

Project Investment Justification

Concealed Weapons Permittium

Implementation

PS22003

Department of Public Safety

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1. GENERAL INFORMATION

PIJ ID: PS22003

PIJ Name: Concealed Weapons Permitium Implementation

Account: Department of Public Safety

Business Unit Requesting: Concealed Weapons Permit Unit

Sponsor: John Seeley

Sponsor Title: Major

Sponsor Email: jseeley@azdps.gov

Sponsor Phone: (928) 814-6787

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...):

The Arizona Department of Public Safety (DPS) Concealed Weapons Unit (CWU) is responsible for receiving, approving, tracking, and maintaining a CCW system for new and renewal concealed weapon permits, suspended or revoked permits, and LEOSA Certificates of Firearms Proficiency. CWU currently processes approximately 90,000 applications on an annual basis.

The current CCW system is lacking in tracking and reporting mechanisms and contains restrictive processes limiting the unit's ability to respond to emerging changes and expedite processes. The lack of reporting capabilities forced the unit to maintain multiple Excel spreadsheets to track the processing of permits and renewals and assign duties.

In addition, the unit maintains an MS Access Database to house the data and documents for active, suspended, and revoked LEOSA certificates and instructors, approximately 5,500 annually.

During phase 1 of this project, the legacy mainframe application, Arizona Concealed Weapons Tracking (ACWT) was replaced with Computer Project of Illinois, Inc.'s (CPI) OpenFox Desktop Messenger application. This provided DPS's Concealed Weapons Permit Unit the ability to enter, track, issue and archive concealed weapons permits and LEOSA certificates.

After phase 1 was completed, DPS began discussions with CPI to establish the scope for phase 2 of the project, which included implementing a full client record management system that would allow users to create, modify, view and query concealed weapons permit records from a single screen, printer integration to automatically create and print permits and letters, and generate renewal notification emails. In the fall of 2021, DPS conducted a reorganization, which triggered the scope of work and budget to be re-evaluated. After the scope was revised, the initial quote from CPI was over \$1M and the timeframe to implement was estimated at 12 to 18 months.

In the beginning of 2022, DPS experienced an influx of concealed weapons permit applications, which caused a processing backlog. Currently, paper permit applications are received and must be reviewed manually for completeness before they can be entered into the OpenFox Messenger application for processing. This is a very time consuming and inefficient process.

In June 2022, DPS began exploring an application from Permitium as well as reviewing internal practices to reduce the backlog. The Permitium application provides an on-line application solution that eliminates the majority of manual application review and data entry currently required by the Concealed Weapons Unit. In addition, the cost and timeframe to implement the Permitium solution is significantly less.

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

Implementing Permitium's PermitDirector application streamlines the application process for new and renewal permits. The manual application review and data entry by CCW staff will be significantly reduced since the majority of applications will be completed electronically (Note: DPS is required to accept paper applications per statute and administrative rules, so they will not be eliminated completely). Backlogs will be reduced since the application cannot be submitted unless all required information and documentation is provided. Implementing PermitDirector will also improve customer service by accelerating the current timeframe to issue permits.

2.3 Describe the proposed solution to this business need.

DPS is implementing Permitium's PermitDirector system, which will provide a web-based application and associated workflow for receiving and processing concealed weapons permits. The system will interface with DPS's message switch and electronic fingerprint system to run required background checks for permit issuance.

Currently, Permitium's business model is based on charging a set convenience fee on each application that is paid by the applicant. The base application cost is \$5.00 per application. After a site visit with DPS, Permitium identified four additional modules needed to meet the requirements for integration with DPS's message switch and to provide data for reporting (monthly statistics, on-demand ad-hocs, etc.). The cost for these additional modules is \$2.50 per application, which would bring the application fee to \$7.50 (before CDW-G mark-up).

Since DPS does not currently have the authority to charge this convenience fee, an agreement was made with Permitium for DPS to purchase a block of 70,000 applications (approximately 3/4 of year of current CCW application volume) for the first year to cover the initial development costs. DPS will also pay an \$175,000 (plus CDW-G mark-up) for the additional modules for up to 50,000 applications. After the 50,000 application threshold is achieved, an additional \$75,000 (plus CDW-G mark-up) will be charged up to 70,000 applications. The subscription costs for the additional modules will be capped at \$250,000 for the first year.

