

# Informational Update to ITAC



## **ADE Vision**

Equity for all students to achieve their full potential

## **Mission**

The Arizona Department of Education advances equity and excellence for all students by serving school leaders, educators and staff, collaborating with communities, and leading with data-driven best practices

**Arizona Superintendent of Public Instruction**

Kathy Hoffman

## **Project Name:**

ED19002 - AELAS School Finance Payment Systems






Accelerated Plan Update  
School Finance Payment Systems

State of Arizona Department of Education

August 18, 2021

# Project Health Card

## Overall Project Health is **Green**

<p><b>Schedule</b></p> 	<ul style="list-style-type: none"> <li>• The IT Team is currently completing requirements for State Aid Payments, in discovery/requirements for Budget/AFR and has begun development for ADOC/ADOJC.</li> <li>• Phase I technology has transitioned to Maintenance &amp; Operations.</li> <li>• We continue to monitor the new system's performance and support the School Finance Team as payments are run post launch.</li> </ul>																												
<p><b>Milestones</b></p> 	<ul style="list-style-type: none"> <li>• The first School Finance payment cycle using the new CHAR-APOR system was successfully completed on July 30, 2021 and schools were paid on August 3, 2021.</li> </ul>																												
<p><b>Budget</b></p> 	<table border="1"> <thead> <tr> <th colspan="4">July 2021 Financials</th> </tr> </thead> <tbody> <tr> <td>Phase I - Part 1 Budget Forecast</td> <td>\$1,952,342</td> <td>Phase I - Part 2 Budget Forecast</td> <td>\$1,227,007</td> </tr> <tr> <td>Phase I - Part 1 Actuals through December 2020</td> <td>\$1,758,448</td> <td>Phase I - Part 2 Actuals thru June 2021</td> <td>\$1,095,343</td> </tr> <tr> <td>Remaining Budget Carried Forward to Part 2</td> <td>\$193,894</td> <td>Phase I adjustment</td> <td>\$88,490</td> </tr> <tr> <td></td> <td></td> <td>Spend to date Phase I, Parts 1 &amp; 2</td> <td>\$2,942,281</td> </tr> <tr> <td colspan="2">* December actuals partially supported Part 2 estimate at \$70,698</td> <td></td> <td></td> </tr> <tr> <td colspan="2">Total Budget Phase I/Part1 &amp; 2</td> <td></td> <td>\$2,985,455</td> </tr> </tbody> </table>	July 2021 Financials				Phase I - Part 1 Budget Forecast	\$1,952,342	Phase I - Part 2 Budget Forecast	\$1,227,007	Phase I - Part 1 Actuals through December 2020	\$1,758,448	Phase I - Part 2 Actuals thru June 2021	\$1,095,343	Remaining Budget Carried Forward to Part 2	\$193,894	Phase I adjustment	\$88,490			Spend to date Phase I, Parts 1 & 2	\$2,942,281	* December actuals partially supported Part 2 estimate at \$70,698				Total Budget Phase I/Part1 & 2			\$2,985,455
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<p><b>Risks</b></p> 	<ul style="list-style-type: none"> <li>• Seven risks are open in Phase II. See risk log for details.</li> </ul>																												
<p><b>Issues</b></p> 	<ul style="list-style-type: none"> <li>• There are no issues in this project.</li> </ul>																												

# Project Updates

## **Big Wins!**

- The School Finance Team ran their first full payment cycle using the new CHAR-APOR system on July 30, 2021. There were no issues and payments were completed to the schools.

## **Document Review:**

- IT completed and ADOA-ASET approved the Document Release Schedule for Phase II. This schedule aligns with the current Critical Deliverables deadlines.

## **Milestone Updates, Completions & Approvals:**

- The IT Team is currently completing requirements for State Aid Payments and is in the discovery and requirements stage for Budget/AFR.
- Development has begun on State Aid Payments ADOC/ADOJC.
- Because of delayed Phase II JLBC approval, timelines have been shifted by ten days.

## **Risks & Issues:**

- One new risk dealing with approval of requirements by the DRC before development begins has been opened.
- Three risks dealing with the interim position assignments have been closed.
- Six risks dealing with the accelerated timeline issues are in mitigation.

## **Meetings/Communications:**

- Three new DRC meetings in September, October and December have been added to the schedule.

# User Acceptance Testing – Post Go Live

SFPS Post Go Live Stats											
8/11/2021					Severity				Priority		
	Opened	Resolved	In Progress	Scheduled/Backlog	Critical	High	Medium	Low	1	2	3
Bugs	3	3				0	3			3	

✓ There are no open bugs at this time.

