



Independent Review

Grants Management System

A Project of the

State of Vermont Agency of Commerce and Community Development



**Submitted to the
Agency of Digital Services
April 9, 2024**

Final

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Table of Contents

Section	Page
Table of Contents.....	i
1.0 Executive Summary	1
1.1 Cost Summary.....	2
1.2 Disposition of Independent Review Deliverables	3
1.3 Risks Identified as High Impact and/or Having a High Likelihood of Occurrence.....	4
1.4 Other Key Issues	4
1.5 Recommendation	4
1.6 Independent Reviewer Certification	5
1.7 Report Acceptance	5
2.0 Scope of This Independent Review	6
2.1 In Scope	6
2.2 Out of Scope	6
3.0 Sources of Information	7
3.1 Independent Review Participants	7
3.2 Independent Review Documentation	8
4.0 Project Information.....	11
4.1 Historical Background.....	11
4.2 Project Goals.....	11
4.3 Project Management Documentation.....	11
4.4 Project Phases, Milestones, and Schedule	14
5.0 Acquisition Cost Assessment	15
6.0 State’s Enterprise Architecture Guiding Principles.....	17
7.0 Assessment of Implementation Plan	20
8.0 Cost Analysis and Model for Benefit Analysis.....	23
9.0 Analysis of Alternatives	26
10.0 Impact on Analysis of Net Operating Costs	27

11.0 Security Assessment.....	31
12.0 Risk Assessment and Risk Register.....	33
Attachment 1 – Life Cycle Cost-Benefit Analysis.....	34
Attachment 2 – Risk Register.....	36

1.0 Executive Summary

For all Information Technology (IT) activities more than \$1 million, State of Vermont (State) statute (or at the discretion of the chief information officer [CIO]) requires an Independent Review by the Office of the CIO before the project can begin. The State Agency of Digital Services (ADS)—on behalf of the Agency of Commerce and Community Development (ACCD)—engaged BerryDunn to perform an Independent Review of the Grant Management System (Project). This Independent Review began on December 18, 2023, and the presentation of findings is tentatively planned for the week of February 12, 2024.

The grants management system provides the functionality for eight ACCD-operated grant programs. This Project aims to upgrade the current system to a new State-preferred platform. ACCD plans to partner with Agate Software (Agate) to retire its current solution and upgrade to a modern software platform that enables grant program onboarding from a single solution and integrates data capture and State reporting requirements.

This report is based on a single point in time and does not include information on Project progress after January 22, 2024. However, there are updates to each risk included in the Risk Register based on discussion during the presentation of this report. While conducting the Independent Review, BerryDunn identified seven risks, with two having either a high impact and/or high likelihood of occurrence. This risk is listed in summary form in Section 1.3 and in detail in Attachment 2 – Risk Register.

1.1 Cost Summary

Table 1.1 includes a summary of Project costs. More detail can be found in Section 5: Acquisition Cost Assessment and Section 10: Impact Analysis on Net Operating Costs.

Table 1.1: Cost Summary

IT Activity Life Cycle	Cost and Funding Source
Total Life Cycle Costs (Five Years)	\$1,472,228.41
Total Implementation Costs	\$1,177,247.46
New Annual Operating Costs (Five Years)	\$58,996.19
Current Annual Operating Costs (Five Years)	\$105,660
Difference Between Current and New Operating Costs (Five Years)	(\$46,663.81)
Funding Source(s) and Percentage Breakdown of Multiple Sources	100% State

1.2 Disposition of Independent Review Deliverables

Table 1.2 includes a summary of Independent Review findings; more detail is provided in later sections of the report.

Table 1.2: Independent Review Deliverables

Deliverable	Independent Review Highlights Including Explanations of Any Significant Concerns
Acquisition Cost Assessment	<p>The proposed system upgrade includes an implementation cost of \$1,177,247 split over two years (\$338,122.87 for Fiscal Year [FY] 24 and \$601,107.33 in FY25). Additionally, \$185,912.00 will be allocated to ADS staff (e.g., Enterprise Project Management Office [EPMO], Enterprise Architect [EA], Business Analyst [BA], security, and other ADS labor). The total implementation cost—calculated using the State’s IT ABC Form—is \$1,472,228.41.</p> <p>Based on research using GovWin—a government contracting intelligence platform from Deltek—BerryDunn examined what other state governments and agencies have paid for similar solutions and services. BerryDunn believes anticipated system upgrade costs are comparable to what peer states agencies have paid for similar solutions and those available in the market.</p>
Technology Architecture and Standards Review	<p>Based on document reviews and Agate/ADS IT staff interviews, BerryDunn learned the Project aligns with the ADS Strategic Plan’s IT Modernization strategic goal. The solution strengthens ACCD’s digital foundation by replacing legacy IT systems and deploying new systems with a cloud-based offering that reduces ACCD’s infrastructure footprint and total cost of ownership.</p> <p>The solution will facilitate improved data capture and process automation, which saves significant time for staff.</p> <p>Based on a review of Agate’s Statement of Work (SOW), BerryDunn believes the disaster recovery plan to be inadequate.</p>
Implementation Plan Assessment	<p>Based on the SOW and interviews, BerryDunn recommends the State require a detailed implementation plan with documented go-live requirements and expected hours per implementation phase from both the State and Agate. Although BerryDunn believes Agate has provided good baseline information in regard to training, testing, design, and conversion, BerryDunn recommends requesting a detailed implementation plan and schedule that helps solidify Agate’s system upgrade approach.</p>
Cost-Benefit Analysis	<p>BerryDunn believes the benefits of the project outweigh costs.</p>
Impact Analysis on Net Operating Costs	<p>While there is a net annual decrease in operational costs after implementation, the Project will not reach a break-even point within five years.</p>

Deliverable	Independent Review Highlights Including Explanations of Any Significant Concerns
Analysis of Alternatives	BerryDunn has learned from discussion with the Project manager that vendor selection was conducted using the National Association of State Procurement Officials' (NASPO's) Cloud Ordering process. As a result, the State issued the request for proposal (RFP) to the State's IT Retainer Pool of vendors and received one response from SHI, a third-party vendor, on behalf of Agate for its licensing costs.
Security Assessment	Based on Agate's SOW response, Agate has a strong plan in place in terms of security assessments. According to its review, BerryDunn believes Agate provides sufficient information for areas such as information security controls, breach notification and incident response, encryption controls/technologies for data at rest and in transit, vulnerability management, and compliance. However, to fully meet the scope of the system upgrade, BerryDunn recommends the State request additional information surrounding the communication of vulnerability management, a fully detailed risk management program, and data classification specifications from Agate.

1.3 Risks Identified as High Impact and/or Having a High Likelihood of Occurrence

Table 1.3 provides a summary of each high-impact or high-likelihood risk, including risk probability, impact, and overall rating. A complete Risk Register is included in Attachment 2.

Table 1.3: Project Risk Summaries and Ratings

Risk ID	Risk Description	Risk Likelihood/ Probability	Risk Impact	Overall Risk Rating
1	The State has not provided Agate a copy of the draft SOW for review and feedback.	Medium	High	High
7	BerryDunn believe there is a misunderstanding regarding when Project go-live(s) will occur.	Medium	High	High

1.4 Other Key Issues

BerryDunn did not identify any other key issues.

1.5 Recommendation

Based on the assessment provided in this report, BerryDunn recommends the State proceed with contract signature with Agate.

1.6 Independent Reviewer Certification

I certify that this Independent Review Report is an independent and unbiased assessment of the proposed solution's acquisition costs, technical architecture, implementation plan, cost-benefit analysis, and impact on net operating costs based on the information the State made available to BerryDunn.

