

STATE OF CALIFORNIA
DEPARTMENT OF MOTOR VEHICLES



FRONT END APPLICATIONS SUSTAINABILITY PROJECT
LEGISLATIVE REPORT

UPDATED OCTOBER 2019

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Executive Summary

This report on the Department of Motor Vehicles (DMV) Front End Applications Sustainability (FES) Project addresses DMV's progress completing the Project Approval Lifecycle (PAL) process (Appendix A). As required by Provision 1 of Item 2740-001-0044 of the Budget Act of 2017, the report is focused on the usage of the funds outlined in the Planning Budget Change Proposal. The DMV received an augmentation for the planning funds in the amount of \$2,926,000 in February 2018.

Through July 2019, DMV has incurred the following costs associated with the Planning Budget Change Proposal:

Expended Planning Contract Costs (A+B)	\$1,155,860
Encumbered Planning Contract Costs	\$1,204,670
Planning New Staff Costs	\$16,579
Expended Planning Services Costs	\$60,993
Total	\$2,438,102

FES Project Background

The DMV is dependent on obsolete technology to support its Vehicle Registration (VR) and Control Cashier (CC) front-end business applications. This technology continues to put the State at risk of major disruption of services should these applications fail. The department must take steps to reduce the risk of a catastrophic failure of its front-end DMV Automation (DMVA) VR and CC systems.

The FES Project is a multiyear incremental technology upgrade. It will replace DMV's aging VR/CC front-end systems to a modern technology platform and programming language broadly supported by the information technology (IT) industry. Additionally, as advised by the California Department of Technology (CDT), the FES Project plans to use an Agile System Development Life Cycle development methodology and take advantage of the iterative and incremental approach to deliver business value earlier.

On March 8, 2019, DMV received direction from the GovOps Strike Team that the department will need to adjust the current project activities and procurements to address risks relating to technology instability, organizational change management, project management, governance and vacancies.

Additionally, the GovOps Strike Team requested CDT to review DMV's portfolio and approach to completing legacy modernization. Based on that review, GovOps and CDT identified that it was critical for the project to focus on system stabilization and other core processes needed to complete legacy modernization. The GovOps Strike Team subsequently provided direction to change the project scope.

As directed by CDT, the primary vendor contract for the Full Stack development team was rescinded on March 11, 2019. A new vendor contract, with an emphasis on stabilizing the current system, was released to the vendor community on April 3, 2019. The contracts were awarded in June 2019 and do not utilize planning funds.

Expenditures to Date

Line Item	Budgeted	2018 Legislative Report (A)*	FY 17/18 Additional Actual Expenditures (B)**	Encumbered FY 17/18 Expenditures (C)	Total (A+B+C)
New Staff Costs	\$378,000	\$16,579	\$0	\$0	\$16,579
Procurements	\$320,000	\$194,430	\$76,100	\$0	\$270,530
Event Driven Language (EDL) Support	\$900,000	\$107,082	\$413,106	\$379,812	\$900,000
Organizational Change Management (OCM)	\$250,000	\$0	\$68,580	\$181,420	\$250,000
Requirements Repository	\$300,000	\$0	\$63,334	\$236,666	\$300,000
Product Manager (Requirements Gathering)	\$500,000	\$17,625	\$128,031	\$354,344	\$500,000
Independent Verification & Validation (IV&V)	\$144,000	\$32,233	\$55,339	\$52,428	\$140,000
<i>Ancillary Contracts Subtotal</i>	<i>\$2,414,000</i>	<i>\$351,370</i>	<i>\$804,490</i>	<i>\$1,204,670</i>	<i>\$2,360,530</i>
Project Approval Lifecycle (PAL) Process	\$54,000	\$54,000	\$0	\$0	\$54,000
OTech Procurement Services	\$80,000	\$6,993	\$0	\$0	\$6,993
<i>CDT Services Subtotal</i>	<i>\$134,000</i>	<i>\$60,993</i>	<i>\$0</i>	<i>\$0</i>	<i>\$60,993</i>
Grand Total	\$2,926,530	\$428,942	\$804,490	\$1,204,670	\$2,438,102

* Actual Expenditures are shown from February 2018 through September 2018 (2018 Legislative Report).

