Project Investment Justification

ADG Connect EWFS

GM24001

Department of Gaming

1. GENERAL INFORMATION

PIJ ID: GM24001
PIJ Name: ADG Connect EWFS
Account: Department of Gaming
Business Unit Requesting: Event Wagering and Fantasy Sports
Sponsor: Andrew Hawkes
Sponsor Title: Assistant Director, Business Administration
Sponsor Email: ahawkes@azgaming.gov
Sponsor Phone: (480) 349-8059

2. MEETING PRE-WORK

2.1 What is the operational issue or business need that the Agency is trying to solve? (i.e....current process is manual, which increases resource time/costs to the State/Agency, and leads to errors…):

ADG seeks to modernize licensing and compliance processes by adding modules to our existing Salesforce platform. This is part of a larger effort to consolidate IT systems into the newest and best one. This will automate many parts of the process, decrease touch time, and be a better user experience for customers in the event wagering and fantasy sports industry as well as for our internal staff.

2.2 How will solving this issue or addressing this need benefit the State or the Agency?

Greater internal communication across multiple teams through sharing the same system means less errors and misunderstandings and a unified front from the stakeholder perspective. Decreasing touch time and automating processes means more capacity for staff to do higher value-added activities.

2.3 Describe the proposed solution to this business need.
Creating new module in Salesforce for internal staff and customer facing portal.

2.4 Has the existing technology environment, into which the proposed solution will be implemented, been documented?
Yes

2.4a Please describe the existing technology environment into which the proposed solution will be implemented.

2.5 Have the business requirements been gathered, along with any technology requirements that have been identified?
Yes

2.5a Please explain below why the requirements are not available.

3. PRE-PIJ/ASSESSMENT

3.1 Are you submitting this as a Pre-PIJ in order to issue a Request for Proposal (RFP) to evaluate options and select a solution that meets the project requirements?
No

3.1a Is the final Statement of Work (SOW) for the RFP available for review?

3.2 Will you be completing an assessment/Pilot/RFP phase, i.e. an evaluation by a vendor, 3rd party or your agency, of the current state, needs, & desired future state, in order to determine the cost, effort, approach and/or feasibility of a project?
Yes

3.2a Describe the reason for completing the assessment/pilot/RFP and the expected deliverables.

We had a need to do requirements gathering for both compliance primarily and licensing as a follow up. Event Wagering and Fantasy Sports is being done with spreadsheets and these spreadsheets are cumbersome and not able to have dashboards for full transparency between the licensing unit and the compliance unit. We needed to work through those to create the scope of work to include compliance. This was completed in December 2023 and early January 2024.

3.2b Provide the estimated cost, if any, to conduct the assessment phase and/or Pilot and/or RFP/solicitation process.
23000

3.2e Based on research to date, provide a high-level cost estimate to implement the final solution.
1700000

4. PROJECT

4.1 Does your agency have a formal project methodology in place?
Yes

4.2 Describe the high level makeup and roles/responsibilities of the Agency, Vendor(s) and other third parties (i.e. agency will do...vendor will do...third party will do).

Agency roles and responsibilities is to be available as subject matter experts to guide the project to fit the needs of the agency.

Vendor responsibilities are to created the SOW after the initial SOW provided to vendor as well as the evaluation done in the month of December. Building of the App for ADG Connect EWFS. To include the licensing process and compliance process.

Both agency and vendor will supply project management support.

4.3 PM Name
Andrew Hawkes

4.3 PM Email

ahawkes@azgaming.gov

4.4 Is the proposed procurement the result of an RFP solicitation process?
Yes

4.5 Is this project referenced in your agency's Strategic IT Plan?
Yes

5. SCHEDULE

5.1 Is a project plan available that reflects the estimated Start Date and End Date of the project, and the supporting Milestones of the project?
Yes

5.2 Provide an estimated start and finish date for implementing the proposed solution.

Est. Implementation Start Date	Est. Implementation End Date
3/1/2024 12:00:00 AM	4/30/2025 12:00:00 AM

5.3 How were the start and end dates determined?
Based on project plan

5.3a List the expected high level project tasks/milestones of the project, e.g., acquire new web server, develop software interfaces, deploy new application, production go live, and estimate start/finish dates for each, if known.

