Electronic Procurement Solution
Agency Requesting The Project:
Administration Department
Business Unit Requesting The Project:
State Procurement office
Sponsor Of the Project:
Ashoke Seth
Sponsor Title:
Procurement Manager

Sponsor Phone Number:	**Extension:**

Sponsor Email Address:
ashoke.seth@azdoa.gov

Has a Project Request been completed for this PIJ?	Y

What is the operational issue or business need that the Agency is trying to solve?

Implementation of the current e-procurement system has achieved the initial goal of establishing a single statewide standardized system, however, the current contract expires in April 2017.

Standardization to a single system has provided the necessary foundation upon which the following value-added lean efforts can be launched:

• Big data mining capabilities and internal reports of the spend data to assist Procurement staff in identifying lower total cost opportunities.
• Increased efficiency in identification and utilization of cross-agency contracts.
• Full capability to capture the value of negotiated contract terms, e.g. payment terms.
• Management of supplier performance and compliance to negotiated contract terms.
• Increased internal and external stakeholder efficiency through user friendly system interfaces, including supplier on-boarding.
• Detailed business intelligence and data analytics.
• Alignment with the State's approach in "One" Procurement.
• End-to-end automation of State and supplier processes.

In addition, the system must integrate with the Arizona Financial Information System (AFIS) to allow for the flow of Purchase Order and Invoice transactions from the Source to Pay (S2P) tool to AFIS to record the appropriate accounting information.

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

Provides opportunities for increased State efficiency by identifying lower total cost solutions for State business, capturing full value of negotiated contract terms, and increasing supplier performance. Also, the new system will have enhanced business intelligence and data analytics to allow the State to engage in supplier contracts from a known position, resulting in contract cost savings.

Describe the proposed solution to this business need:
Acquire a SaaS or hosted environment Source to Pay solution through a competitive Request for Proposal (RFP) that specifies technical and business requirements for the State with participation of key agencies.

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

Indicate where that documentation can be found, or provide the information under separate cover before the meeting, otherwise describe below:
The current system has been fully documented and is located and managed on the ADOA shared file system. The new solution will be implemented within the Arizona Department of Administration (ADOA) network as a vendor hosted or SaaS solution.

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

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?	N

Will you be completing an assessment phase, i.e., an evaluation by a vendor, third party or your agency, of the current state, needs, and desired future state, in order to determine the cost, effort, approach (RFP or otherwise) and/or feasibility of a project before submitting the full PIJ?	Y

Describe the reason for completing the assessment and the expected deliverable(s) below:
An Independent Validation and Verification (IV & V) of the Phase I of the project was completed to ensure compliance with Arizona House Bill 2703 as well as ensure project feasibility.

Provide the estimated cost, if any, to conduct the RFP/solicitation process and/or assessment phase:
$310,000.00

Provide the estimated start and finish date for conducting the RFP solicitation/assessment phase:			
Estimated Start	10/01/16	Estimated Finish	03/31/17

Provide a projected start and finish date for implementing the final solution.			
Estimated Start	04/03/17	Estimated Finish	06/30/18

Based on research to date, provide a high-level cost estimate to implement the final solution below:
$15,000,000.00

Does the project fall into one of the following categories: - hardware technology refresh/expansion, e.g., replacement/more laptops, radios, peripherals, etc.? - software version refresh/additional licenses, e.g., MS Office 2013 replacing 2010, extra software licenses needed for additional PCs?	N

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

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

Does your agency have a formal project methodology in place?	Y

Describe the make-up and roles/responsibilities of the project team, e.g. participants, sponsors, stakeholders, etc. below:

Key Stakeholders:
- Procurement Manager/Sponsor - Ashoke Seth
- Procurement Officer - Terri Johnson
- Source to Pay Application Owner - Christina Garza
- State CIO - Morgan Reed
- State Comptroller - Clark Partridge
- Deputy State Comptroller - Michael Smarik
- ASET Director of Technology, ERP - John Johnson
- ASET ERP Program Manager - Kevin McRee
- State Agency representatives from Departments of Transportation, Health, and Economic Security
- Additional ADOA representatives from GAO, Directors/Budget Office, Procurement, and ASET divisions

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

If the PM is credentialed, e.g., PMP, CPM, etc., please provide certification information below:

Project Management Professional (PMP)

Is a project plan available that reflects the estimated start date and end date of the project, and the supporting milestones for the project?	Y