DocuSigned by: <i>Charlie Leadbetter</i> E0E8D90BA8541F...	4/14/2024
Independent Reviewer Signature	Date

1.7 Report Acceptance

The electronic signature below represents the acceptance of this document as the final completed Independent Review Report.

DocuSigned by: <i>Trisha Watson</i> BBD71B0DB03C430...	4/9/2024
ADS Oversight Project Manager	Date

DocuSigned by: <i>Denise Reilly-Hughes</i> 6041A70735A7442...	4/15/2024
State of Vert Chief Information Officer	Date

2.0 Scope of This Independent Review

2.1 In Scope

The scope of this document fulfills the requirements of State Statute, Title 3, Chapter 56, §3303(d).

The Independent Review includes:

- An acquisition cost assessment
- A technology architecture review and standards review
- An implementation plan assessment
- A cost analysis and model for benefit analysis
- An analysis of alternatives
- An impact analysis on net operating costs for the agency carrying out the activity
- A security assessment

This Independent Review used the following schedule:

- Week of December 25, 2023: Conduct a project planning meeting, develop a participation memo, schedule interviews, and review documentation
- Week of January 1, 2024: Conduct the first round of interviews and document initial findings, risks, and issues
- Weeks of January 8, 2024 and January 15, 2024: Conduct additional research and follow-up interviews and provide a preliminary Independent Review Report to the State
- Week of January 22, 2024: Collect feedback on, revise, and resubmit the Independent Review
- Week of January 29, 2024: Present Independent Review findings, provide an updated report for signature, and facilitate a project closeout meeting (if requested)

2.2 Out of Scope

No items from State Statute, Title 3, Chapter 56, §3303(d) are out of scope for this Independent Review.

3.0 Sources of Information

3.1 Independent Review Participants

Table 3.1 includes a list of personnel who participated in fact-finding meetings and/or communications.

Table 3.4: Independent Review Participants

Name	Employer and Title	Participation Topic(s)
State Personnel		
Brett Long	Deputy Commissioner, ACCD	<ul style="list-style-type: none"> • General Project Information • Implementation Plan Review • Cost-Benefit Analysis • Risk Assessment
Alex Farrell	Deputy Commissioner, Department of Housing and Community Development (DHCD)	
Daegan Goodman	Manager, State Trade Expansion Program (STEP)	
Cindy Blondin	Grants Management Analyst, ACCD	
Todd Baumeister	Business Process Manager, ACCD	
Kevin Viani	IT Director	<ul style="list-style-type: none"> • General Project Information • Implementation Plan Review • Technology Architecture and Standards Review • Risk Assessment
Jeff Demers	IT Manager, ACCD	
Joseph Thetford	IT Security Analyst	
Chary Scott	Enterprise Architect	
Chris Adams	Project Manager	<ul style="list-style-type: none"> • General Project Information • Cost-Benefit Analysis • Risk Assessment
Karen Hango	BA	
Agate Personnel		
BJ Harrison	Director of Project Operations	<ul style="list-style-type: none"> • General Project Information • Implementation Plan Review • Risk Assessment
Jesse King	Project Management Team Lead	
Mark Watters	Account Manager	
Joel Post	Product Manager	

3.2 Independent Review Documentation

Table 3.2 below includes a list of the documentation used to compile this Independent Review.

Table 3.5: Independent Review Documentation

Document Name	Description
Documents located on the State SharePoint site	
01. Exploration (folder)	Contains the IT ABC Forms
ACCD IntelliGrants Replacement IT ABC Form-SIGNED	IT Activity Business Case and Cost Analysis (IT ABC) Form
02. Initiation (folder)	Contains the Project Charter
ACCD Grants Management solution Project Charter	Contains the original project overview, objectives, scope, assumptions, risks, and organization
03. Planning (folder)	Contains planning documents
ACCD Grants Management solution Business Analyst Plan	Business Analysis Planning Documents
Guidance_BAPlan_Selection	
GUIDANCE_EPMO_UserStory	
ACCD Grants Management solution Project Risks 11.8.22	Contains initial Risk Log entries
ACCD Grants Management solution Stakeholder Registry	Contains a list of stakeholders
ACCD Grants Management solution RACI Matrix	Contains the initial RACI (Responsible, Accountable, Consulted, and Informed) Matrix
GMP Glossary of Terms	Contains a list of acronyms and their definitions
Roles and Privileges	Contains an initial list of roles and associated privileges
04. Execution (folder)	Contains execution documents
ACCD Grants Management solution Project Change_Request_Form	Project change request form
05. Monitoring + Controlling (folder)	Contains monitoring and controlling documents
ACCD Grants Management solution Change Management Plan	ACCD Grants Management solution Change Management Plan
ACCD Grants Management solution Project Management Plan	ACCD Grants Management solution Project Management Plan
ACCD Grants Management solution Quality Management Plan	ACCD Grants Management solution Quality Management Plan

Document Name	Description
ACCD Grants Management solution Action Item and Decision Log	Initial Action Items and Decisions logs
Budget and Invoices (folder)	Contains the project budget
ACCD Grants Management solution Project Budget	ACCD Grants Management solution Project Budget
Communications (folder)	Contains project communications
Weekly Status Reports (folder)	Contains status reports for the period 09/03/21 to 01/05/24
ACCD Grants Management solution Communications_Matrix	Initial communications matrix that defines organizational change management (OCM) and project team communications
ACCD Grants Management solution Communication Plan	ACCD Grants Management solution Communication Management Plan
GEARS documentation (folder)	Contains numerous subfolders and files on the existing GEARS system
Procurement (folder)	Contains procurement documents
Contract (folder)	Contains contract documents
2023-12-20 Vermont ACCD Payment Schedule V3	List of items and associated prices
ACCD Grants Management solution NASPO Ordering Doc - Cloud 2024_11	NASPO Ordering Document for the ACCD Grants Management solution
SHI Quote-24308298	Price proposal from SHI
SIGNED-Vendor Justification Memo ACCD Grants Management solution Project.docx	Vendor justification memo
ACCD IGX Upgrade and Migration SOW FINAL 12.21.23	IGX SOW
ACCD Change Request 1 6.28.23	ACCD Grants Management solution Project change request #1
ACCD Grants Management ITS75-NASPO Solicitation	NASPO solicitation document
PAT Memo ADS ACCD Agate IGX Upgrade Cloud Solicitation	ADS Procurement Advisory Team (PAT) approval of NASPO cloud solicitation
VT Statewide domain system	Information on items shared in an IntelliGrants domain system
PM+BA Services (IT Retainer) (folder)	Contains documents for project management and business analysis services
Request for information (RFI) (folder)	Contains RFI documents

Document Name	Description
SOW (folder)	Contains IntelliGrants IGX upgrade implementation executed contract
Requirements (folder)	Contains requirements documents
ACCD GM - BA-AD-0001 Data Flow Diagram	Contains current and future state diagrams for grant management
Initial Product Backlog (Abbreviated Requirements)	Contains an initial list of requirements for the grant management system
Options for Historical Data	Contains an initial set of options for addressing historical data with the new system
User Story LifeCycle - V3.2	Contains process flow diagrams for creating, approving, and testing user stories, as well as documenting process issues
ACCD Grants Management solution Project Schedule	Initial project schedule
Grant Management solution	GovWin Bid Descriptions Opp 46938: GRANT MANAGEMENT SOLUTION GovWin IQ
Grants Management System (GMS)	GovWin Bid Descriptions Opp 167890: GRANTS MANAGEMENT SYSTEM GovWin IQ
Grants Management System, RFQ 540782	GovWin Bid Descriptions Bid 9169830: Grants Management System, RFQ 540782 GovWin IQ

4.0 Project Information

4.1 Historical Background

The ACCD comprises three strategic departments: the Department of Housing and Community Development (DHCD), the Department of Economic Development (DED), and the Department of Touring and Marketing (VDTM). Together, these departments work to enhance economic activity, promote safe and affordable housing, protect the State's historic resources, and increase the number of visitors to the State, which is achieved through promotional, incentive, and grant programs. The ACCD relies on a grant management system to accept and review applications, contract/award, amend, and invoice grants.

