



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Mainframe Migration

Department of Technology Services

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Project Objective

The Arizona Department of Economic Security (ADES) Division of Technology Services (DTS) needs to migrate the current physical mainframe platform to a shared multi-tenant hosted solution to address the following needs:

- Business
 - At risk of losing Federal Funding due to IRS Audit compliance requirements
 - At risk of losing Department of Labor funding due to inability to conduct required annual disaster recovery validation
 - Loss of mainframe support staffing due to an aging workforce
 - Economic inflexibility
- Technical
 - New business solutions are limited on the mainframe platform



Current Platform Info

- Hardware/Software
 - IBM z196-503 Hardware
 - 204 MSUs
 - IBM zOS version 2.2
 - 15.9 TB available
 - 134 TB storage
 - 3 LPARs
- 13 Applications
 - Serves approximately 3 million of DES's customers
 - Child Safety
 - Temporary Assistance and Medical Eligibility
 - Child Support
 - Unemployment benefits

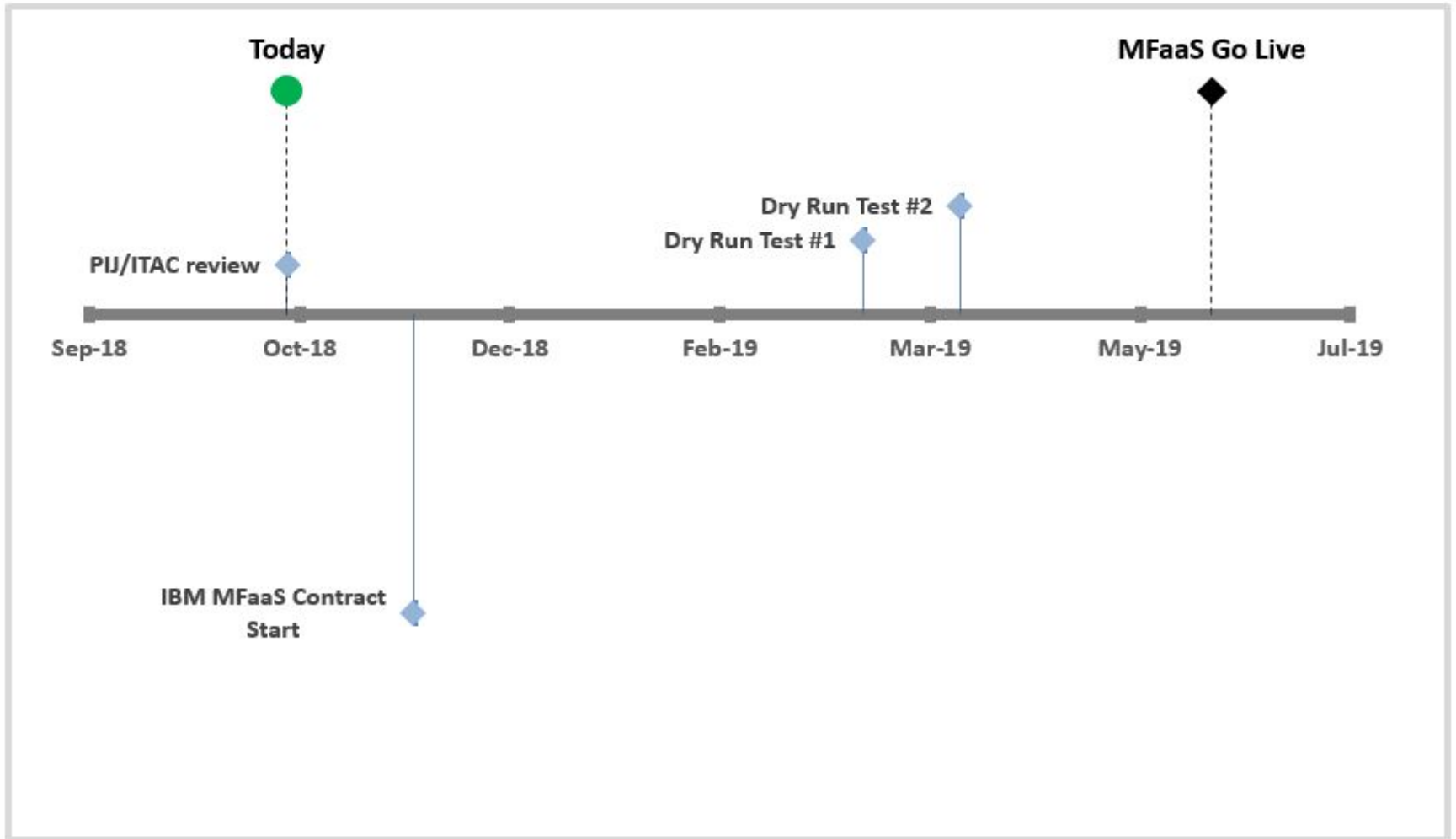


Approach

