

Technology Services Board Portfolio/Policy Subcommittee Meeting

August 13, 2020

Agenda

TOPIC	LEAD	PURPOSE	TIME
Welcome and Introductions	Jim Weaver	Introductions	10:00
Approve Minutes from July 9 Subcommittee Meeting	Jim Weaver	Approval	10:04
Project Status – WSDOT Tolling Back Office System Replacement Project (BOS) <ul style="list-style-type: none"> • Patty Rubstello, Asst. Secretary and Executive Sponsor • Jennifer Charlebois, Project Manager • Dana McLean, QA, Public Consulting Group • Yvonne De La Rosa, Public Consulting Group • Heather Coughlin-Washburn, Public Consulting Group 	Sue Langen Rich Tomsinski	Project Status	10:05
New Policy Review 122 - Administrative and Financial Systems Investment Approval	Sue Langen Jason Anderson	Policy Review	10:35
IT Decision Package Criteria	Sue Langen Cammy Webster	Information	11:05
IT Project Quality Assurance	Nicole Simpkinson	Information	11:30
Public Comment			11:50

Current TSB Members

Industry Members

Butch Leonardson – Retired CIO

Paul Moulton – Costco

Legislative Members

Rep. Matt Boehnke – House R

Rep. Zack Hudgins - House D

Sen. Patty Kuderer – Senate D

Sen. Ann Rivers – Senate R

Executive Branch (Agency Directors)

Jim Weaver – State CIO & Chair

David Danner – UTC

Tracy Guerin – DRS

Vikki Smith – DOR

Other Government

Viggo Forde – Snohomish County

Members present

Members absent

Welcome/Introductions

Approve 7/09/2020 Minutes

Washington State Department of Transportation

Tolling Back Office System Replacement

Technology Services Board Meeting
August 13, 2020

Agenda

1. Project overview
2. Implementation status
3. Issue statement and WSDOT Management strategy
4. Quality Assurance Update
5. Independent Verification and Validation Update
6. Questions and Discussion

Project Overview

- The external Back Office System (BOS) is a core element of WSDOT's Toll program. The BOS manages the customer relationship and financial management aspects of WSDOT's Tolling program and its *Good To Go!* Toll payment program.
- Two phases of Implementation:
 - Phase 1 - consists of all current and new core functionality modernized and enhanced.
 - Phase 2 - consists of all select automation upgrades and elected option modules such as trip building, collections functionality, and data warehouse.

Implementation Status

Remaining BOS Critical Path Activities:

- 5 Week Operations Test began on May 28th.
 - WSDOT driven test within the production environment comprised of the most common workflows and Ad-hoc testing.
 - Phase 1 – Common Workflow Scenarios Complete (ran 2 weeks long), completed on 6/29
 - Phase 2 – Ad-Hoc planned to begin on 7/6 delayed until 7/20, was then halted on 7/27 with Critical observations preventing further testing. Ad Hoc Testing has since restarted the 3-week period on 8/10.
 - 2 Week Defect Remediation Period (As currently planned, however this is an area for risk mitigation).
 - 1 Week Transition
 - ETCC Shutdown, ETAN Migration, and ETAN Start Up
 - ETAN Go-Live Readiness (Analysis on likely date is now in September)
- Remaining Operations Activities:
 - Staff Ramp Up and Troop Training (Local, Remote and legacy CSR's) –This will follow the ETAN Operations testing, to avoid the risk of hiring Customer Service staff only to have further system delays.
 - Go-Live – October at the earliest.

Issue Discussion and Management Strategy

ETAN has continued to struggle with maintaining appropriate resources, accurate estimation of schedule activity durations, and overall schedule adherence