Has a test/pilot phase been incorporated?	Y

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

Will the implementation require any physical infrastructure improvements, e.g., building reconstruction, major re-wiring, etc.?	N

Are there any known resource availability conflicts that could impact the project?	
	N

Does your schedule have dependencies on any other projects or procurements?	
	N

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

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

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.?	
	Y

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.?	
	Y

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

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

Provide the dates for the funding availability below:			
Estimated Start	07/01/16	Estimated Finish	06/30/17

Will the funding allocated for this project include any contingency, in the event of cost over-runs or potential changes in scope?	
	Y

Please indicate whether a statewide enterprise solution will be used or select the primary reason for not choosing an enterprise solution:
Statewide Enterprise Solution

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

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

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

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

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

Does the project involve any coordination across multiple vendors?	Y

Does this project require multiple system interfaces, e.g., APIs, data exchange with other external application systems/agencies or other internal systems/divisions?	Y

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?	N

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

Is this replacing an existing solution?	Y

Indicate below when the solution being replaced was originally acquired?

2009

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

Not applicable

Describe how the agency determined the quantities reflected in the PIJ, e.g., number of hours of P&OS, disk capacity required, etc. for the proposed solution?

Business requirements and desired functionality were identified as a result of lessons learned from previous RFP and through agency focus groups.

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?	Y

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

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

Are the costs associated with that configuration included in the PIJ financials?	Y

Will any application development or customization of the proposed solution be required for the agency to use the product in the current/planned technology environment, e.g., a COTS application that will require custom programming, an agency application that will be entirely custom developed?	Y

Describe who will be customizing the solution below:
The selected S2P vendor.

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

Please select the application development methodology that will be used:
combination of Agile and Waterfall

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:
Broad range estimate of 25%.

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

Have you determined that this project is in compliance with all applicable statutes, regulations, policies, standards, and procedures, including those for network, security, platform, software/application, and/or data/information found at https://aset.az.gov/resources/psp?	Y

Are there other high risk project items not identified?	N

Will the proposed solution be vendor-hosted?	Y

Please select from the following vendor-hosted options:
Vendor Hosted or SaaS

Describe the rationale for selecting the vendor-hosted option below:
This will support ADOA's Strategic Plan to build and launch new capabilities, modernize our infrastructure and applications, and move services to the cloud.

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

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

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

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?	N

Will the proposed solution be hosted on-premise in a state agency?	N

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

Describe below what security infrastructure/controls are/will be put in place to safeguard this data:

The proposed solution will comply with the Arizona security baseline controls.

Summary of PIJ Financials

Total of Development Cost:	Please Verify Sheet
Total of Operational Cost:	$ -
Total Costs:	Please Verify Sheet

14690000

Project Cost - Itemized

Item	Description	Category	Development (Implementation) or Operational (Ongoing)	Fiscal Year Spend	Qty or Hours	Unit Cost	Extended Cost	Enter Tax Rate if Applicable (Generally 8.3% for PHX)	Tax	Total Cost
1	This project has a $15 M budget; the remaining $14,690,000 of budget covers costs for Professional Services, software and other related project costs	Other	Development		1	$15,103,000	$0		$0	$15,103,000
2		[--Select--]	[--Select--]	[--Select--]						
3		[--Select--]	[--Select--]	[--Select--]						
4		[--Select--]	[--Select--]	[--Select--]						
5		[--Select--]	[--Select--]	[--Select--]						
6		[--Select--]	[--Select--]	[--Select--]						
7		[--Select--]	[--Select--]	[--Select--]						
8		[--Select--]	[--Select--]	[--Select--]						
9		[--Select--]	[--Select--]	[--Select--]						
10		[--Select--]	[--Select--]	[--Select--]						
11		[--Select--]	[--Select--]	[--Select--]						
12		[--Select--]	[--Select--]	[--Select--]						
13		[--Select--]	[--Select--]	[--Select--]						
14		[--Select--]	[--Select--]	[--Select--]						
15		[--Select--]	[--Select--]	[--Select--]						
16		[--Select--]	[--Select--]	[--Select--]						
17		[--Select--]	[--Select--]	[--Select--]						

Total Development Cost	$15,103,000
Total Operational Cost	$0
Total Itemization of Costs:	$15,103,000

	Summary of Funding Sources					Total costs available to distribute between funding sources
Fund Type	% of Project	$ of Project (Available)	$ of Project (To Be Requested)			#VALUE!
Base Budget %						
APF						
Other Appropriated						
Federal						
Other Non-Appropriated						