Milestone / Task	Estimated Start Date	Estimated Finish Date
Detailed Discovery and Design Project Planning Preliminary Designs Weekly Status Reports	04/01/24	04/30/24
Provide Signed SOW & detailed project plan to ADOA-ASET	04/01/24	04/30/24
Payment for discovery phase/detailed planning	04/22/24	04/30/24
Deep dive into current forms Discovery of database High-level Designs Sprint 0 & environment setup Weekly Status Report	05/01/24	05/31/24
SSP to be submitted to ADOA- ASET	05/01/24	05/31/24
payment for sprint 0	05/24/24	05/31/24

Sprint Plan Sprint 1 Development: Build object model Solutions Demonstration Weekly Status Report	06/01/24	06/30/24
payment for sprint 1	06/24/24	06/30/24
Sprint Plan Sprint 2 Development: Build community portal Solutions Demonstration Weekly Status Report	07/01/24	07/31/24
payment for sprint 2	07/22/24	07/31/24
Sprint Plan Sprint 3 Development: Build forms for registration and Preliminary applications Solutions Demonstration Weekly Status Report	08/01/24	08/31/24
payment for sprint 3	08/23/24	08/31/24
Sprint Plan Sprint 4 Development: Build forms for new Applications Solutions Demonstration Weekly Status Report	09/01/24	09/30/24
payment for sprint 4	09/23/24	09/30/24
Sprint Plan Sprint 5 Development: Build forms for new Applications, Compliance portal Solutions Demonstration Weekly Status Report	10/01/24	10/30/24
payment for sprint 5	10/25/24	10/31/24
Sprint Plan Sprint 6 Development: Build Renewal applications, Compliance Investigations, Violations, and Fines, Data migration plan Solutions Demonstration Weekly Status Report	11/01/24	11/30/24
payment for sprint 6	11/22/24	11/30/24
Sprint Plan Sprint 7 Development: Setup workflows, security model layouts, Patron Disputes, Data migration plan Solutions Demonstration Weekly Status Report	12/01/24	12/30/24
payment for sprint 7	12/23/24	12/31/24
Sprint Plan Sprint 8 Development: Reports & Dashboards, Data migration Solutions Demonstration Weekly Status Report	01/01/25	01/31/25
payment for sprint 8	01/24/25	01/31/25

User Acceptance Testing /Training Feedback Development Solution Demonstration Weekly Status Reports	02/01/25	02/28/25
payment for UAT -1	02/21/25	02/28/25
User Acceptance Testing /Training Feedback Development Solution Demonstration Weekly Status Reports	03/01/25	03/31/25
payment for UAT 2	03/21/25	03/31/25
Go-Live Planning Train-the-Trainer User Guide Final Deployment Project Closeout Activity	04/01/25	04/30/25
Payment for Go-live	04/23/25	04/30/25
HyperCare & Production Support, Handover activities	05/01/25	05/30/25
Lessons learnt/ Project closure	05/01/25	05/30/25
payment for production activities	05/23/25	05/30/25

5.4 Have steps needed to roll-out to all impacted parties been incorporated, e.g. communications, planned outages, deployment plan?
Yes

5.5 Will any physical infrastructure improvements be required prior to the implementation of the proposed solution. e.g., building reconstruction, cabling, etc.?
No

5.5a Does the PIJ include the facilities costs associated with construction?

5.5b Does the project plan reflect the timeline associated with completing the construction?

6. IMPACT

6.1 Are there any known resource availability conflicts that could impact the project?
No

6.1a Have the identified conflicts been taken into account in the project plan?

6.2 Does your schedule have dependencies on any other projects or procurements?
No

6.2a Please identify the projects or procurements.

6.3 Will the implementation involve major end user view or functionality changes?
Yes

6.4 Will the proposed solution result in a change to a public-facing application or system?
Yes

7. BUDGET

7.1 Is a detailed project budget reflecting all of the up-front/startup costs to implement the project available, e.g, hardware, initial software licenses, training, taxes, P&OS, etc.?
Yes

7.2 Have the ongoing support costs for sustaining the proposed solution over a 5-year lifecycle, once the project is complete, been determined, e.g., ongoing vendor hosting costs, annual maintenance and support not acquired upfront, etc.?
Yes

7.3 Have all required funding sources for the project and ongoing support costs been identified?
Yes

7.4 Will the funding for this project expire on a specific date, regardless of project timelines?
Yes

7.5 Will the funding allocated for this project include any contingency, in the event of cost over-runs or potential changes in scope?
No

8. TECHNOLOGY

8.1 Please indicate whether a statewide enterprise solution will be used or select the primary reason for not choosing an enterprise solution.
The project is using a statewide enterprise solution

8.2 Will the technology and all required services be acquired off existing State contract(s)?
Yes

8.3 Will any software be acquired through the current State value-added reseller contract?
Yes

8.3a Describe how the software was selected below:
We already have Salesforce.