At this time, DPS decided not to pursue making statutory changes to collect the convenience fee, but will adjust the permit fee as needed to cover any costs associated with maintaining the Permitium subscription costs. Any necessary administrative rule changes to increase the permit fee will be completed during the first year.

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?

No

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

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

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

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).

Permitium will be responsible for project management, discovery and design sessions, application configuration, system and training documentation, assisting with testing and go-live activities.

CPI will be responsible for providing data extracts for migration to test and production.

DPS will be responsible for project management, providing subject matter expertise, testing and assisting with go-live activities. DPS will also be responsible for coordinating the message switch integration between CPI and Permitium.

4.3 Will a PM be assigned to manage the project, regardless of whether internal or vendor provided?

Yes

4.3a If the PM is credentialed, e.g., PMP, CPM, State certification etc., please provide certification information.

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

No

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

1/9/2023 12:00:00 AM

Est. Implementation End Date

6/9/2023 12:00:00 AM

5.3 How were the start and end dates determined?

Other

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
Project Kick Off/Planning call	01/09/23	01/13/23
Complete configuration checklist	01/09/23	01/20/23
Initial configuration	01/23/23	02/03/23
Gather workflow and integration requirements	02/06/23	02/17/23
Integration and application configuration	02/20/23	04/07/23
Testing and UAT (iterative during configuration)	02/20/23	05/05/23
Training	05/18/23	05/26/23
Implementation	05/18/23	05/26/23
Final Invoicing	06/05/23	06/09/23

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.

There is not a statewide enterprise solution available

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:

The vendor, Permutium, provided several demonstrations on their product to DPS staff and conducted in depth technical discussions regarding their application. DPS also had a site visit with an agency in California, and called agencies in Ohio, Pennsylvania and North Carolina to review their systems and obtain user feedback on the vendor's services.

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?

Yes

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

No

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?

Yes

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?

Yes

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.

This will replace the CPI's OpenFox Messenger that was implemented in June 2021.

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

CCW permit data will be migrated to the new Permittium application, then the OpenFox Messenger system will be 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?

An agreement was made with Permittium for DPS to purchase a block of 70,000 applications (approximately 3/4 of year of current CCW application volume) for the first year to cover the initial development costs. DPS will also pay an \$175,000 (plus CDW-G mark-up) for the additional modules for up to 50,000 applications. After the 50,000 application threshold is achieved, an additional \$75,000 (plus CDW-G mark-up) will be charged up to 70,000 applications. The subscription costs for the additional modules will be capped at \$250,000 for the first year.

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?

Yes

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:

Permittium will be customizing the solution to integrate with DPS's message switch and to provide an API for DPS to pull data for reporting purposes.

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:

Waterfall

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:

Approximately 35% of custom development will be required to connect the application to DPS's message switch. This estimate was determined by Permittium after discussing DPS's requirements during their site visit.

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:

Commercial data center environment, e.g AWS, Azure

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

Complies with Governor's cloud initiative.

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

Yes

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

Yes

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

No

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?

No

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:

State Data Center (SDC)

9.2b Were vendor-hosted options available and reviewed?

Yes

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?

Yes

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:

Only authorized DPS staff will have access to the application, which will be controlled via single-sign on.

Vendor is complying with FBI's requirements for viewing and processing criminal justice data. The completed FBI security documentation is being attached to the PIJ in lieu of ASET's baseline security spreadsheet.

10. AREAS OF IMPACT

Application Systems

New Application Development

Database Systems

MS SQL Server

Software

COTS Application Acquisition

Hardware

Hosted Solution (Cloud Implementation)

Other

AZDPS's GreenLake Cloud

Security

Telecommunications

Enterprise Solutions

Contract Services/Procurements

11. FINANCIALS

Description	PIJ Category	Cost Type	Fiscal Year Spend	Quantity	Unit Cost	Extended Cost	Tax Rate	Tax	Total Cost
Permitium PermitDirector CCW Subscription	License & Maintenance Fees	Development	1	70000	\$5	\$360,500	0.00 %	\$0	\$360,500
Permitium Integration Module Cloud Subscription	License & Maintenance Fees	Development	1	1	\$180,250	\$180,250	0.00 %	\$0	\$180,250
Sales Tax for PermitDirector and Integration Module subscriptions	License & Maintenance Fees	Development	1	1	\$45,999	\$45,999	0.00 %	\$0	\$45,999
PermitiumDirect or subscription year 2	License & Maintenance Fees	Operational	2	1	\$250,000	\$250,000	784.00 %	\$19,600	\$269,600
PermitDirector subscription year 3	License & Maintenance Fees	Operational	3	1	\$250,000	\$250,000	784.00 %	\$19,600	\$269,600
PermitDirector subscription year 4	License & Maintenance Fees	Operational	4	1	\$250,000	\$250,000	784.00 %	\$19,600	\$269,600
PermitDirector subscription year 5	License & Maintenance Fees	Operational	5	1	\$250,000	\$250,000	784.00 %	\$19,600	\$269,600