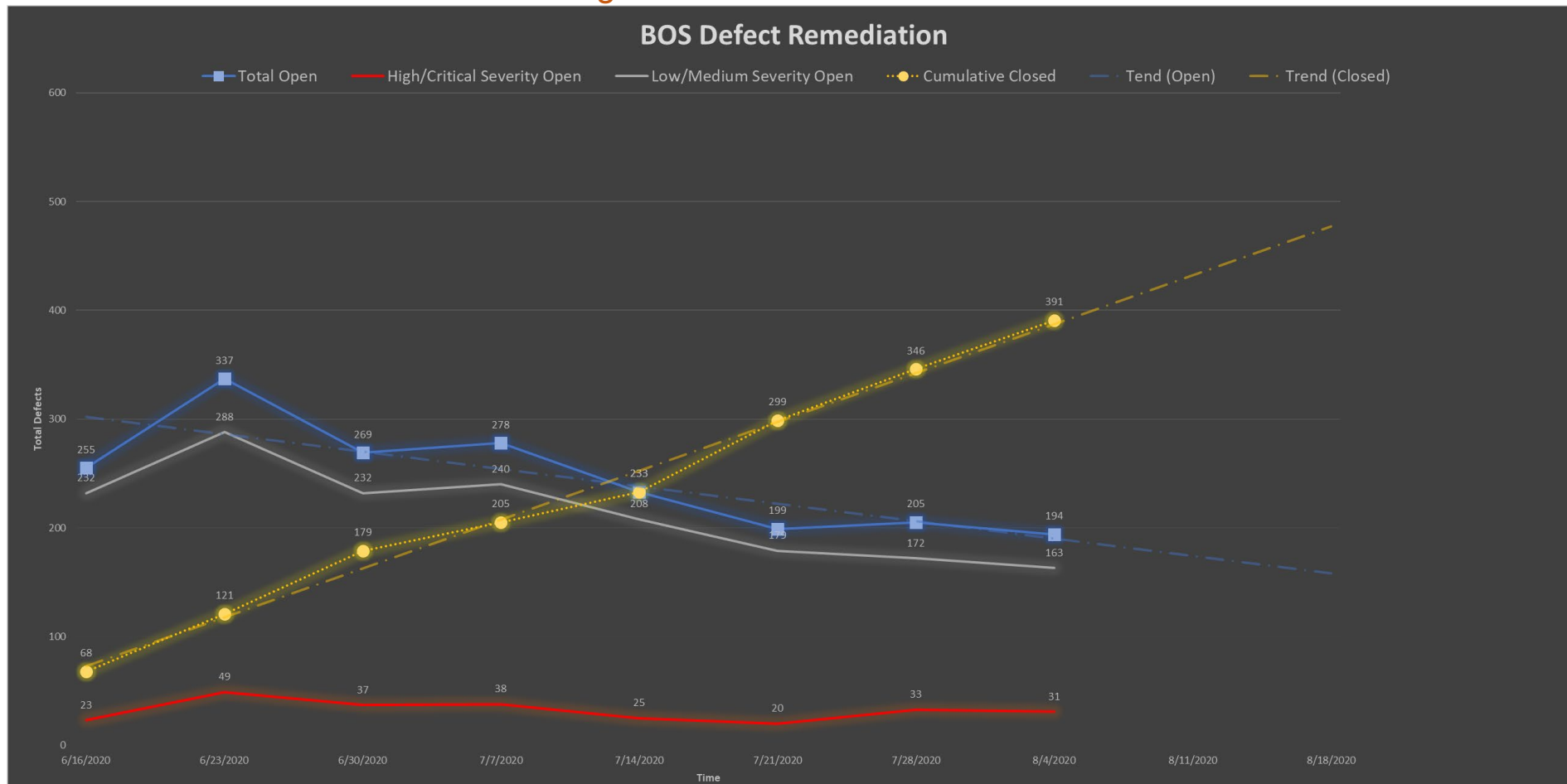
- Even with increased resources ETAN remains limited in its ability to increase project velocity
- ETAN continues to struggle with accurately predicting critical activity durations
- The continued project delays increase WSDOT's costs to maintain business continuity and impact other dependent projects.

WSDOT continues to employ the following strategies:

- Increased Executive-level Oversight
- Increased Transparency through WSDOT Schedule Maintenance & Defect Management
- Increased Resourcing by ETAN
- Maintain National Industry Perspective through our Expert Review Panel
- Increased Coordination with OCIO
- Maintain Quality Assurance and Independent Validation & Verification
- Negotiated additional contractual liquidated damages to further encourage schedule adherence

Management Strategy and Issue Resolution Plan

- Defect Management:
 - Open Defects in the System = 194 from 278 on July 7
 - Closure Rate is 49/week vs. Average Defects added is 36/week



External Quality Assurance Update

QA - Tolling BOS Replacement Project Status



WA - Office of the
Chief Information Officer

Top Five (5) QA Risks

Project Status:

HIGH

PCG continues to track significant findings in the areas of Schedule Management, Cost Management and Quality Management.