8.4 Does the project involve technology that is new and/or unfamiliar to your agency, e.g., software tool never used before, virtualized server environment?

No

8.5 Does your agency have experience with the vendor (if known)?
Yes

8.6 Does the vendor (if known) have professional experience with similar projects?
Yes

8.7 Does the project involve any coordination across multiple vendors?
No

8.8 Does this project require multiple system interfaces, e.g., APIs, data exchange with other external application systems/agencies or other internal systems/divisions?
No

8.9 Have any compatibility issues been identified between the proposed solution and the existing environment, e.g., upgrade to server needed before new COTS solution can be installed?
No

8.9a Describe below the issues that were identified and how they have been/will be resolved, or whether an ADOA-ASET representative should contact you.

8.10 Will a migration/conversion step be required, i.e., data extract, transformation and load?
Yes

8.11 Is this replacing an existing solution?
Yes

8.11a Indicate below when the solution being replaced was originally acquired.
D3 was acquired in 2016 and will be replaced.

Red Dice was 2022 and will be replaced.

Data Motion acquired in 2016 and will be replaced.

8.11b Describe the planned disposition of the existing technology below, e.g., surplused, retired, used as backup, used for another purpose:
Retired

8.12 Describe how the agency determined the quantities reflected in the PIJ, e.g., number of hours of P&OS, disk capacity required, number of licenses, etc. for the proposed solution?
Through business requirements gathering and familiarity with Salesforce due to existing modules.

8.13 Does the proposed solution and associated costs reflect any assumptions regarding projected growth, e.g., more users over time, increases in the amount of data to be stored over 5 years?
No

8.14 Does the proposed solution and associated costs include failover and disaster recovery contingencies?
Yes

8.14a Please select why failover and disaster recovery is not included in the proposed solution.

8.15 Will the vendor need to configure the proposed solution for use by your agency?
Yes

8.15a Are the costs associated with that configuration included in the PIJ financials?
Yes

8.16 Will any app dev or customization of the proposed solution be required for the agency to use the project in the current/planned tech environment, e.g. a COTS app that will req custom programming, an agency app that will be entirely custom developed?
Yes

8.16a Will the customizations inhibit the ability to implement regular product updates, or to move to future versions?
No

8.16b Describe who will be customizing the solution below:
Mastek is the solutions provider and one internal Salesforce developer.

8.16c Do the resources that will be customizing the application have experience with the technology platform being used, e.g., .NET, Java, Drupal?
Yes

8.16d Please select the application development methodology that will be used:
Agile/Scrum

8.16e Provide an estimate of the amount of customized development required, e.g., 25% for a COTS application, 100% for pure custom development, and describe how that estimate was determined below:
75 % custom.

Some inherent Salesforce functionality and some customization.

8.16f Are any/all Professional & Outside Services costs associated with the customized development included in the PIJ financials?

Yes

8.17 Have you determined that this project is in compliance with all applicable statutes, regulations, policies, standards & procedures, incl. those for network, security, platform, software/application &/or data/info found at aset.az.gov/resources/psp?
Yes

8.17a Describe below the compliance issues that were identified and how they have been/will be resolved, or whether an ADOA-ASET representative should contact you:

8.18 Are there other high risk project issues that have not been identified as part of this PIJ?
No

8.18a Please explain all unidentified high risk project issues below:

9. SECURITY

9.1 Will the proposed solution be vendor-hosted?
Yes

9.1a Please select from the following vendor-hosted options:

9.1b Describe the rationale for selecting the vendor-hosted option below:

9.1c Has the agency been able to confirm the long-term viability of the vendor hosted environment?

9.1d Has the agency addressed contract termination contingencies, e.g., solution ownership, data ownership, application portability, migration plans upon contract/support termination?

9.1e Has a Conceptual Design/Network Diagram been provided and reviewed by ASET-SPR?

9.1f Has the spreadsheet located at https://aset.az.gov/arizona-baseline-security-controls-excel already been completed by the vendor and approved by ASET-SPR?

9.2 Will the proposed solution be hosted on-premise in a state agency?
No

9.2a Where will the on-premise solution be located:

9.2b Were vendor-hosted options available and reviewed?

9.2c Describe the rationale for selecting an on-premise option below:

9.2d Will any data be transmitted into or out of the agency's on-premise environment or the State Data Center?

