



Arizona Department  
of Corrections

# **ITAC Meeting**

**AZ Department of Corrections  
AIMS2 Project 2019**

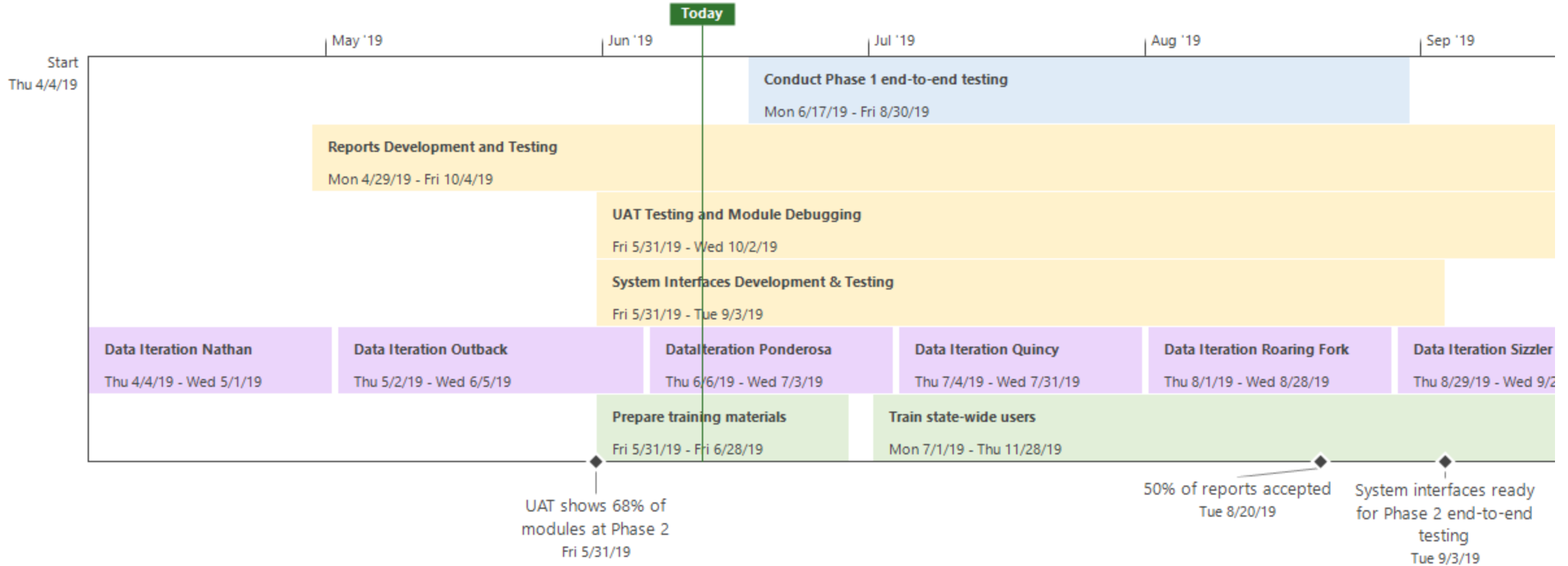


# Current Project Status

- **Project Status is Red** – est. \$7M over budget and 33 Months late:
  - Delivering a high-quality, complex, customized system of this scale has caused time and extra expense.
  - Detailing and understanding requirements has become significantly more difficult than either party estimated.
  - Risks of additional “work arounds”, less than acceptable system functionality, Reports, and data migration, and training 3,000 users remain over next six months.
- **Recommendation:**
  - Critical juncture of the project, along with the existing investment in the project, justify the additional funds to finish the program.
  - ADC and B&D (vendor) are committing the resources and plans required for program success.