Base Budget (Available)	Base Budget (To Be Req)	Base Budget % of Project
\$1,115,149	\$0	67%
APF (Available)	APF (To Be Req)	APF % of Project
\$550,000	\$0	33%
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
\$1,665,149	\$586,749
Total Budget To Be Req	Total Operational Cost
\$0	\$1,078,400
Total Budget	Total Cost
\$1,665,149	\$1,665,149

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

Within the first year of use, the agency hopes to increase the use of online applications by 5% over the baseline in the first two quarters and by 10% in the last two quarters.

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 February 15, 2023.

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 Department of Public Safety (DPS) is responsible for permitting and licensing of twelve different services which includes Concealed Weapons. The Concealed Weapons Unit (CWU) is responsible for providing timely and accurate services to customers. The CWU is currently utilizing a website where members of the public can find all the relevant information pertaining to concealed weapons within the state of Arizona. The website provides links to the applications which are required to be filled out and mailed in. The paper applications are then manually reviewed and entered by DPS for processing.

The Arizona Concealed Weapons Tracking (ACWT) was a mainframe application used to enter, track, and archive concealed weapons permits and LEOSA certificates which was replaced in phase one of the project (PS20001 - Concealed Weapon Permit Tracking (CWPT) - Phase I) which completed July, 2021. The CWPT - Phase 1 project moved the application off the AZDPS mainframe and into the AZDPS GreenLake cloud environment located at ADOA's Iron Mountain (IO) data center. The project also updated system technology which allowed DPS to eliminate the use of Excel spreadsheets and Access databases used to manually track applications.

DPS currently has a backlog of concealed weapons permit applications and is in need of an on-line application solution that will eliminate manual validation and data entry processes. Project cost and time play a significant role in phase two of the project.

Business Justification

The Concealed Weapons Permitium Implementation is phase two of the project to replace the existing Concealed Carry Weapon (CCW) application for issuing permits (CCWP). The system will support the current business functions and provide the following: electronic submittal of application fees, tracking of application fees, tracking all paperwork sent and received, provide automated generation of MS Word letter templates for response to applicants, provide an audit trail on system record updates to support future legal and audit issues. The solution will be a web-based application for members of the public to have the ability to complete and submit concealed weapons permit applications (new and renewals) on-line. The on-line capabilities and automation of functionalities will reduce the manual validation and data entry efforts by CWU staff by 5% over the first six months after going live and 10% the following six months. The solution will add business workflows and process automation enhancements which will improve service delivery and value to internal and external customers. Additionally, the solution will allow interfaces to complete background checks required for issuing permits.

Implementation Plan

The vendor Permitium will be responsible for project management, discovery and design sessions, application configuration, system and training documentation, assisting with testing and go-live activities.

The vendor CPI will be responsible for providing data extracts for migration to test and production.

DPS will be responsible for project management, providing subject matter expertise, testing and assisting with go-live activities. DPS will also be responsible for coordinating the message switch integration between CPI and Permitium.

Vendor Selection

DPS selected the CPI and Permitium for the project as they are the only vendors with the ability to provide specific system requirements within the project time frame, and budget. DPS reached out to agencies in California, Ohio, Pennsylvania, and North Carolina to provide demonstrations, information, and user feedback about the solution and vendor services.

Budget or Funding Considerations

Funding for the project will consist of 33% Automation Projects Fund (APF) and 67% Base Budget.

DPS will expend the base budget at completion of the CCW Data TEST Extract milestone and completion of the CCW PROD Data Extract Services. Year one of subscription costs will be paid to Permitium at implementation which will expend the remaining base budget and expend 100% of APF.

15. PIJ REVIEW CHECKLIST

Agency Project Sponsor

John Seeley

Agency CIO (or Designee)

Wayde Webb

Agency ISO (or designee)

Kerilee Baehre

OSP Representative

ASET Engagement Manager

ASET SPR Representative

Emily Gross

Agency SPO Representative

Randy Williams

Agency CFO

Phil Case