9.3 Will any PII, PHI, CGIS, or other Protected Information as defined in the 8110 Statewide Data Classification Policy be transmitted, stored, or processed with this project?
Yes

9.3a Describe below what security infrastructure/controls are/will be put in place to safeguard this data:
All exposed data will be managed by vetted individuals and all off shore data will be anonymized, so no exposure to data.

10. AREAS OF IMPACT

Application Systems
Arizona Enterprise Solution Platform (AESP) based Application

Database Systems
Other

Salesforce

Software
COTS Application Customization

Hardware
Other

NA

Hosted Solution (Cloud Implementation)
Other

Salesforce

Security
Encryption

Telecommunications
Other

NA

Enterprise Solutions
eLicensing

Contract Services/Procurements

11. FINANCIALS

Description	PIJ Category	Cost Type	Fiscal Year Spend	Quantity	Unit Cost	Extended Cost	Tax Rate	Tax	Total Cost
Salesforce integrator develop of Event Wagering and Fantasy Sports Module.	Professional & Outside Services	Development	1	1	$510,720	$510,720	0.00%	$0	$510,720
Salesforce Licenses for Event Wagering and Fantasy Sports Staff.	License & Maintenance Fees	Development	1	1	$21,461	$21,461	860.00%	$1,846	$23,306
Salesforce integrator develop of Event Wagering and Fantasy Sports Module.	Professional & Outside Services	Development	2	1	$1,167,147	$1,167,147	0.00%	$0	$1,167,147
Salesforce Licenses for Event Wagering and Fantasy Sports Staff.	License & Maintenance Fees	Operational	2	1	$21,461	$21,461	860.00%	$1,846	$23,306
Salesforce Licenses for Event Wagering and Fantasy Sports Staff.	License & Maintenance Fees	Operational	3	1	$21,461	$21,461	860.00%	$1,846	$23,306
Salesforce Licenses for Event Wagering and Fantasy Sports Staff.	License & Maintenance Fees	Operational	4	1	$21,461	$21,461	860.00%	$1,846	$23,306
Salesforce Licenses for Event Wagering and Fantasy Sports Staff.	License & Maintenance Fees	Operational	5	1	$21,461	$21,461	860.00%	$1,846	$23,306

Base Budget (Available)	Base Budget (To Be Req)	Base Budget % of Project
$1,773,545	$0	100%
APF (Available)	**APF (To Be Req)**	**APF % of Project**
$0	$0	0%
Other Appropriated (Available)	**Other Appropriated (To Be Req)**	**Other Appropriated % of Project**
$0	$0	0%
Federal (Available)	**Federal (To Be Req)**	**Federal % of Project**
$0	$0	0%
Other Non-Appropriated (Available)	**Other Non-Appropriated (To Be Req)**	**Other Non-Appropriated % of Project**
$0	$0	0%

Total Budget Available		Total Development Cost

$1,773,545	$1,701,173
Total Budget To Be Req	**Total Operational Cost**
$0	$93,225
Total Budget	**Total Cost**
$1,773,545	$1,794,398

12. PROJECT SUCCESS

Please specify what performance indicator(s) will be referenced in determining the success of the proposed project (e.g. increased productivity, improved customer service, etc.)? (A minimum of one performance indicator must be specified)

Please provide the performance objective as a quantifiable metric for each performance indicator specified.
Note: The performance objective should provide the current performance level, the performance goal, and the time period within which that performance goal is intended to be achieved. You should have an auditable means to measure and take corrective action to address any deviations.
Example: Within 6 months of project completion, the agency would hope to increase "Neighborhood Beautification" program registration by 20% (3,986 registrants) from the current registration count of 19,930 active participants.

Performance Indicators
Licensing Intake Touch Time is measured by the time it takes ADG staff to process one application either in one sitting, or the sum of multiple sittings. We anticipate that this project will result in a decrease in touch time from approximately 60 minutes per application to only 5 minutes per application.

EWFS Compliance Submission Review Touch Time is measured by the time it takes ADG staff to review/approve an EWFS Compliance Submission either in one sitting, or the sum of multiple sittings. We anticipate that this project will result in a decrease in touch time from approximately 10 minutes to 6 minutes per review.

The systems needed to support EWFS Licensing activities will be reduced from 3 to 1. Current State: D3 for Licensing workflow, Red Dice for badging, and DataMotion for receiving applications. Future State: Salesforce for all of the above activities.

