

CHANGE REQUEST / AMENDMENT
PIJ ID RT21001 - Cloud Migration Enterprise (CME)
Arizona Department of Administration

Amended Budget:

Total Development Budget	\$ 1,110,250.00
<u>Total Operational Budget</u>	<u>\$ 3,984,261.00</u>
Total Overall Budget	\$ 5,345,136.00

Areas Affected:

End Date	Yes
Development Costs	Yes
Scope	Yes

Original End Date: 6/30/22 Revised End Date: 6/30/23

Change Description:

On August 18, 2021 **Cloud Migration Enterprise (CME)** Project Investment Justification (PIJ) was approved with conditions by ADOA-ASET and ITAC. The project encompasses a planned multi-phased approach with the final objectives being to achieve compliance with the Statewide Cloud First Initiative, ASRS will be moving the IT datacenter operations into the AWS Cloud. With this migration, ASRS will meet or exceed the State's deadline (currently with approved extension to June 30, 2022) to migrate data center (servers, storage, applications hosted in data center) enterprise operations to the cloud. Where feasible, the agency will utilize infrastructure and routing established by the State of Arizona to achieve alignment and security. Standard egress and ingress connectivity outside of the AWS environment shall run through the State of Arizona core network. ASRS intends to achieve greater flexibility in scaling and right sizing compute, memory, storage, network capacity. ASRS also seeks to improve its security posture through network segmentation, tightly controlled administrative access, and creation of a base, cloud foundation that allows for future security enhancements not currently available/in place with existing, on-premises infrastructure.

As originally identified in PIJ RT21001, funding to proceed by milestones based on the project plan. Funding for this effort is 100% base budget funds and is available for the entirety of FY22. The proposed changes will save funds from the operational costs in the amount of \$250,626, the development costs will see a small increase of \$86,765.

The original project plan did not account for ASRS staff being new to cloud technology and originally assumed a pure lift and shift was the correct direction. Working closely with the agency's migration partner Slalom and AWS SMEs, the Project Team has evolved the project design to position the ASRS for a cloud migration done the right way. While we have not changed the original project objectives, additional scope was added:

1. AWS Well-Architected Framework selectively referenced to ensure cloud-hosted assets are well-managed and protected

2. Infrastructure as Code (IaC) utilized to ensure operational changes are governed by IaC templates with a pipeline to review, approve and deploy changes. Assures immutability, integrity, availability, recoverability, and efficiency.
3. Internet through Iron Mountain Shared Host Data Center (AZNet/ADOA-managed path).
4. Enhanced network security for reduced attack surface and threat detection. Purpose-built accounts and VPCs, network segmentation, least-privilege access management/separation of duties, traffic mirroring, log collection and alerting.
5. Oracle expertise to ensure migration path is smooth, performant and compliant.

This Change Request/Amendment is being submitted for ITAC review on May 25th, 2022. The agency will provide insight into the proposed changes in the end date, scope and the cost impacts associated with the changes.

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Original PIJ Financials 08/18/2021

Five Year Life-Cycle Summary						
Cost Description	FY2022	FY2023	FY2024	FY2025	FY2026	Total
Development Costs	\$1,023,485	\$0.00	\$0.00	\$0.00	\$0.00	\$1,023,485
Operational Costs	\$0.00	\$1,159,686	\$1,075,646	\$1,053,988	\$1,032,331	\$4,321,651
Total Project Costs	\$1,023,485	\$1,159,686	\$1,075,646	\$1,053,988	\$1,032,331	\$5,371,775

Amended PIJ Financials 5/25/2022 ITAC

Five Year Life-Cycle Summary						
Cost Description	FY2022	FY2023	FY2024	FY2025	FY2026	Total
Development Costs	\$786,186	\$128,584	\$0.00	\$0.00	\$0.00	\$1,023,485
Operational Costs	\$195,480	\$822,296	\$1,075,646	\$1,053,988	\$1,032,331	4,321,651
Total Project Costs	\$981,666	\$950,880	\$1,075,646	\$1,053,988	\$1,032,331	\$5,094,511