PIJ Development & Operational Cost Summary

Description	Type	Year 1	Year 2	Year 3	Year 4	Year 5	Extended Cost
Professional & Outside Services	Development	$0	$0	$0	$0	$0	$0
	Operational	$0	$0	$0	$0	$0	$0
Hardware	Development	$0	$0	$0	$0	$0	$0
	Operational	$0	$0	$0	$0	$0	$0
Software	Development	$0	$0	$0	$0	$0	$0
	Operational	$0	$0	$0	$0	$0	$0
Communications	Development	$0	$0	$0	$0	$0	$0
	Operational	$0	$0	$0	$0	$0	$0
Facilities	Development	$0	$0	$0	$0	$0	$0
	Operational	$0	$0	$0	$0	$0	$0
Licensing & Maintenance Fees	Development	$0	$0	$0	$0	$0	$0
	Operational	$0	$0	$0	$0	$0	$0
Other	Development	$0	$0	$0	$0	$0	$0
	Operational	$0	$0	$0	$0	$0	$0
Development Cost:		$0	$0	$0	$0	$0	**$0**
Operational Cost:		$0	$0	$0	$0	$0	**$0**
Total Cost:		This project has a budget of $15,103,000, consisting of Professional Services, software and other related project costs.					

Areas of Impact

1 **Application Systems**

	Application Enhancements
	Internal Use Web Application
	Mobile Application Development
	Arizona Enterprise Solution Platform (AESP) based Application
	New Application Development
	az.gov Web Portal Application
X	Other: (Please specify below) Replacement/upgrade of eProcurment

2 **Database Systems**

	Data Warehouse/Mart
	Database Consolidation/Migration/Extract Transform and Load Data
	Database Products and Tools:
	Oracle
	MySQL
	DB2
	MS SQL Server
X	Other: (Please specify below) Replacement/upgrade of existing eProcurment system

3 **Software**

	COTS Application Customization
	COTS Application Acquisition
	Mainframe Systems Software
	Open Source
	PC/LAN Systems Software
	Virtualization
X	Other: (Please specify below) Replacement/upgrade of existing eProcurment system

4 **Hardware**

	LAN/WAN Infrastructure
	Mainframe Infrastructure
	Storage Area Network Devices
	Public Safety Radios, Systems
	PC Purchases, Peripherals
	Tape Libraries/Silos
	UPS Devices
X	Other: (Please specify below) TBD based on solution selected

5 **Hosted Solution (Cloud Implementation)**

	State Data Center
	Commercially Hosted:
	Amazon (AWS) GovCloud
	Century Link - I/O Data Center
	AWS (non-government) cloud
	Microsoft Azure
X	Vendor Hosted
	Other: (Please explain below)

6 **Security**

X	Encryption
X	Security Appliances:
X	Firewall
X	Intrusion Detection System (IDS)
X	Intrusion Prevention System (IPS)
X	SecurityControls/Systems - Other: (Please specify below)
	Physical Controls (Badging Systems, Iris Scanners, Other: (Please specify below)
	Other: (Please specify below)

7 **Telecommunications**

X	Network Communications Infrastructure
	Telephone Upgrade-Business-Specific
	Cabling
	Wireless Access Points
	Telephony Upgrade-EIC Solution
	Trenching
	Videoconferencing
	Other: (Please specify below)

8 **Enterprise Solutions**

X	Business Intelligence System
	E-Signatures
	Geographic Information Systems
	Other Imaging - Photos, Fingerprints, etc.
	Document Management/Imaging
	eLicensing
X	Management Systems - Financial, Grants, Asset
X	Disaster Recovery/Business Continuity
	Other: (Please specify below)

9 **Contract Services/Procurement**

X	Contracted Project Management
X	Contractor Support Services
X	Install/Configuration Contract Services
X	State Contract
X	Vendor provided
X	Procurement (RFP, IFB, DPR, etc.)
	Other: (Please specify below)