In July 2023, the Vermont ADS released an RFP on behalf of ACCD to solicit bids for third-party licensing of Agate's IGX grants management solution application. ADS received a bid from only Agate, which was selected as the State's vendor.

4.2 Project Goals

The successful outcome of the Project is defined by the following success criteria:

- Decrease the time required to process a grant application
- Decrease the number of hours spent manually tracking grant data and producing reports
- Achieve federal compliance
- Streamline grant file storage and enable views by customer account

4.3 Project Management Documentation

Table 4.1 provides a summary of the project management artifacts and descriptions, and frequency, as articulated in Agate's SOW.

Table 4.1: Project Management Artifacts

Project Management Artifacts	Description
Product Software License and IGX Standard Upgrade Package	ACCD will receive a perpetual, non-exclusive IntelliGrants, Version IGX, Enterprise License governed by the terms of the associated license agreement.
On-Site Project Kickoff	Three days on-site with two Agate Software Resources: Agate Software experts will be on-site to facilitate the kickoff process and collaborate closely with the ACCD team.
Project Management	This deliverable focuses on establishing a well-structured project management framework, which includes planning, communication, and resource allocation.

Project Management Artifacts	Description
Product Security Role and Profile Configuration	This deliverable focuses on defining and configuring system security roles and user/organization profiles, helping ensure proper access control, data security, and tailored user experiences.
Configuration: Pre-Application Process	Design and configuration of one Level 1 workflow for the pre-application process.
Configuration: Application Process	Design and configuration of one Level 3 workflow for the application process including electronic signature capability.
Configuration: Application Review Process	Design and configuration of application review components within the existing application document template(s).
Configuration: Environmental Review Process	Design and configuration of one Level 2 workflow for the environmental review process.
Configuration: Award Process	Design and configuration of the award components within the existing application document template(s).
Configuration: Payment Process	Design and configuration of one Level 2 workflow for the payment process.
Configuration: Incentive Process	Design and configuration of one Level 1 workflow for the incentive process.
Configuration: Progress Report Process	Design and configuration of one Level 1 workflow for the progress report process.
Configuration: Monitoring Report Process	Design and configuration of one Level 2 workflow for the monitoring report process.
Configuration: Amendment Process	Design and configuration of the amendment components within the existing application document template(s).
Configuration: Single Audit Process	Design and configuration of one Level 1 workflow for the single audit process.
Configuration: Closeout Process	Design and configuration of the closeout components within the existing application document template(s).
Reporting Package	The Reporting Package deliverable is an essential component of the IntelliGrants IGX upgrade for the VT ACCD, providing valuable insights and data visualization through various report formats. These reports enable users to efficiently analyze and monitor grant-related data, supporting informed decision-making and effective grant management. Reports can also be created that gather data from both the previous GEARS system and the new IGX system.

Project Management Artifacts	Description
Salesforce System Interface	This deliverable focuses on designing and developing a two-way system interface, enabling seamless data exchange between IntelliGrants and Salesforce, and improving efficiency and data consistency.
VISION Financial System Interface	This deliverable focuses on designing and developing a two-way system interface, enabling seamless data exchange between IntelliGrants and the VISION Financial System, and improving efficiency and data consistency in financial management.
Data Migration	The data migration process for this project will be conducted in three phases to help ensure a smooth transition to the IntelliGrants IGX system. Timely and effective communication between ACCD and Agate is crucial for the successful completion of the data migration process.
Service Enhancements	This deliverable includes up to 500 Agate resource hours.
External User Training Manual	<ul style="list-style-type: none"> • One external user training manual: <ul style="list-style-type: none"> ○ One electronic copy in PDF format ○ Up to 50 pages ○ ACCD-specific content (i.e., terminology, screenshots)
Administrative Manual	<ul style="list-style-type: none"> • One ACCD staff training manual: <ul style="list-style-type: none"> ○ One electronic copy in PDF format ○ Up to 75 pages ○ ACCD-specific content (i.e., terminology, screenshots)
Web Cast External User Training	<ul style="list-style-type: none"> • One session of webcast system training for external users (up to four hours) • Training agenda • Recording of the provided training session can be made available to through the IntelliGrants system
Web Cast Administrative User Training	<ul style="list-style-type: none"> • One session of webcast system training for administrative users (up to four hours) • Training agenda • Recording of the provided training session can be made available to through the IntelliGrants system
Training Videos	<ul style="list-style-type: none"> • Two prerecorded training videos <ul style="list-style-type: none"> ○ Up to 20 minutes in length each ○ [CUSTOMER]-specific content (i.e., terminology, system) • Video will be made available through a hyperlink contained within the IntelliGrants system
On-Site System Configuration and Report Builder Training	<ul style="list-style-type: none"> • Up to three consecutive days of on-site System Configuration and Report Builder Training (up to 24 total hours)

Project Management Artifacts	Description
	<ul style="list-style-type: none"> • Installation of a ACCD training site; available for three months from the date of the training sessions
System Configuration and Report Builder Subscription	<ul style="list-style-type: none"> • Continued access to the Report Builder tool • Updated stock System Configuration and Report Builder training manuals • Semi-annual live web-based training for up to five ACCD staff members • Continued access to configuration tools

4.4 Project Phases, Milestones, and Schedule

The Agate SOW does not include a proposed schedule. BerryDunn recommends requiring Agate provide a draft schedule with proposed phases and estimated completion dates.

5.0 Acquisition Cost Assessment

Table 5.1 includes a summary of acquisition costs reported to BerryDunn during this Independent Review.

Table 5.6: Acquisition Cost Assessment

Acquisition Costs	Cost	Comments
Vendor Implementation/Installation/Configuration	\$939,230.20	
ADS EPMO Project Oversight and Reporting	\$10,912.00	124 hours x \$88.00
ADS EPMO Project Manager for Implementation	\$60,000.00*	681 hours x \$88.00
ADS EPMO Business Analyst for Implementation	\$60,000.00*	681 hours x \$88.00
ADS Enterprise Architect Staff for Implementation	\$10,000.00*	Approximately 114 hours x \$88.00
ADS Security staff for Implementation	\$25,000.00*	284 hours x \$88.00
Other ADS IT Labor for Implementation	\$20,000.00*	227 hours x \$88.00
Independent Review	\$25,000.00	
Total One-Time Acquisition Costs	\$1,130,142.2	

*These calculations are rounded to the nearest \$1,000 in the IT ABC form. BerryDunn has done the same to avoid confusion.

1. Cost Validation: Describe how you validated the acquisition costs.

BerryDunn validated acquisition costs during documentation review, an interview with the ADS project manager, and its review of the draft contract and IT ABC Form.

2. Cost Comparison: How do the acquisition costs of the proposed solution compare to what others have paid for similar solutions? Will VT be paying more, less, or about the same?

BerryDunn researched GovWin to research what other state government agencies have paid for similar solutions and services. In Table 5.2, BerryDunn compared the anticipated cost for the Project to peer organizations that have undertaken similar initiatives or acquired similar systems.

Table 5.2: Cost Comparison for Peer Agencies

State Agency	System	Cost/Year	Vendor
Massachusetts, Executive Office for Administration and Finance	Grants Management System Opp: 8603173. Grants Management System GovWin IQ	Implementation: \$2,093,125.00/2023 Post-Implementation Support: \$575,317.83	CBTS Technology Solution, LLC.