# Q & A Session

# ITAC REQUIRED REPORTING

# Project Financials

## ADE Phase I – Parts 1 & 2

ITAC Approval Date: 12/16/2020

Phase I - Part 2 Est. End Date: 6/30/2021

ITAC Approved Phase I - Part 2 Budget:	\$1,227,007																		Phase I - Part 1 Actual:	\$1,758,448
ITAC Approval Date:	12/16/2020																		Phase I - Part 2 Actual:	\$1,183,833
Phase I - Part 2 Est. End Date:	6/30/2021																		Total Spend Phase I	\$2,942,281
	February - June 2020	School Finance Payment Systems																		
		20-Jul	20-Aug	20-Sep	20-Oct	20-Nov	20-Dec	21-Jan	21-Feb	21-Mar	21-Apr	21-May	21-Jun	21-Jul	21-Aug*	FY20	FY21	Cumulative		
Baseline Projection (\$)	\$904,891	\$331,933	\$353,912	\$175,548	\$232,935	\$179,775	\$112,953	\$166,566	\$182,617	\$195,170	\$180,945	\$202,261	\$138,920	\$55,016	\$24,000	\$904,891	\$2,532,551	\$2,903,942		
Actual (\$)	\$608,038	\$160,749	\$302,351	\$127,942	\$226,561	\$103,788	\$229,019	\$167,026	\$169,729	\$178,967	\$176,653	\$174,312	\$228,655	\$720	\$87,770	\$608,038	\$2,334,242	\$2,942,280		
Variance (\$)	\$296,853	\$171,184	\$51,561	\$47,606	\$6,374	\$75,988	(\$116,066)	(\$460)	\$12,888	\$16,203	\$4,292	\$27,949	(\$89,735)	\$54,296	N/A	\$296,853	\$198,309	(\$58,338)		
Variance (%)	33%	106%	17%	37%	3%	73%	-51%	0%	8%	9%	2%	16%	-39%	7541%	N/A	33%	8%	-1%		
																				*Final Invoices rcvd,pending payment

# Phase II Project Milestones \*

Milestones	Start	Finish	% Complete
APOR/CHAR Training	07/06/2021	09/13/2021	50%
State Agency Payments - ADOC State Aid Payments	07/16/2021	10/12/2021	25%
State Agency Payments - ADOJC State Aid Payment	08/13/2021	11/09/2021	25%
Budget/AFR - Data Input	7/16/2021	2/14/2022	0%
Budget/AFR - Data Validation	10/26/2021	03/28/2022	0%
Budget/AFR - Data Input & Validation UAT	01/04/2022	04/18/2022	0%
Budget /AFR - Vendor Support	12/07/2021	04/25/2022	0%
Budget/AFR Data Processing Configuration	01/04/2022	05/09/2022	0%
Budget/AFR Data Processing Calculations	01/04/2022	06/20/2022	0%
Budget/AFR Reports	03/01/2022	06/20/2022	0%
Budget/AFR - Payment System Integration	04/26/2022	06/20/2022	0%
Budget/AFR - Configuration	05/09/2022	06/20/2022	0%
Budget/AFR - Go Live Prep	06/21/2022	06/30/2022	0%
Budget/AFR - Go Live for LEA Beta Testing	07/01/2022	07/01/2022	0%
Budget/AFR - UAT	07/05/2022	12/19/2022	0%