Finding	Total	Low	Med	High
Issues	4	NA	1	3
Risks	8	1	5	2
Concerns	0	NA	NA	NA

Since the last presentation to the TSB, PCG QA has continued to provide updated monthly QA reports and risk logs. Although each Top Five risk has essentially remained the same, progress has been made against each and WSDOT has been actively executing mitigation steps including staying actively involved in each of the respective project areas and vendor management.

Date Established	Description	Status
5/15/2020	As a result of ETAN's lack of adherence to schedule management, schedule delays may occur, resulting in the potential to affect the critical path and the ability to maintain the project go-live date.	High Issue
5/15/2020	As a result of the delay for the project go-live, there is a risk that further impact to the project cost exists.	High Issue
5/15/2020	As a result of insufficient ETAN staffing levels, it is unclear if ETAN can continue to maintain required velocity to achieve the project go-live date.	Medium Issue
5/15/2020	ETAN has been focused on meeting the go-live date rather than readiness and quality management, which may result in decreased quality of final product.	High Risk
5/15/2020	As a result of required safety measures due to COVID-19 there are potential challenges to working remotely, including reduced capacity for training, operations testing and go-live resulting in a loss of collaboration and unknown challenges.	High Risk

*This information is a point in time accurate on 8/5/2020. The nature of the risks/issues listed here are highly dependent upon progress which may be achieved in the days prior to the presentation, resulting in potential resolution of the risks/issues.

Independent Verification and Validation Update

IV&V - Tolling BOS Replacement Project Status



Project status:

HIGH

PCG is tracking significant findings in the areas of Design and Development, Implementation, Testing and Implementation, and Project Management.

Finding	Total	Low	Med	High
Issues	4	1	1	2
Risks	8	3	2	3
Concern	0	NA	NA	NA

Top IV&V findings

Date Established	Description	Status
3/15/2020	Dev punch list items with a scheduled complete date are not complete, creating potential downstream impacts. *The initial dev is complete is complete for High and Critical Defects. Medium and Low awaiting resolution.	Medium
5/15/2020	Modification of the code base during testing may result in the unintended introduction of new defects in previously tested functionality.	High
6/02/2020	The regression practice, including manual QA practices applied to each release have been insufficient to identify defects introduced in the environment. This may be indicative of insufficiency of process or practice on the part of the vendor and results in the necessity to retest.	High
6/02/2020	Failure to adhere to a well-defined release process increases the likelihood of introducing undesired code into the environment, resulting in a potential loss of integrity in the code base.	High
2/15/2020	ETAN defect resolution and retest velocity may not support the ability of ETAN to resolve significant (HIGH/CRITICAL) defects found in later rounds of Ops Testing prior to anticipated Go-Live.	High

*This information is a point in time accurate on 8/5/2020. The nature of the risks/issues listed here are highly dependent upon progress which may be achieved in the days prior to the presentation, resulting in potential resolution of the risks/issues.

Tolling Back Office System Replacement

- Questions?

New Policy 122 Administrative and Financial Systems Approval

Policy 122



Purpose of action

- Request approval of new policy



Business case

Decommission “shadow” systems where enterprise system functionality is available. Evaluate investments that cannot be served by an enterprise solution for opportunities to re-use existing systems.



Key objectives

- Reduction in agency “shadow” systems
- Consolidation of disparate administrative and financial systems.
- Effective IT investments based on Enterprise Architecture strategies and standards.



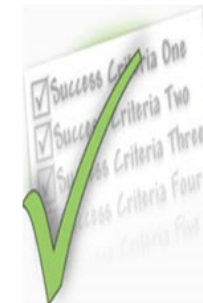
Strategic alignment

- Consolidate common technology and services.
- Identify common business practices that can be supported by shared solutions.