State Agency	System	Cost/Year	Vendor
Vermont, Department of Buildings and General Services	Grants Management System Opp: 150863 Grants Management System GovWin IQ	\$1,129,920.00/including operations costs over five years/2017	MTW Solutions, LLC.
South Carolina, Department of Education	Grants Management System Opp: 161003 Grants Management System GovWin IQ	\$2,553,213.53/2021	REI Systems, INC.
Kentucky, Justice and Public Safety Cabinet	Electronic Grants Management System Opp: 42418 Electronic Grants Management System GovWin IQ	\$1,503,106.00/Totaling five years/2007	Agate Software, INC.

Given potential differences in solutions and services procured by other states and the highly specific nature of this Project, this analysis is intended to be informational in nature and should not serve as a basis for what the State should be paying.

- 3. Cost Assessment:** Are the acquisition costs valid and appropriate in your professional opinion? List any concerns or issues with the costs.

Based on BerryDunn's analysis experience, the firm believes the State is paying comparable costs to similar solutions and services on the market.

6.0 State's Enterprise Architecture Guiding Principles

1. State's Enterprise Architecture Guiding Principles: Describe how the proposed solution aligns with each of the State's Enterprise Architecture Guiding Principles.

a. Assess how well the technology solution aligns with the business direction

Agate's Grants Management solution upgrade aligns with the IT Modernization strategic goal in the ADS Strategic Plan. The solution upgrade strengthens ADS' digital foundation by replacing legacy IT systems and deploying new systems with a cloud-based offering that reduces ADS' infrastructure footprint and total cost of ownership.

b. Assess how well the technology solution maximizes benefits for the State

Primary benefits the solution provides the State will be those articulated in the IT ABC Form and the RFP, including:

- **Enterprise Alignment and Readiness:** Agate's System upgrade will provide a single view of grant activities by customer account, leveraging the State's preferred Customer Relationship Management (CRM) platform. Additionally, a benefit to the Agate System upgrade is the retirement of the legacy system "IntelliGrants".
- **Customer Service Improvement:** Agate's System upgrade will enable improved data capture and process automation, which helps save significant staff time. The legacy system has limited reporting capabilities, which has led to staff creating undesirable work-arounds in Microsoft Excel. The System upgrade will eliminate the current need for multiple supporting systems to provide reporting functionality, as the State will be move to an enterprise solution.
- **Risk Reduction:** The current legacy system is on-premises and lacks the resiliency of the cloud. Moving to a cloud-based system should improve availability and allow for the State to retire the existing IntelliGrants system.
- **Compliance:** After completing its review of Agate-provided documentation, BerryDunn believes Agate has provided sufficient information to meet Section 508 compliance standards.
- **Technical Debt:** According to the Business Justification in the IT ABC Form, the Agate System upgrade will help decrease technical debt through the reduction of costly, unsupported systems and applications. However, BerryDunn cannot confirm whether there is a solidified plan to see this reduction in technical debt due to lack of documentation (e.g., cost-benefit analysis).

c. Assess how well the information architecture of the technology solution adheres to the principle of Information is an Asset

Agate's System upgrade will address the State's immediate needs for a cloud-based grants management system and allow it to scale and evolve to meet the State's future capability needs. Agate's System upgrade can integrate with the Salesforce technology platform, enabling seamless data exchange between IntelliGrants and Salesforce as well as improving efficiency and data consistency.

d. Assess if the technology solution will optimize processes

BerryDunn believes the new technology system upgrade will better optimize current business processes, as the Agate cloud-based system upgrade is anticipated to include:

- Improved reporting functionality
- Salesforce platform integration
- VISION financial platform integration
- Service enhancements, including changes to approved forms, business rules, security roles, workflows, and more.

e. Assess how well the technology solution supports resilience-driven security

After conducting interviews with Agate, BerryDunn believes Agate's solution will support the State's goal of supporting resilience-driven data. Agate provided supporting evidence, including robust security features, continuity planning and disaster recovery, proactive threat monitoring, and compliance and security standards.

2. Sustainability: Comment on the sustainability of the solution's technical architecture (i.e., is it sustainable?)

After conducting interviews with Agate, BerryDunn believes the Agate solution will support the State's goal of supporting sustainable technical architecture. Agate provided supporting evidence, including scalability and flexibility, interoperability, consistency and standardization, and security and compliance.

3. How does the solution comply with the ADS Strategic Goals enumerated in the Agency of Digital Services Strategic Plan 2022 – 2026?

Agate complies with the IT Modernization strategic goal in the ADS Strategic Plan. The system upgrade strengthens ADS' digital foundation by upgrading legacy IT systems to a newer version with a cloud-based offering and by reducing ADS' infrastructure footprint and total cost of ownership.

4. Compliance with the Section 508 Amendment to the Rehabilitation Act of 1973, as amended in 1998: Comment on the solution's compliance with accessibility standards as outlined in this amendment. Reference: <https://www.section508.gov/manage/laws-and-policies/>

After completing its review of the provided documentation by Agate, BerryDunn believes that solution will meet Section 508 compliance standards.

After completing its review of the SOW and the IT ABC Form, BerryDunn cannot confidently comment on whether Agate is compliant with Section 508 of the Rehabilitation Act of 1973 Amendment. According to the IT ABC Form, the system upgrade will “meet a previously unmet State or Federal compliance requirement,” but no further information is provided on what compliance requirement is being met.

- 5. Disaster Recovery:** What is your assessment of the proposed solution’s disaster recovery plan? Do you think it is adequate? How might it be improved? Are there specific actions that you would recommend to improve the plan?

After reviewing Agate’s response during the interview, BerryDunn believes Agate has an adequate approach to disaster recovery. Agate provided a disaster recovery plan that included plans for areas such as protecting data and backups, communicating during a disaster, activating the disaster recovery plan, restoring IT functionality, and planning and testing.

- 6. Data Retention:** Describe the relevant data retention needs and how they will be satisfied for or by the proposed solution.

After reviewing Agate’s response during the interview, BerryDunn believes Agate’s solution will meet the State’s data retention needs. Specifically, Agate provided a detailed section surrounding data and backups in the disaster and recovery plan.

- 7. Service Level Agreement (SLA):** What are the post-implementation services and service levels required by the State? Is the vendor-proposed SLA adequate to meet these needs in your judgment?

After reviewing Agate’s response during the interview, BerryDunn believes Agate has proven there is a solidified SLA approach. Specifically, Agate provided information surrounding its standard services, including live help desk support, access to ProjecTrax, weekly updates for bugs and fixes, support service packs/patches from third-party vendors, quarterly global updates to IntelliGrants CORE products, and access to optional major functionalities upgrades that provide additional product functionality.

- 8. System Integration:** Is the data export reporting capability of the proposed solution consumable by the State? What data is exchanged, and what systems (State and non-State) will the solution integrate/interface with?

After reviewing the SOW and the IT ABC Form, BerryDunn believes the Agate system upgrade sufficiently meets system integration requirements. According to its research, BerryDunn found the system upgrade can interface with:

Salesforce	VISION	SAM.gov
Grants.gov	USPS	Bing Maps GIS

7.0 Assessment of Implementation Plan

1. The reality of the implementation timetable.

Agate's SOW did not include a preliminary outline of a schedule. BerryDunn suggests requiring Agate provide the State with an implementation timetable, including task breakdowns and estimated start and finish dates.

2. Readiness of impacted divisions/departments to participate in this solution/Project (consider current culture, staff buy-in, organizational changes needed, and leadership readiness).

Based on interviews with project leadership, project staff, and vendor personnel as well as document reviews, BerryDunn recommends the State incorporate plans to develop an OCM plan to engage all stakeholder groups across impacted departments (see Risk #5 in the Risk Register).