- DES requested bids from State Contract vendors
 - Two responses were received and evaluated
 - IBM was the preferred vendor
 - \$6 Million in Development costs
 - Costs are comparable to current system
 - Cost of continuing with current in house solution has estimated 5 year costs of approximately \$50 Million
 - Cost of implementing the IBM hosted solution has estimated 5 year costs of approximately \$40 Million
- IV&V Services provided by Public Consulting Group, Inc



Implementation Plan



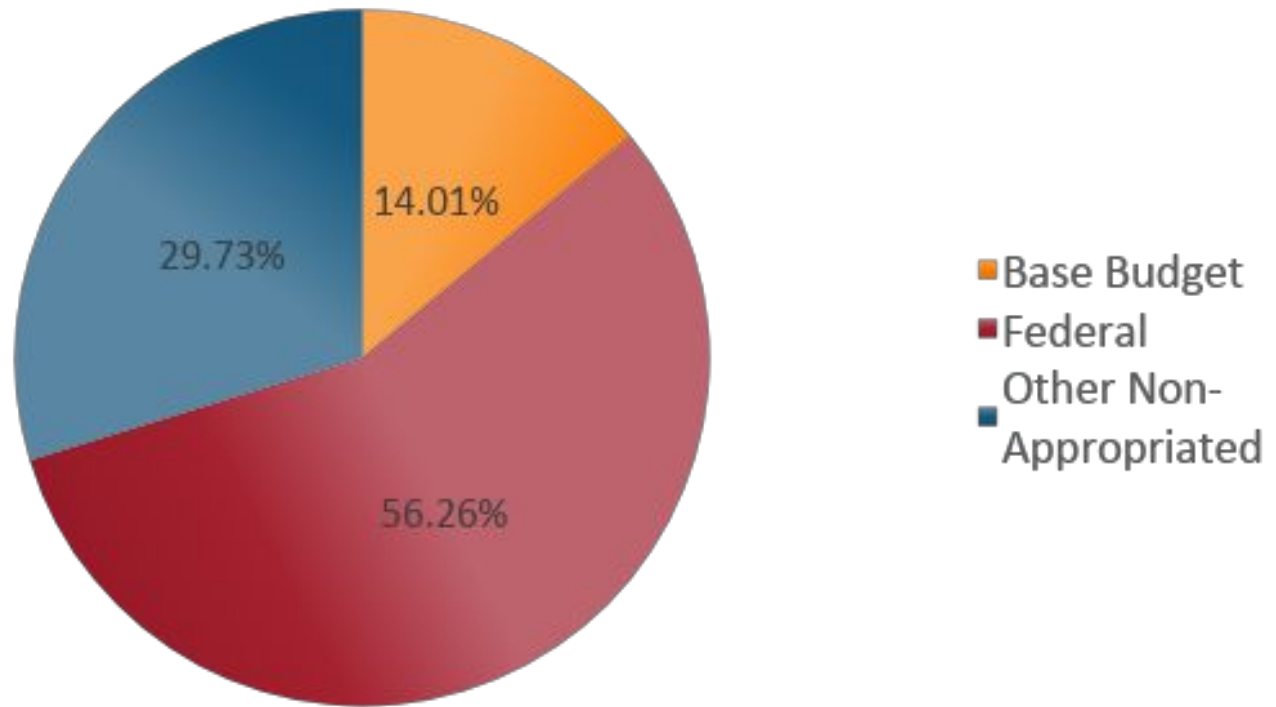
Project Costs

Fiscal Year	Development	Operational
2019	\$3,323,300	
2020	\$2,928,600	\$5,666,400
2021		\$8,499,600
2022		\$8,499,600
2023		\$8,499,600
2024		\$2,833,200
Total	\$6,251,900	\$33,998,400

Total Cost: \$40,250,300



Summary of Funding



Summary

- Leveraging ADOA's mainframe migration experience
- Solution addresses DES's business and technical requirements
- Aligns with State of Arizona's "cloud first" strategy
- IBM is proven vendor
- Annual operational costs comparable to current system
- New platform provides latest versions of hardware and software at no additional cost
- Targeted "Go Live" June 2019



Questions