Meeting Invite Checklist

Role	Name	Email Address	Date Reviewed
Agency Project Sponsor*	**Ashoke Seth by Terri Johnson**	ashoke.seth@azdoa.gov	03/08/17
Agency Chief Information Officer (CIO) (or designee)*	**Morgan Reed by J.R. Sloan**	morgan.reed@azdoa.gov	03/08/17
Agency Information Security Officer (ISO) (or designee)*	**Tim Guerriero for Mike Lettman**	Tim.Guerriero@azdoa.gov	03/08/17
Joint Legislative Budget Committee (JLBC) representative			03/08/17
Office of Strategic Planning & Budgeting (OSPB) representative			03/08/17
ADOA-ASET Strategic Program Manager *	**David Tischler**	David.Tischler@azdoa.gov	03/08/17
ADOA-ASET Security, Privacy & Risk (ASET-SPR) representative*	**Tim Guerriero**	Tim.Guerriero@azdoa.gov	03/08/17
Agency CPO or State Procurement Office (SPO) representative	**Terri Johnson**	terri.johnson@azdoa.gov	03/08/17
Agency CFO or Finance representative (if different from CPO)	**Derik Leavitt**	derik.leavitt@azdoa.gov	03/08/17
Others to Invite (if applicable):			
State Comptroller	**Clark Partridge**	clark.partridge@azdoa.gov	03/08/17
State Deputy Comptroller	**Michael Smarik**	michael.smarik@azdoa.gov	03/08/17
SPO Applications	**Christina Garza**	christina.garza@azdoa.gov	03/08/17
State Deputy CIO	**J.R. Sloan**	jr.sloan@azdoa.gov	03/08/17
Director of Technology - ERP	**John Johnson**	john.johnson@azdoa.gov	03/08/17
ERP PRogram Manager	**Kevin McRee**	kevin.mcree@azdoa.gov	03/08/17
	Joyce Wright	joyce.writght@azdoa.gov	03/08/17

* Required Atendee

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x	Has the value of the IT project to the public and the State been identified?
x	Does the proposed solution address the stated problem or situation?
x	Has the budget unit demonstrated competency to carry out the project successfully?
x	Have all applicable questions in the PIJ been addressed?
x	Have the Areas of Impact associated with the project been identified?
x	Is sufficient sponsorship and support by budget unit leadership evidenced in the meeting?
x	Has the compatibility of the proposed solution with other budget unit solutions been addressed?
x	Has a reasonable Project Plan been provided?
x	Has the compliance of the proposed solution with all applicable statewide standards been confirmed?
x	Have any potential risks or issues associated with the project or the proposed solution been identified and appropriately addressed to minimize unintended consequences?
x	Have the cost estimates for the project been vetted for accuracy?
x	Have the PIJ Financials been completed?
x	Have any/all of the following startup costs to implement the project been included under Development in the financial tables, if applicable - tax; shipping; upfront maintenance and support; professional services (P&OS); ancillary software to run on equipment; ancillary hardware to install equipment, e.g., cables; other associated costs, e.g., training, travel, documentation, etc.?
x	Have any/all of the following ongoing/5-year support costs, once the project is implemented, been included under Operational in the financial tables, if applicable - ongoing vendor hosting costs, including any projected increase over time; annual maintenance and support not acquired upfront; extended costs after warranty expiration; P&OS commitments beyond implementation?
x	Have you confirmed that no Full Time Employee (FTE) related costs have been included in the project costs?
x	Have quotes been provided for all itemized costs in the PIJ, e.g., professional services, hardware, software, licensing, etc.?
x	Do the quotes match the itemized list and only reflect those items and costs (within 5%) associated with this project?
	If not, describe below how the costs in the PIJ differ from the quotes, e.g., if quantities are different, costs are comprised of portions of multiple quotes provided, etc.:

If any of the above are not complete, the PIJ cannot be approved at this time…..

PIJ Disposition

x	Approved
	Approved with conditions
	Not Approved

Strategic Program Manager Analysis
Project Background: The Arizona Department of Administration will implement a new Source to Pay enterprise procurement solution. This will allow for streamlined workflows, enhanced business analytics, and improved RFP, contract, and vendor management. Business Justification: The Arizona Department of Administration is acquiring a new procurement system to address shortcomings with the current system that result in reconciliation errors and large amounts of rework. Additionally, the new solution will align with the State's Strategic direction of enterprise software hosted in the cloud. Implementation Plan: The Department of Administration has proposed a Phased approach and has a Project Manager allocated to the project. Additionally, as a cloud based solution is sought, there will be minimal, if any, implementation on-site. Vendor Selection: The process included an RFP that several vendors responded to, and a selection committee consisting of representatives of multiple Agencies was used to evaluate and choose a solution. Budget or Funding Considerations: There is funding available in the current Fiscal Year, an ask has been made for FY18, and then additional years will be addressed by future budget asks, for ongoing licensing and subscription costs. This project is approved via delegated authority.

Authorized Approver:	David Tischler	Approval Date:	3/8/17

Condition (If Applicable)