3. Do the milestones and deliverables proposed by the vendor provide enough detail to hold the vendor accountable for meeting the business needs in these areas?

a. Project Management

Agate's SOW did not provide sufficient details for how Agate will approach planning, managing, and controlling the Project. In particular, the SOW did not include a proposed implementation and maintenance schedule or an implementation plan with phases and tasks. BerryDunn believes Agate has not provided enough detail on how it will meet the needs of the business in regard to project management.

b. Training

Agate's SOW includes training deliverables of web cast external users, web cast administrative users, training videos, and on-site system, configuration, and report build-out training. The deliverable description includes the number of expected hours and participants as well as deliverable assumptions. BerryDunn believes Agate has provided enough detail on how it will meet the needs of the business in regard to training.

c. Testing

Agate's SOW has multiple references in regard to its testing approach. During Phase 2 of data migration, Agate will conduct thorough testing of program templates to help ensure they function correctly and can effectively handle migrated data. Additionally, Agate stated ACCD will play an active role in testing by helping identify a representative subset of active grant data for testing to help ensure the templates function as intended.

Agate's proposed SOW also noted that Agate will conduct user acceptance testing (UAT) during configuration, which will help ensure configured items are functioning

as desired. BerryDunn believes Agate has provided enough detail on how it will meet the needs of the business in regard to testing.

d. Design

Agate's SOW has multiple references to its design approach, including multiple levels for designs (e.g., workflow design and build design) that go through the change management process. Additionally, Agate stresses the importance of needing completed documentation that accurately reflects the State's requirements to help ensure the soundness of builds during the system upgrade.

During each stage of configuration, BerryDunn observed that Agate provided plans to incorporate the design process and how design fits into the grander scheme of the system upgrade. BerryDunn believes Agate has provided enough detail on how it will meet the needs of the business in regard to design.

e. Conversion

Agate's SOW had multiple references to its data migration, rather than conversion, approach. Specifically, Agate described data migration will take place via a three-phased approach.

1. Phase 1: Building Out Program Templates. During this phase, Agate will focus on building out program templates, dating as far back to 2007, which is a crucial step to help ensure the historical data from the legacy system can be accurately and effectively migrated.
2. Phase 2: Testing of Program Templates. During this phase, Agate will conduct thorough testing of program templates that will have active grant data migrated, which is crucial to help ensure templates are functioning as desired.
3. Phase 3: Data Migration and Integration. During this phase, Agate will migrate historical data to the production site.

BerryDunn believes Agate has provided enough detail on how it will meet the needs of the business in regard to conversion.

f. Implementation Planning

Agate's SOW referenced the use of ProjecTrax—a proprietary web-based software product developed by Agate—that will be used to facilitate task tracking and serve as a document repository. During implementation, ProjecTrax will be used to inform key customer resources on which functional system elements are ready for customer design review and UAT. However, without an implementation schedule, BerryDunn cannot confidently comment on whether the implementation plan, or use of ProjecTrax, is sufficient.

g. Implementation

Agate's SOW includes a proposed payment milestone schedule that outlines the number of days needed for each deliverable phase. According to the SOW, there is also an included proposed schedule and cost breakdown for each implementation for the system upgrade and each implementation's required hours. Without reviewing this proposed schedule, BerryDunn cannot comment on whether it is sufficiently detailed or feasible. BerryDunn believes Agate has not provided enough detail on how it will meet the needs of the business in regard to implementation.

4. Does the State have a resource lined up to be the project manager on the project? If so, does this person possess the skills and experience to be successful in this role in your judgment? Please explain.

Based on BerryDunn's interactions with the Project manager during this Independent Review, BerryDunn believes the individual has the skills and experience necessary for the role.

8.0 Cost Analysis and Model for Benefit Analysis

- 1. Analysis Description:** Provide a narrative summary of the cost-benefit analysis conducted. Be sure to indicate how the costs were independently validated.

BerryDunn evaluated the costs the State provided in the IT ABC Form and the SOW. BerryDunn discussed the benefits of the Project during interviews with the State and incorporated that information in this report.

- 2. Assumptions:** List any assumptions made in your analysis.

The cost-benefit analysis was performed using the following assumptions:

- There is a five-year life cycle, with implementation activities beginning in FY 2024
- Maintenance and licensing payments will begin in FY 2024
- All implementation and payments to Agate will be made according to the contract
- State labor costs are for implementation only, not for time spent during previous Project phases before contract execution (e.g., exploration, planning, contracting)

- 3. Funding:** Provide the funding source(s). If multiple sources, indicate the percentage of each source for both acquisition costs and ongoing operational costs over the duration of the system/service life cycle.

The Project will pay 100% of implementation and operating costs with State funds.

- 4. Tangible Costs and Benefits:** Provide a list and description of the tangible costs and benefits of this Project. It is “tangible” if it has a direct impact on implementation or operating costs (an increase = a tangible cost, and a decrease = a tangible benefit). The cost of software licenses is an example of a tangible cost. Projected annual operating cost savings is an example of a tangible benefit.

Tangible Costs

- Implementation service (one-time) costs include:
 - Vendor implementation/installation/configuration: \$939,230.20
 - ADS EPMO Project Oversight: \$10,912
 - ADS EPMO Project Manager: \$60,000
 - ADS EPMO BA: \$60,000
 - ADS EA: \$10,000
 - ADS Security Staff: \$25,000
 - Other ADS Labor: \$20,000
 - Independent review: \$25,000

- Maintenance, support, hardware, hosting, and license costs include:
 - Annual Agate maintenance/service fees: \$18,996.19
 - Annual Agate maintenance costs: \$0
- Annual State labor costs include:
 - IT labor to operate & maintain the solution: \$40,000

Tangible Benefits

Based on the State's assumptions in the IT ABC Form, the State will realize tangible benefits by improving efficiency and automating processes as a result of implementing the new solution. The State's assumptions for these savings are as follows:

- A net decrease to State costs resulting from a reduction in operating costs and/or infrastructure costs. The current annual vendor maintenance/service cost is \$55,350 and is projected to decrease to \$18,996.19
- A reduction of technical debt by replacing costly, unsupported systems and applications.

- 5. Intangible Costs and Benefits:** Provide a list and descriptions of the intangible costs and benefits. It is "intangible" if it has a positive or negative impact but is not cost related. Examples: Customer service is expected to improve (intangible benefit), or employee morale is expected to decline (intangible cost).

Intangible costs and benefits include:

- A new or improved customer service for internal or external customers (e.g., service automation, improved access to information, improved service quality, and faster turnaround times)
- A reduction of a risk to the State as a result of replacing an unstable system, improving security, and implementing a sustainable solution.
- Improved availability to customers through the implementation of a cloud-based system.
- Becoming federally compliant.

- 6. Costs vs. Benefits:** Do the benefits of this Project (consider both tangible and intangible) outweigh the costs in your opinion? Please elaborate on your response.

BerryDunn believes the benefits of the Project outweigh the costs.

- 7. IT ABC Form Review:** Review the IT ABC Form (Business Case/Cost Analysis) created by the State for this Project. Is the information consistent with your Independent Review and analysis? If not, please describe. Is the life cycle that was used appropriate for the technology being proposed? If not, please explain.

The draft IT ABC Form largely reflects BerryDunn's findings, and BerryDunn used it to inform the financial analysis.