Implementation

- The investment request must be approved before submitting an ITPA.
- Thresholds for investment requests are lower than current ITPA process.



Success criteria

Reduction in agency-reported administrative and financial systems.
Increased use of enterprise systems and shared services.
Increased consolidation of IT contracts.

CIO Comments Summary

Themes:

- Thresholds are too low
- Approval process adds overhead to routine maintenance work

Considerations:

- SAAM 80.30.88 requires all investments in new and existing systems to obtain OCIO approval
- 154 administrative and financial system investment evaluations have been conducted from 2017 - present

- Do you recommend the creation of Policy 122?

Decision Package Criteria

- Added questions to better identify opportunities for the Health and Human Services coalition.
- Included questions to help flush out administrative and financial service requests.
- This year, IT maintenance requests are required to respond to IT addendum questions.

Ranking and scoring process

- Reviewed weighted scoring process.
 - Analyzed results with and without weighted scoring.
 - Minimal swing in overall results.
 - Streamlined the process to eliminate work associated with weighting.
- Reviewed list of 13 questions used for scoring.
 - Analyzed responses and identified areas that included redundancy.
 - Reworded questions and combined like information.
 - Published ranking and scoring criteria as a resource for agencies.
 - 2021-23 scoring and ranking will be based on 9 questions related to:
 - Agency readiness
 - Technical alignment
 - Business alignment
 - Urgency

Agency readiness

Decision Package Criteria			Criteria Scoring Scale			
Parent Criteria	Sub Criteria	Description	Mastery	Competent	Adequate	Insufficient
Agency readiness	Due diligence	Assess the evidence of needs assessment, high-level requirements and feasibility study or similar due diligence to understand business needs, complete market research and select technology solution.	Investment demonstrates complete due diligence with a thorough feasibility study or market research analysis to support the investment.	Mostly aligned with Mastery.	Partially aligned with Mastery.	Documented feasibility study or market research to support the investment is very limited or non-existent.
	Governance and management	Assess the planned investment's governance	Agency describes governance processes that include appropriately placed	Mostly aligned with Mastery.	Partially aligned with Mastery.	Decision package has no or insufficient evidence of
	Planning and readiness	Assess the planned investment approach and implementation staffing/resourcing, including assumptions about onboarding/staffing, etc.	Agency readiness is well defined and demonstrates planning of resources including project team, SMEs, other technical resources, and backfilled resources. Organizational change management has been factored into planning and approach. Budget includes independent quality assurance.	Mostly aligned with Mastery.	Partially aligned with Mastery.	Investment narrowly targets agency needs and the proposed solution does not demonstrate planning and agency readiness in all areas that would be impacted by the investment.

Technical alignment

Decision Package Criteria			Criteria Scoring Scale			
Parent Criteria	Sub Criteria	Description	Mastery	Competent	Adequate	Insufficient
Technical alignment	Strategic alignment	Assess agency proposal against statewide technology strategies (e.g., buy versus build, modern hosting, early value delivery, modular implementation).	Investment incorporates multiple elements of state strategic vision. Such as modular implementation methods, 'buy don't build,' LEAN process improvements, early value delivery, and accessibility. Investment was arrived at using data driven methods and proposed solution is strategically consistent with State vision.	Mostly aligned with Mastery.	Partially aligned with Mastery.	Investment is inconsistent with elements of the state strategic vision and does not incorporate the state's strategic values.
	Technical alignment	Assess agency proposal against technical implementation of strategy: privacy security, open data, mobility, accessibility.	Investment incorporates multiple elements of the state technical vision. Such as technology reuse, data minimization, security principles, publishing open data, mobile solutions, cloud technology solution over customization. Proposed solution is technically consistent with State vision.	Mostly aligned with Mastery.	Partially aligned with Mastery.	Investment is inconsistent with elements of the state technical vision and does not incorporate the state's technical values.
	Reuse and interoperability	Assess degree to which solution uses systems or components that are already in place in this or any agency and how approach plans for interoperation between systems, services or solutions.	Proposed solution supports interoperability and/or interfaces of existing state systems. Reuses an existing technical solution, contract or components of a solution already in use elsewhere across state agencies. For new capability, the investment allows for reuse principles in the future.	Mostly aligned with Mastery.	Partially aligned with Mastery.	Investment does not demonstrate reuse of existing solutions, contract or components used in the state. The solution is a new proposal, and does not allow for reuse by other agencies in the future