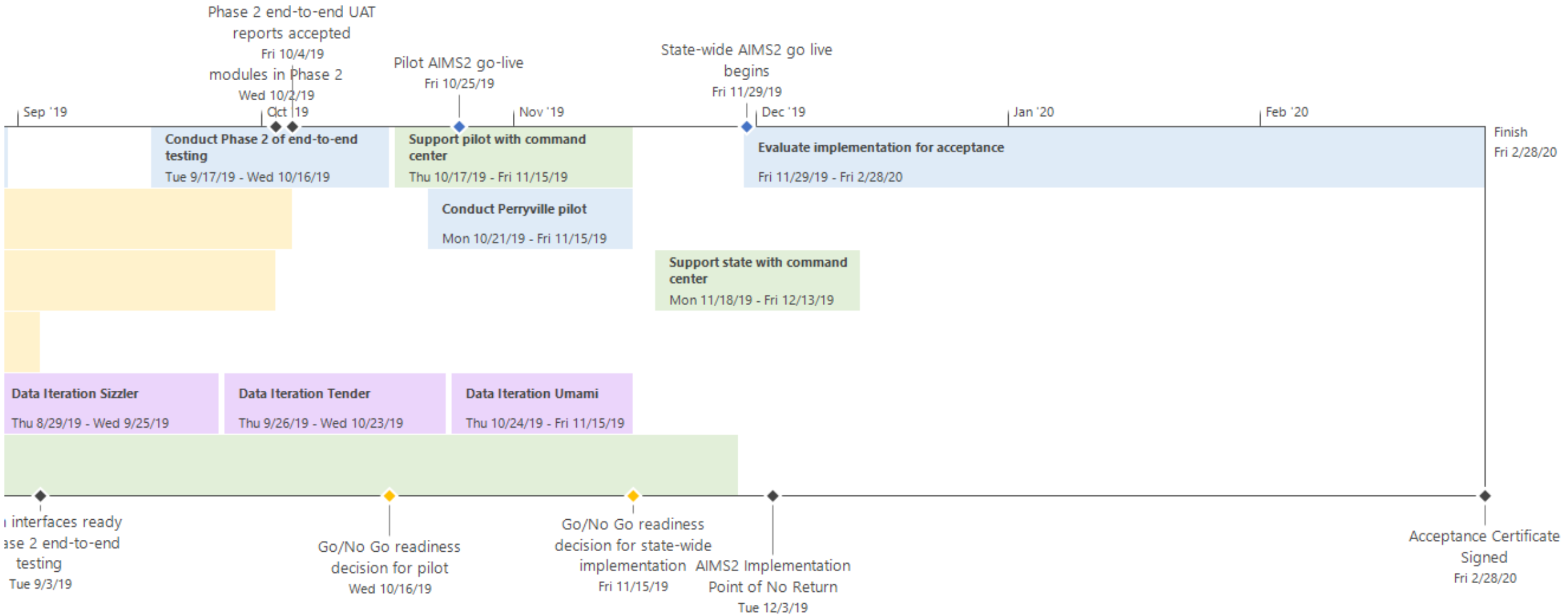


# AIMS2 Timeline (05/19 – 09/19)





# AIMS2 Timeline (09/19 – 02/20)





# Cause of Delays & Cost Overruns

- **Late stage testing produced complex system bugs that revealed lack of clarity and understanding in the early requirements gathering:**
  - Resulted in Change Requests which impacted Time and Cost:
    - Further development and testing was required.
    - Vendor and ADC staff turnover caused additional cost.
    - The Change Requests required additional time to be added to the schedule, which delayed the Go Live date and increased project costs on both sides.



# Cause of Delays & Cost Overruns (cont.)

- **Data Migration issues encountered**
  - Very complex data mapping issues were discovered, which were initially identified as system bugs.
- **Complex interfaces**
  - During the UAT of several Interfaces, data mapping issues were discovered proving to be difficult to solve between all parties.



# Cause of Delays & Cost Overruns (cont.)

- **Report Development Problems**
  - Report development was started late in the project.
  - Report development methodology by vendor relied on a simple automated software that reverse engineered current reports.
  - Vendor was not aware of complexity in ADC COBOL reports.
  - Vendor's first reporting tool failed to deliver the expected results.

# Mitigation Plan

## Corrective Action Plans formalized on 4/26/19:

- **Data Migration** – Focused Root Cause Analysis (RCA) meetings with technical and subject matter experts from ADC and vendor to understand and fix the most difficult issues; improved acceptance criteria; set new timeline for finding and fixing bugs
- **System Functionality Bugs** – Created tester performance tracking tool; improved acceptance criteria; set new timeline for testing modules, tracking bugs, and monitoring progress to completion
- **Reports** – B&D supplied 25 resources for report development. ADC worked with B&D to reprioritize and reduce the number of required reports from approximately 350 to 154.
- **Interfaces** – ADC enhanced the plan for testing remaining interfaces; refined acceptance criteria per interface.
- **ADOA Assistance** – enabled arbitration for disputes over whether a bug was actually a Change Request; feedback was provided on project management & testing review.



# Mitigation Plan (cont.)

- **Contract Amendment (4/26/19)** – Subsequent to the 11/14/18 Amendment and ITAC Hearing, the project was challenged with on-going lack of progress in Data Migration, System Testing and System Reporting. To address the issues, ADC and B&D agreed to:
  - Formalized Corrective Action Plans
  - Go Live Date (11/29/19)
  - No new Change Requests after 05/17/19; B&D to deliver and support system with no further design changes
  - Financial Compensation for B&D - \$2.9M



# Deliverables Received

- **System modules:** 40 developed; 21 ready for End to End testing, and 18 have minimal to moderate remaining work; Sentence Calculation needs significant progress (see Change Requests later).
- **Data migration:** 81 high bugs, down from 188 on 11/14/18.
- **Interfaces:** 21 of 30 system interfaces completed, remainder on track.
- **Report conversions:** 15/154 completed and accepted; all others are in development or final QA by the vendor.
- **Test process and results:** 90% testing scripts passing.
- **Team personnel in place:** 374 ADC operations, 63 ADC IT, 53 vendor.



# Budget Proposal

- As a result of the extended timeline and the fiscal impact of the change requests, the project is anticipated to exceed the original cost estimate of \$24M by approximately \$6.9M.
- In addition to \$1.9M of non-APF funds, ADC is allocating \$3M of FY 19 base funds, and \$2M of non-Appropriated funds to complete the project.



# Budget Proposal

## Additional Project Costs ADC:

ADC costs (staff, contractors, bond, and licensing)	1,819,924
3rd party assessment	105,450
Project extension costs	<u>1,925,374</u>

## Additional Project Costs: Vendor

Change Requests (CRs) #64-66	1,056,374
CRs #67-75	1,872,000
Contingency/Potential CR's (estimate)	146,252
Change requests	<u>3,074,626</u>

Total additional project need	5,000,000
Non-APF project related costs FY 18/19	<u>1,877,237</u>
<b>Total additional project cost</b>	<b>6,877,237</b>



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# Questions?