects. ADOA-ASET project management staff will oversee the implementation of this solution. Technical and business support will be provided by ADOA-ASET business analyst staff, and other in-house resources.

Enterprise Architecture

Compliant.

Summary of Proposed Costs

All Figures in Thousands ($000)						
Cost Description	2015	2016	2017	2018	2019	Total
Development Costs	875.8	0.0	0.0	0.0	0.0	875.8
Operational Costs	824.2	450.0	450.0	450.0	450.0	2,624.2
Total Project Costs	1,700.0	450.0	450.0	450.0	450.0	3,500.0

Recommendation: **Approval with Conditions**

1. As a result of further planning and deployment efforts, should the final costs exceed the estimated costs by 10% or more, or should there be significant changes to the proposed technology, scope of work or implementation schedule, ADOA must amend the PIJ to reflect the changes and submit it to ADOA-ASET for review and approval prior to further expenditure of funds.