Business alignment

Decision Package Criteria			Criteria Scoring Scale			
Parent Criteria	Sub Criteria	Description	Mastery	Competent	Adequate	Insufficient
Business alignment	Business driven technology	Assess plans for business transformation or streamlining organization change management activities and approach to keeping customer at the center of the technology investment.	Investment implementation is being driven by business processes and integrated with this technology. Solution supports and/or improves existing business processes. End users (internal and external) will be involved in governance and implementation activities.	Mostly aligned with Mastery.	Partially aligned with Mastery.	Investment implementation is nominally considering the business processes impacted by this investment. No evidence showing end user involvement in governance or implementation activities.
	Measurable business outcomes	Assess the presence of anticipated business outcomes, measures and targets as a result of this investment, (see Decision Package Chapter 2 “Strategic and performance outcomes” and Decision Package Chapter 3 “Performance measure incremental estimates”).	Investment is focused on providing customer value. For public services, the citizen experience is primary. For agency investments, provides tangible benefits to agency users. Investment plan includes customer stakeholdering and addresses customer methods to incorporate user experience/feedback.	Mostly aligned with Mastery.	Partially aligned with Mastery.	Investment is being implemented in isolation from customers and end users. There is no demonstrated plan for incorporating citizen or customer feedback.

Urgency

Decision Package Criteria			Criteria Scoring Scale			
Parent Criteria	Sub Criteria	Description	Level 4	Level 3	Level 2	Level 1
Urgency	Taken into consideration when ranking request	During the evaluation and ranking process, the OCIO will take into consideration the urgency of the decision package request. Agencies will need to describe the urgency of implementing the technology investment in this cycle and impacts to business if technology effort doesn't proceed as planned.	Investment addresses a currently unmet, time sensitive legal mandate or addresses audit findings requiring urgent action.	Investment addresses imminent failure of a system or infrastructure and will assuage that issue.	Investment addresses an agency's technical debt of aging systems and provides an opportunity for modernization.	Investment provides an opportunity to improve services but does not introduce new capability or address imminent risks.

- How are others using urgency?

Questions?

IT Project Quality Assurance

Agenda

1. Why quality assurance?
2. What are the challenges?
3. How can we improve?

OCIO Policy 132 requires agencies to obtain independent quality assurance (QA) on all major projects.

For projects that exceed \$2 million or require more than one biennium to complete, or are financed through financial contracts, bonds or other indebtedness, QA must report independently to the OCIO. (*Section 701(9) of the 2020 Supplemental Operating Budget*)

Quality assurance offers significant value

1. Independently assesses project management processes and activities.
2. Provides insight into how well project activities are going and where corrections might be needed.
3. Anticipates problems before they occur and to ensure business value is realized.

But there are structural challenges

- Agencies procure QA resources independently, potentially missing opportunities for more competitive pricing and standardization of contracts.
- The selection process can be a challenge, especially for agencies less experienced with QA vendor selection and management.
- The cost of QA can be an inordinately high percentage of total project costs, especially for smaller budget projects.
- The time to procure QA can significantly impact total project duration, especially for shorter duration projects.
- Stakeholders have reported that QA reports and information have generally diminished in quality over time.
- The reporting structure of QA within an agency can create a conflict of interest in independent analysis.

Discussion - How can we improve?

- How can we better protect QA independence?
- How can we ensure the quality and added value of QA?
- How can we streamline the QA procurement process for agencies?
- How can we achieve more competitive pricing and statewide standardization of contracts? Is this an important goal?

How can we make improvements?

Option A

Realign QA contracts and reporting relationship to the state CIO as opposed to individual agencies.

- Increase accountability of QA process and protect independence.
- Reduce agency workload and streamline procurement process of QA resources.
- Allow more competitive pricing and standardization for QA contracts.

Option B

Discussion.

Public Comment