13. CONDITIONS

Conditions for Approval
Should development costs exceed the approved estimates by 10% or more, or should there be significant changes to the proposed technology scope of work or implementation schedule, the Agency must amend the PIJ to reflect the changes and submit it to ADOA-ASET, and ITAC if required, for review and approval prior to further expenditure of funds.

Monthly reporting on the project status is due to ADOA-ASET no later than the 15th of the month following the start of the project. Failure to comply with timely project status reporting will affect the overall project health. The first status report for this project is due on April 15, 2024.

Prior to system production environment launch or go live, the Agency must work with the Department of Administration (ADOA) and Department of Homeland Security (AZDOHS) Cyber Command, to assure the

System Security Plan document is completed and approved by Cyber Command in order to ensure that the selected solution will provide an appropriate level of protection for State data.

14. OVERSIGHT SUMMARY

Project Background
The Arizona Department of Gaming (ADG) is the state agency charged with regulating tribal gaming, racing and pari-mutuel/simulcast wagering, and unarmed combat sports. ADG also provides and supports prevention, education, and treatment programs for people and families affected by problem gambling, through its Division of Problem Gambling and 24-hour confidential
helpline, 1-800-NEXT-STEP.

Event Wagering & Fantasy Sports

The signing of House Bill 2772 and amended Tribal-State Gaming Compacts directed the Arizona Department of Gaming (ADG) to adopt rules and act as the primary regulator and enforcement body for event wagering and fantasy sports contests. Additionally, this legislation required event wagering & fantasy sports contests providers to furnish help for those who may have a problem with gambling, as well as allows individuals to exclude themselves from these new forms of legal wagering statewide.

The enabling legislation allowed for a maximum of 20 event wagering licenses in the state, with 10 reserved for Arizona Tribes and 10 reserved for an owner of an Arizona professional sports team or franchise, operator of a sports facility that hosts an annual tournament on the PGA Tour, the promoter of a national association for stock car auto racing national touring race in Arizona or the owner's, operator's or promoter's designee contracted to operate both retail event wagering at a sports facility or complex and mobile event wagering throughout Arizona.

Additionally, there are 10 limited event wagering licenses available, which are reserved for racetrack enclosures or additional wagering facilities (OTBs).

Business Justification
Greater internal communication across multiple teams through sharing the same system means less errors and misunderstandings and a unified front from the stakeholder perspective.
Decreasing touch time and automating processes means more capacity for staff to do higher value-added activities.

Implementation Plan
The solution will be a vendor hosted since the data will be stored in Salesforce.

PM: Andrew Hawkes

Agency Responsibilities:
Be available as subject matter experts to guide the project to fit the needs of the agency.
The Department of Gaming has a Salesforce Administrator (Jason Shraid) and a Salesforce Developer (Rejaswari Pesala) They are going to be part of the QA and development with the Mastek team during each sprint leading up to UAT.
Mastek and our internal team have developed and refined large portions of this with a current module and we are comfortable with the time frame. Our internal team will be part of the QA throughout the project. Additionally, the frequency at which our staff meets with the Integrator is once or twice per week

during development sprints, and increases to almost daily during UAT. This has been the case in past projects and will be again.

Vendor Responsibilities:
To create the SOW after the initial SOW provided to the vendor as well as the evaluation done in the month of December.
Building of the App for ADG Connect EWFS.
To include the licensing process and compliance process.
Both agency and vendor will supply project management support.

Vendor Selection
Considered Vendors
Selected Vendor
3 Quotes Obtained?
Exception Reason
Mastek(Salesforce)
SHI Quote
Carahsoft

Mastek(FedRamp Authorized) is the solutions provider and one internal Salesforce developer.
 Yes

ADG solicited multiple quotes via an RFP the first time it chose a Salesforce Integrator. We watched several demos and conducted interviews and reference checks. Since the first Salesforce module was built, ADG has developed a successful partnership with Mastek/MST. Mastek is familiar with ADG's existing Salesforce modules and the business requirements for our new module. For this reason, we are using Mastek to build the next module.

Budget or Funding Considerations
The budget will be available through the following sources:
100% Base Budget

Funding Expiration :
Start Date: 3/1/2024
End Date: 07/30/2025

15. PIJ REVIEW CHECKLIST

Agency Project Sponsor
Andrew Hawkes

Agency CIO (or Designee)
Scott Swanson

Agency ISO (or designee)
Scott Swanson

OSPB Representative

ASET Engagement Manager

ASET SPR Representative
Emily Gross

Agency SPO Representative
Abby Medina - Silas

Agency CFO
LaTrina Rosemond