**\*Stats current as of 8-12-2021**



# APPENDIX

# Project Team & Background

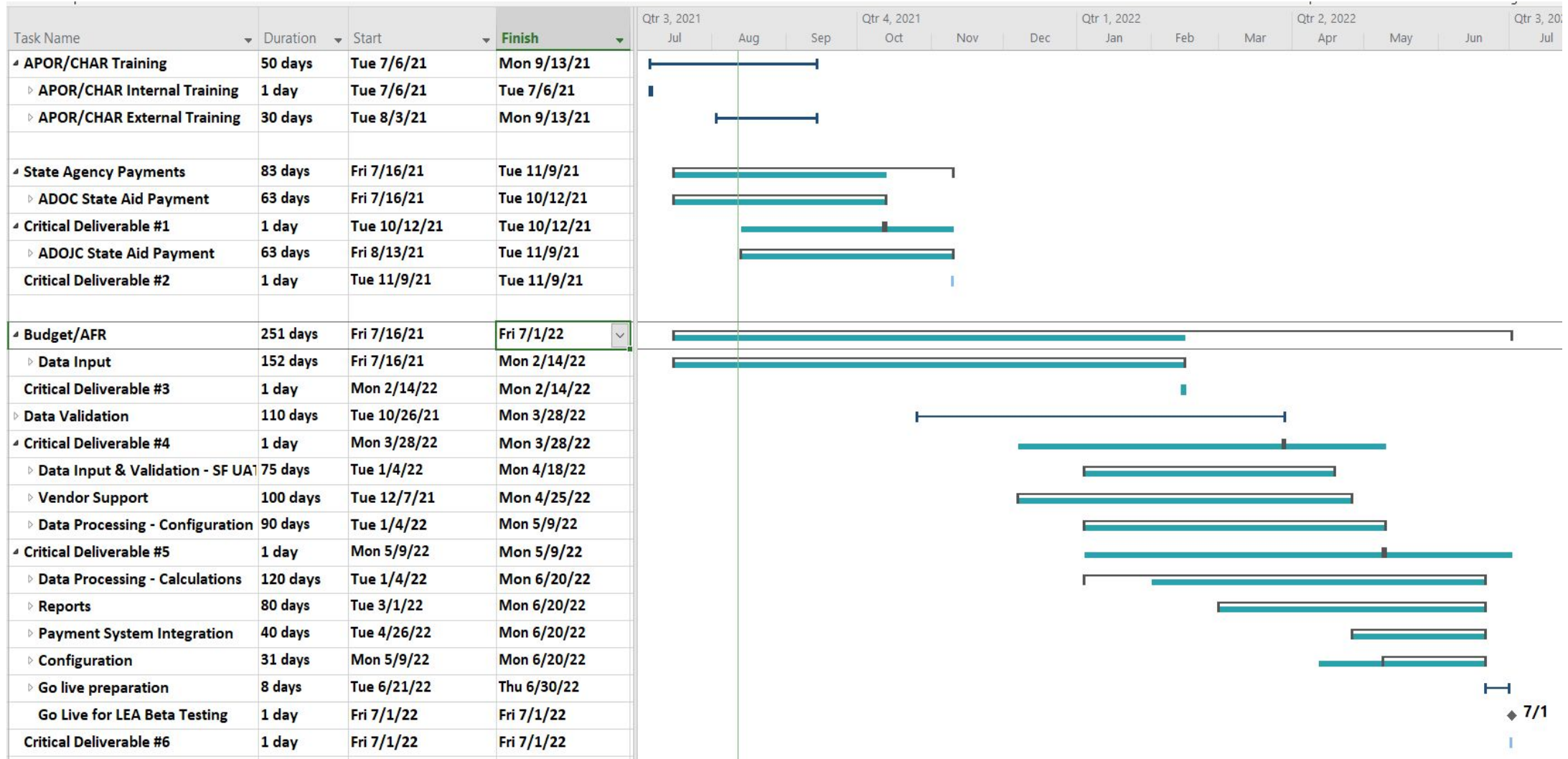
## Project Team

- Whitney Marsh - Deputy Chief of Staff
- Lyle Friesen – Associate Superintendent, School Finance
  - Chris Richardson– Interim Chief Information Officer
  - Steve Troxel– Interim Chief Technology Officer
- Nan Nesvig – Interim Dir of Program Management & Senior IT Project Manager

## Background

- ADE School Finance is responsible for processing student data and calculating approximately \$6 billion per year in state aid funding to school districts and charter schools in Arizona.
- The current business process is built around an unsupported legacy technology platform that is a collection of web and desktop applications, Excel spreadsheets and manual calculations, which are processing the payment streams.
- The goal of the School Finance Payment System project is to streamline the various payment processes under a unified system that is automated, accurate, auditable, transparent and maintainable.