9.0 Analysis of Alternatives

- 1. Provide a brief analysis of alternative solutions that were deemed financially unfeasible.**
- 2. Provide a brief analysis of alternative technical solutions that were deemed unsustainable.**
- 3. Provide a brief analysis of alternative technical solutions where the costs for operations and maintenance were unfeasible.**

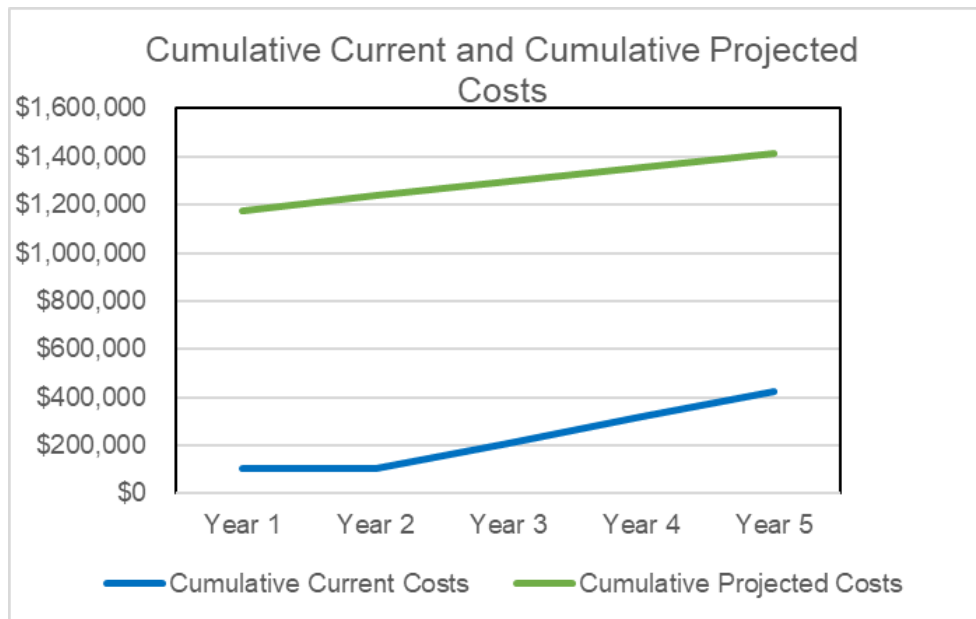
BerryDunn has learned from discussion with the Project manager that vendor selection was conducted using the NASPO Cloud Ordering process. As a result, the State issued the RFP to the State's IT Retainer Pool of vendors and received one response from SHI, a third-party vendor, on behalf of Agate for its licensing costs.

10.0 Impact on Analysis of Net Operating Costs

1. Insert a table to illustrate the Net Operating Cost Impact.

Figure 10.1, on the following page, illustrates the impact on net operating costs over five years. Please note that BerryDunn used the IT ABC Form approved at the time of fact-finding activities and might not reflect currently anticipated costs based on changes made to the Project's estimates since. Later versions of the IT ABC Form and/or the draft contract with Agate might have more current information.

Figure 10.1: Life Cycle Analysis



2. Provide a narrative summary of the analysis conducted and include a list of any assumptions.

BerryDunn conducted an impact analysis on net operating costs using the costs validated and verified in the acquisition cost assessment and cost-benefit analysis sections in this report. The following assumption was used during this analysis:

- There is a five-year life cycle, with implementation activities occurring during the first and second years (FY 2024).
- The projected costs for FY 2024 Professional Services (Non-Software Costs) include:
 - Agate's Implementation Services: \$939,230.20
 - Independent Review Services: \$25,000

- The projected cost for Other Costs (State Labor) includes the following for each year of implementation (i.e., FY 2024 and FY 2025):
 - ADS EPMO Project Oversight: \$10,912
 - ADS EPMO Project Manager: \$60,000
 - ADS EPMO BA: \$60,000
 - ADS EA: \$10,000
 - ADS Security Staff: \$25,000
 - Other ADS Labor: \$20,000
- The projected annual costs from FY 2024 through FY 2028 for Maintenance, Support, Hardware, Hosting, and Licenses include:
 - Agate's Maintenance Services: \$18,996.19
 - ADS's solution Maintenance Costs: \$40,000

3. Explain any net operating increases that will be covered by federal funding. Will this funding cover the entire life cycle? If not, please provide the breakouts by year.

All net operating costs (100%) will be covered by State funding.

4. What is the break-even point for this IT activity (considering implementation and ongoing operating costs)?

Based on the costs in the draft contract and IT ABC Form, there is no break-even point prior to the end of FY 2028, as shown in Table 10.2 below.

Table 10.2: Baseline Current and Baseline Projected Costs

Description	Implementation	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Total
	FY24	FY25	FY26	FY27	FY28	FY29	
Maintenance, Support, Hardware, Hosting, and License Costs							
Enterprise Application – License Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating System – Hosting	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000
Support and Maintenance	\$27,105.26	\$18,996.19	\$18,996.19	\$18,996.19	\$18,996.19	\$18,996.19	\$122,086.21
Other Professional Services							
Vendor Implementation/ Installation/ Configuration	\$939,230.20	\$0	\$0	\$0	\$0	\$0	\$939,230.20
Implementation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Independent Review	\$25,000	\$0	\$0	\$0	\$0	\$0	\$25,000

Description	Implementation	Maintenance	Maintenance	Maintenance	Maintenance	Maintenance	Total
	FY24	FY25	FY26	FY27	FY28	FY29	
State Labor Costs							
ADS EPMO Project Oversight	\$10,912	\$0	\$0	\$0	\$0	\$0	\$10,912
ADS EPMO Project Manager	\$60,000	\$0	\$0	\$0	\$0	\$0	\$60,000
ADS EPMO BA	\$60,000	\$0	\$0	\$0	\$0	\$0	\$60,000
ADS EA	\$10,000	\$0	\$0	\$0	\$0	\$0	\$10,000
ADS Security Staff	\$25,000	\$0	\$0	\$0	\$0	\$0	\$25,000
Other ADS Labor	\$20,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$220,000
Other Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Costs	\$0	\$0	\$18,996.19	\$18,996.19	\$18,996.19	\$18,996.19	\$75,984.76
Total Implementation	\$1,177,247.46	\$58,996.19	\$40,000	\$40,000	\$40,000	\$40,000	\$1,396,243.65
Total Life Cycle Costs to Be Paid With State Funds	\$1,177,247.46	\$58,996.19	\$58,996.19	\$58,996.19	\$58,996.19	\$58,996.19	\$1,472,228.41
Total Life Cycle Costs to Be Paid With Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0

11.0 Security Assessment

1. Will the new system have its own information security controls, rely on the State's controls, or incorporate both?

After completing its review of the SOW, BerryDunn believes Agate provides sufficient detail in regard to the security controls the system upgrade will provide. Specifically, in its response to the SOW, Agate explains that the system upgrade will use Transport Layer Security (TLS) 1.2 to encrypt traffic from the client browser to the server and will use TLS 1.2 to encrypt traffic between the web server and Azure SQL Managed instance database server respective to the client. Additionally, the data is encrypted in transit.

2. What method does the system use for data classification?

After completing its review of the SOW, BerryDunn believes Agate does not provide sufficient information on how the system upgrade will address data classification. BerryDunn recommends the State require a documented approach on how Agate will address data classification/organization.

3. What is the vendor's breach notification and incident response process?

After completing its review of the SOW, BerryDunn believes Agate provides sufficient information on how the system upgrade will address breach notification and incident response. Specifically, in its response to the SOW, Agate provided a full business continuity and disaster recovery plan that included its plans for managing data and backups, communicating during a disaster, activating the disaster recovery plan, restoring IT functionality, and conducting plan testing and maintenance.

4. Does the vendor have a risk management program that specifically addresses information security risks?

After completing its review of the SOW, BerryDunn believes Agate does not provide sufficient information on a proper risk management program. BerryDunn recommends the State require a documented risk management approach from Agate.