# Project Schedule & Task Status Phase II\*



\*Stats as of 8-12-2021

# Risks Phase II

Risk ID	Opened	Description	Justification	Mitigation Plan	Status	Status Date
R001	7/1/2021	CIO is leaving ADE IT department and a successor has not yet been appointed	The CIO is an active member of the SFPS team, leader and decision maker and his absence will raise a risk until he is replaced and his predecessor comes up to speed on the project	1) Appoint an interim CIO; 2) Hire a permanent CIO; 3) CIO to come up to speed on the project	Closed	8/10/2021
R002	7/1/2021	CTO is leaving ADE IT department and a successor has not yet been appointed	The CTO is an active member of the SFPS team, leader and decision maker and possesses significant technical knowledge about the project; his absence will raise a risk until he is replaced and his predecessor comes up to speed on the project	1) Appoint an interim CTO; 2) Hire a permanent CTO; 3) CTO to come up to speed on the project	Closed	8/10/2021
R003	7/1/2021	Director of PMO is leaving ADE IT department and a successor has not yet been appointed	The Dir of PMO is an active member of the SFPS team, leader and decision maker, creates, updates and manages the project budgets and forecasts and manages resource allocation and her absence will raise a risk until she is replaced and her predecessor comes up to speed on the project	1) Appoint an interim PMO Director; 2) Hire a permanent PMO Director; 3) PMO Director to come up to speed on the project	Closed	8/10/2021
R004	7/1/2021	Removing a month from the ADOC and ADOJC timelines will require additional resources and potential budget increase	ADOA is requesting that ADE IT remove a month from the ADOC and ADOJC schedule in order to complete these epics faster, however, doing so will result in our need for an additional developer and BA to escalate both requirements and development of these items.	1) Rewrite the timeline to remove one month's time from requirements, development, QA and UAT at the request of ADOA; 2) Add one 100% additional developer to the team; 3) add 100% additional BA to the team to gather requirements; 4) Add both new resources to the Budget	Open	
R005	7/1/2021	Removing a month from the ADOC and ADOJC timelines will result in a final product which could be "quality compromised" because it has undergone less than adequate development, QA test and UAT time during development.	The original timelines were established with a successful build in mind, providing for ample development, QA test and UAT time. ADOA is requesting a compressed timeline. In order to make a shortened timeline deadline, more comprehensive and time consuming test protocol may not be available to the QA team (due to abbreviated timeline) and a final product with higher level testing will be released to the Business. This, then, could result in more bugs, and rework time (time away from regular development and QA testing) should errors in functionality arise.	1) Team review of requirements to assure understanding before development begins, 2) Cursory Dev testing at select intervals during development; 3) Advance test analysis and criteria documentation with reviews by dev to assure the most expedient test timeframe; 4) Identification of critical issues and attempt to resolve before moving to UAT; 5) Once moved to UAT, communication of any outstanding issues to the Business team and assignment of those issues/bugs to an IT team member for resolution.	Open	
R006	7/10/2021	ADOC and ADOJC abbreviated UAT schedule requested by ADOA may not be sustainable by the Stakeholder and Business team. The Stakeholder and Business team have limited resources and time to conduct UAT. Escalating their timeline will cut into their regular job responsibilities which could have a detrimental effect on their regular job performance.	ADOA is requesting a compressed UAT period for this project. The Stakeholder and Business team can only allocate so much time to UAT and customarily, it is in addition to time allocated to their regular job. If the timeline is compressed, it will cause them to focus solely on UAT and forego their regular job responsibilities which could negatively influence their jobs and cause undue stress to the team.	1) The Business team may need to add additional resources to the project which could result in an increase in the Budget; 2) The Business team may need to work overtime to complete their own job responsibilities and UAT on a compressed timeline resulting in an increase to the Budget; 3) There may need to be a knowledge transfer if the Business team adds a resource to the project.	Open	
R007	7/10/2021	ADOA requested Critical Deadline sign off dates for ADOC and ADOJC and they may not be attainable. ADOA has requested that we complete both ADOC and ADOJ before October 1, 2021 which is 2+ months ahead of our original timeline and prepare to demo a functional product according to their Critical Deadline date.	The ADOA requested deadline to complete the ADOC and ADOJ pieces of Phase II may be unattainable for all the risks as listed in R006, R005, and R004. The IT Team may not be able to complete a fully functional product by the date requested by ADOA.	1) Demo whatever has been completed to date on the ADOA requested Critical Deadline date; 2) Forego the date and document all reasons why the date is unattainable, then 3) file a Corrective Action notice explaining why IT could not meet the date.	Open	
R008	7/10/2021	ADOA requested abbreviated timeline for ADOC and ADOJC potential deployment will result in an interruption in payment streams to the entities. ADOA has requested a deployable product on or around October 2021 for ADOC and ADOJC; ADE IT and SF planned to complete the items by 12/7/2021 and deploy them on or around 7/1/2022.	The ADOC and ADOJC payments are made in nine intervals throughout the fiscal year; deploying the application before 7/1/2022 will result in an interruption in payment streams and sequence and cause the Business team to engage in manual corrections and possible distribution of funds to these entities. The new system payments need to begin being made after FY22 ends.	1) Effectuate payments manually if ADOA demands that the system be deployed before 7/1/2022.	Open	
R009	7/10/2021	ADOA requested Critical Deadline sign off dates for AFR/Budget may be unattainable. ADOA has requested that we complete AFR/Budget in deployable format on or before April 1, 2022 which is 2+ months ahead of our original timeline and prepare to demo a functional product according to their Critical Deadline date.	Deploying the application before 7/1/2022 will cause an issue with the LEA reporting and SF documentation, thus causing an issue with payments.	1) Wait to deploy AFR / Budget until it is fully tested and after the close of FY22 to maximize efficiencies and accuracy of payments; 2) set a new critical deadline date after 7/1/2022.	Open	
R010	8/10/2021	Rework of Phase II development milestones associated with requirements which have not been previously approved by the DRC	In an effort to continue meeting the parameters of the AP timeline, Phase II development milestones will begin before all requirements are approved by the DRC. Should the DRC disapprove any of these requirements, ADE IT assumes the risk of rework to comply with DRC changes.	Attempt to develop milestones which have already been approved by DRC; in the event that is not possible, plan ahead for resource and time allocation for any potential rework.	Open	