5. What encryption controls/technologies does the system use to protect data at rest and in transit?

After completing its review of the SOW, BerryDunn believes Agate provides sufficient information surrounding encryption controls/technologies. Specifically, in its response to the SOW, Agate explained the data is encrypted in transit by TLS 1.2, and data at rest is encrypted by Microsoft BitLocker (files on the web server) and Microsoft Transparent Data Encryption (database).

6. What format does the vendor use for continuous vulnerability management, what process is used for remediation, and how do they report vulnerabilities to customers?

After completing its review of the SOW, BerryDunn believes Agate provides sufficient information surrounding vulnerabilities. Specifically, in its response to the SOW, Agate

explained it provides proactive threat monitoring and follows industry standards and regulations to help ensure it is proactively identifying vulnerabilities. However, BerryDunn was unable to find any mention of the communication method and/or timing of communication surrounding vulnerabilities at this time.

7. How does the vendor determine their compliance model and how is their compliance assessed?

After completing its review of the SOW, BerryDunn believes Agate provides sufficient information surrounding vulnerabilities. Specifically, in its response to the SOW, Agate explained it prioritizes security and compliance by adhering to industry standards and regulations. The system upgrade includes robust security measures, data encryption, access controls, and ongoing monitoring to safeguard sensitive information and mitigate potential risks or vulnerabilities.

12.0 Risk Assessment and Risk Register

The risks identified during this Independent Review can be found in Attachment 2 – Risk Register.

Attachment 1 – Life Cycle Cost-Benefit Analysis

Table A.1, on the following page, reflects a five-year life cycle cost analysis.

Table A.7: Life Cycle Costs by Year

Impact on Operating Costs	FY24	FY25	FY26	FY27	FY28	FY29	Five-Year Totals
Professional Services (Non-Software Costs)							
Current Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Projected Costs	\$964,230	\$0	\$0	\$0	\$0	\$0	\$964,230
Hardware, Hosting, and License Costs							
Current Costs	\$65,660	\$65,660	\$65,660	\$65,660	\$65,660	\$65,660	\$328,300
Projected Costs	\$27,105	\$18,996	\$18,996	\$18,996	\$18,996	\$18,996	\$103,090
Other Costs (State Labor)							
Current Costs	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$240,000
Projected Costs	\$185,912	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$385,912
Baseline Current Cost	\$105,660	\$105,660	\$105,660	\$105,660	\$105,660	\$105,660	\$528,300
Baseline Projected Costs	\$1,177,247	\$58,996	\$58,996	\$58,996	\$58,996	\$58,996	\$294,981
Cumulative Current Costs	\$105,660	\$105,660	\$211,320	\$316,980	\$422,640	\$528,300	\$528,300
Cumulative Projected Costs	\$1,177,247	\$1,236,244	\$1,295,240	\$1,354,236	\$1,413,232	\$1,472,228	\$1,472,228
Net Impact on Professional Services	(\$964,230)	\$0	\$0	\$0	\$0	\$0	(\$964,230)
Net Impact on Software Acquisition, Maintenance, Support, Licenses Costs, and Other	(\$107,357)	\$46,664	\$46,664	\$46,664	\$46,664	\$46,664	\$79,298
Net Impact on Operating Costs:	(\$1,071,587)	\$46,664	\$46,664	\$46,664	\$46,664	\$46,664	(\$884,932)

Attachment 2 – Risk Register

Data Element	Description
Risk #	Sequential number assigned to a risk to be used when referring to the risk.
Risk Likelihood/Probability, Impact, Overall Rating	Two-value indicator of the potential impact of the risk if it were to occur, along with an indicator of the probability of the risk occurring. Assigned values are High, Medium, or Low.
Source of Risk	Source of the risk, which might be interviews with the State, project documentation review, or vendor interview.
Risk Description	Brief narrative description of the identified risk.
Implication	A likely consequence of the identified risk.
State’s Planned Risk Strategy	Strategy the State plans to take to address the risk. Assigned values are Avoid, Mitigate, Transfer, or Accept.
State’s Planned Risk Response	Risk response the State plans to adopt based on discussions between State staff and BerryDunn reviewers.
Timing of Risk Response	Planned timing for carrying out the risk response, which might be prior to contract execution or subsequent to contract execution.
Reviewer’s Assessment of State’s Planned Response	Indication of whether BerryDunn reviewers think the planned response is adequate and appropriate, including recommendations if not.

Risk Rating Criteria			
Scale	Low	Medium	High
Impact	Condition does not impact quality and is unlikely to impact achievement of Project objectives. -OR- Condition might be mitigated through adjustment in effort to avoid impacts to Project objectives.	Condition might be mitigated through reduction or deferral of baseline scope to avoid impact to quality and/or moving date of key milestone. -OR- Condition might be mitigated by focused corrective actions to help ensure achievement of Project objectives.	Condition might require acceptance of agreed-upon modifications to avoid impact(s) to key Project objectives. -OR- Conditions might introduce risk to Project scope, quality of work products, system solution, and/or user experience.
Likelihood	1% – 39%	40% – 89%	90% – 100%

Risk #: #1	Risk Likelihood/Probability: Medium	Risk Impact: High	Overall Risk Rating: Medium
Source of Risk: Interview with Agate			
<p>Risk Description: The State has not provided Agate a copy of the draft SOW for review and feedback.</p> <p>BerryDunn learned during its interview with Agate that they had not been provided with a copy of the draft SOW.</p> <p>Without allowing for Agate to provide feedback, BerryDunn believes there is a possibility that significant changes might be required before the State and Agate are prepared to finalize the SOW. BerryDunn recommends the State plan to allow significant time for Agate to review the draft SOW and anticipate that several iterations might need to be drafted before contract execution.</p>			
State's Planned Risk Strategy: Mitigate			
<p>State's Planned Risk Response:</p> <p>The procurement vehicle for this project is a NASPO/ITS75 solicitation, where a third-party vendor (SHI for this project) acts as a go between selling the services of another vendor (Agate for this project). Instead of a standard state contract or SOW, the NASPO/ITS75 process uses a standard Ordering Document that can be supplemented by a Software Related Services Ordering Form. The order is placed with the third-party vendor based on the bid response to the solicitation. In the case of this project, the State has worked with Agate to provide additional details to the order form which will be placed in the Software Related Services Ordering form, including detailed definitions of the work to be completed, detailed scope definition, data migration process, service enhancements, training, and reporting. The content for this came directly from Agate, so there will be no surprises in the content of the ordering doc for Agate. The PM for the project has transferred this content into the standard form and after approval from procurement, will share with Agate and SHI.</p>			
Timing of Risk Response: In progress			
Reviewer's Assessment of State's Planned Response: BerryDunn accepts the State's planned response.			
<p>Updates Discussed During Presentation of Findings:</p> <p>State created SOW in partnership with Agate who now has the SOW. Implementation will be based on the ratified SOW.</p>			

Risk #: #2	Risk Likelihood/Probability: Medium	Risk Impact: Medium	Overall Risk Rating: Medium
Source of Risk: Interview with ADS IT and Project Management			
<p>Risk Description: The high-level draft schedule and contract could use more detail regarding the activities required for migrating data from legacy system into the new version of the configuration.</p> <p>BerryDunn identified during its review of the draft schedule and contract that the State's expectations for how Agate will execute data migration activities and how these will be completed within the scheduled time period.</p> <p>Without aligning detailed expectations on the Project data migration schedule and approach, the Project might not allocation sufficient time for data migration activities.</p>			
State's Planned Risk Strategy: Mitigate			
<p>State's Planned Risk Response:</p> <p>The State has received a complete implementation schedule including tasks, durations, start and end dates. The implementation schedule shows how the implementation will be executed. The project team discussed the schedule and will provide feedback to the vendor.</p>			
Timing of Risk Response: In progress			
Reviewer's Assessment of State's Planned Response: BerryDunn accepts the State's planned response.			
<p>Updates Discussed During Presentation of Findings:</p> <p>Schedule has been flushed out. Agate will be providing a potential start date with appropriate schedule updates.</p>			

Risk #: #3	Risk Likelihood/Probability: Low	Risk Impact: Low	Overall Risk Rating: Low
Source of Risk: Interviews with Project Management and Project Leadership			
<p>Risk Description: The draft schedule and contract does not provide clear traceability between project tasks and payment milestones to Agate.</p> <p>BerryDunn identified during its review of the draft schedule and contract as well as confirmed during its interview with Project Management that, while the Project has a draft schedule, it is unclear how the tasks in the schedule correlate to Agate's payment milestones. Without clarifying how Project contract milestones correspond to tasks, the Project might experience disagreement with Agate on when payment for completed work should occur.</p>			
State's Planned Risk Strategy: Mitigate			
<p>State's Planned Risk Response:</p> <p>A payment schedule has been provided by Agate and will be found here.</p>			
Timing of Risk Response: Completed			
Reviewer's Assessment of State's Planned Response: BerryDunn accepts the State's planned response.			
<p>Updates Discussed During Presentation of Findings:</p> <p>The payment schedule provided to Agate has been ratified with both parties.</p>			

Risk #: #4	Risk Likelihood/Probability: Medium	Risk Impact: Medium	Overall Risk Rating: Medium
Source of Risk: Interviews with Project Management, Project Leadership, and ADS IT			
<p>Risk Description: The draft contract could use additional information on the expected level of involvement (e.g., number of hours per week working on the Project) and role descriptions to help State resource availability is understood and agreed upon by the State and Agate.</p> <p>BerryDunn identified during its review of the draft contract that, while there was mention of Agate's resources and expected number of hours working on each phase of the Project, there was no detail regarding the State's ability to provide resources from the involved agencies and departments. Without these expectations defined and agreed-upon in the draft contract, the State and Agate are at risk of being misaligned on the Project's State resources, which might impact the proposed schedule and sequence of releases.</p>			
State's Planned Risk Strategy: Mitigate			
<p>State's Planned Risk Response:</p> <p>The vendor is estimating a State project manager resource for 10 hours/week and estimating three business resources for requirements elicitation and testing activities with an average of 6.00 hours/resource/week or 936 hrs. over a 52-week duration. (3 ACCD resource x 6hrs. x 52 weeks = 936hrs.)</p>			
Timing of Risk Response: Prior to contract signature			
Reviewer's Assessment of State's Planned Response: BerryDunn accepts the State's planned response.			
<p>Updates Discussed During Presentation of Findings:</p> <p>Communicated to the project team and the business. Will perform further breakdowns of requirements per role so the business can plan accordingly both prior to and after contract signing. Estimates will be adjusted accordingly.</p>			

Risk #: #5	Risk Likelihood/Probability: Medium	Risk Impact: Low	Overall Risk Rating: Low
Source of Risk: Interview with Project Leadership			
<p>Risk Description: The Project might experience challenges with making high-level decisions regarding the solution experience given the number of agencies and departments planning to implement and use the new system version.</p> <p>BerryDunn learned during its interview with Project Leadership that while using the previous grants management system, the State established a governance body to help manage the user experience of external users navigating between multiple agencies. Without a similar approach formalized in a governance management plan, the agencies and departments might be misaligned on expectations for how to align the configuration of their particular solution instances.</p>			
State's Planned Risk Strategy: Mitigate			
<p>State's Planned Risk Response:</p> <p>The business, with assistance from ADS, will use the framework created previously to restart the governance committee and sort through items that will impact the three separate agencies' using the Agate platform. Once reestablished ACCD, AOT, and CCVS will take ownership of the governance committee.</p>			
Timing of Risk Response: In progress			
Reviewer's Assessment of State's Planned Response: BerryDunn accepts the State's planned response.			
<p>Updates Discussed During Presentation of Findings:</p> <p>Governance Board is not currently in-place but will be activated later. Board needs to consider ongoing changes which will impact a central grant system.</p>			

Risk #: #6	Risk Likelihood/Probability: Medium	Risk Impact: Medium	Overall Risk Rating: Medium
Source of Risk: Interviews with Project Management, Project Leadership, and ADS IT			
<p>Risk Description: The draft contract does not include the Project's proposed organizational change management (OCM) deliverables.</p> <p>BerryDunn identified during its review of the draft contract and confirmed in interviews with Project Management, Project Leadership, and ADS IT that while the draft contract mentions Agate developing a communication plan, it is unclear what the State's approach will be for addressing all other organizational change management activities that would help improve the Project's chance of realizing its planned benefits.</p> <p>Without further detail on these areas, the State might not have defined expectations for how OCM activities will be completed and how these integrate with the overall Project schedule. Furthermore, given that multiple agencies and departments will all have an interest in sending communications to their stakeholder groups (some of which might overlap), an approach that helps provide consistent messaging will contribute to better stakeholder engagement and adoption success.</p>			
State's Planned Risk Strategy: Mitigate			
<p>State's Planned Risk Response:</p> <p>The business will be responsible for creating and executing an OCM. Leveraging an EPMO business analyst, the EPMO will assist the business by providing templates and guidance cultivated from other agencies to create a plan allowing for successful project handoff to the maintenance and operations phase.</p>			
Timing of Risk Response: In progress			
Reviewer's Assessment of State's Planned Response: BerryDunn accepts the State's planned response.			
<p>Updates Discussed During Presentation of Findings:</p> <p>Team agrees with the above mitigation plan.</p>			

Risk #: #7	Risk Likelihood/Probability: Medium	Risk Impact: High	Overall Risk Rating: High
Source of Risk: Interview with Project Leadership			
<p>Risk Description: BerryDunn believe there is a misunderstanding regarding when Project go-live(s) will occur.</p> <p>BerryDunn learned during its review of the draft project schedule that the solution is planned to go live on 3/31/2025. However, during its interview with Project Leadership, BerryDunn learned that this group expected a staggered implementation, with each agency having a different go-live date. BerryDunn also learned that some of these expected go-live dates were expected to occur in calendar year 2024 due to support for the current platform ending at the start of 2025. However, BerryDunn was unable to find multiple planned releases of the solution for specific agencies or departments in the draft schedule. Without clarifying what go live date(s) will be used for this Project, the State might have misalignment with Agate on expected outcomes, misalignment with agencies and departments on when they will be able to use the new system, and when to expect project benefits to be realized.</p>			
State's Planned Risk Strategy: Mitigate			
<p>State's Planned Risk Response:</p> <p>The business and vendor have determined the go live dates for the four in scope grant programs:</p> <ul style="list-style-type: none"> • VEGI + MPG - <ul style="list-style-type: none"> ○ Go-Live/Start Date for both: January 1, 2025. • VCDP + VTP - <ul style="list-style-type: none"> ○ Go-Live/Start Date for both: July 1, 2025. • These start dates also correlate with their yearly rollover date. <p>ACCD agreed that a 2025 Go-Live rollout with all four grants (MPG, VEGI, VCDP, VTP) ready, tested, and accounted for by then is a suitable project schedule to follow.</p>			
Timing of Risk Response: Completed			
Reviewer's Assessment of State's Planned Response: BerryDunn accepts the State's planned response.			
<p>Updates Discussed During Presentation of Findings:</p> <p>Go-live and migration activities have been coordinated to minimize risks with implementing the new system. Go-live dates have been revised based on these discussions. Existing system maintenance has been extended for 1-year to support the new go-live schedule.</p>			