** Actual Expenditures are shown through July 31, 2019.

Additionally, the Department has incurred \$118,687 costs CDT Project Planning Services (PAL and OTech Procurement) in FY 2018/19 that were not funded by way of the Planning Budget Change Proposal.

Project Accomplishments

- Submitted Stage 3 Part A to CDT on December 7, 2018. Part A is focused on maturing of the solution requirements and development of the Statement of Work.
- Submitted the Stage 4 Preliminary Assessment to CDT on December 7, 2018. This Preliminary Assessment is intended to help recognize and mitigate project risks that may occur during the last stage of the PAL.
- Submitted Stage 3 Part B to CDT on December 21, 2018. Part B is focused on the development of the solicitation based on the information developed in Stage 2 and Stage 3, readiness for solicitation release and applicable project management plans.
- Revised Stage 3 Part A and B. Since Stage 3 is based on information regarding the project contracts, the change in project approach required updates to the Stage 3 documentation.
- Submitted Revised Stage 3 Part A to CDT on May 28, 2019. While Part B was under final review for submission, DMV received additional direction from CDT that will require a second revision to both Parts A and B of the Stage 3 documentation. Once the determination is made on how to proceed with the modernization effort, DMV will begin updating Stage 3.

Planning Contract Status

Procurement Consultant This contract concluded in FY 18/19. The contractor assisted DMV with the collection, facilitation of discussions and writing portions of the Stage 3 Solution Development (S3SD) and solicitation documentation. This included development of the detailed functional, non-functional, project/transition, mandatory/optional and administrative solution requirements.

Planning IV&V Services The vendor evaluates the Stage Gate documentation (Stage 2 through Stage 4) to ensure compliance with the PAL process as required by the State Administrative Manual.

This contractor has completed assessments of Stage 2 documentation, Detailed Solution Requirements, Primary Vendor Request for Offer, and the original Stage 3 documentation.

Requirements Repository The purpose of this contract is to define, configure, stand up and train on enterprise requirement repositories and development team collaboration management.

The vendor has:

- provided a demo of the IBM Rational Tool Suite functionality;
- performed an analysis on the IBM Rational Tool Suite (DOORs NG and RTC) and how it can be used in DMV's current environment to support both Agile and Waterfall methodologies;
- installed and configured the DOORs NG on premise to capture and manage requirements/backlog for the FES project.

Product Manager (Requirements Gathering) The purpose of this contract is to develop the product roadmap, traditional, and Agile requirements including user stories, epics, and themes. The artifacts from this contract will be used to assist DMV in preparing for the implementation of the FES Project using the Agile development methodology.

The vendor has:

- developed an overall strategy for collecting business logic for defining and verifying requirements, conceptual data and business process models;
- performed a validation of the requirement process;
- developed user stories based on the requirements and entered them into DOORs NG.

Organizational Change Management (OCM) The vendor will develop the organizational change management program to help prepare the DMV with the changes to the FES project in adopting the Agile development methodology and implementing a new requirements repository.

The vendor has:

- conducted interviews with Division leadership, project team, and HQ's personnel to gather perspectives on DMV FES OCM approach, past projects focused on OCM, lessons learned, communication, roles and responsibilities and document the findings;
- developed draft Stakeholder Management and Communication Plans.

EDL Programming Support The contractor works in conjunction with other contractors and DMV staff to gather, validate, and document all existing functional and non-functional requirements for VR/CC.

The vendor has:

- researched, performed analysis, compared the latest code to the baseline code for all CC functions, and updated the changes in the Software Requirements Specifications (SRS).

Project Scope

The project scope has been expanded to include stabilization of the current DMVA application and business process reengineering. With the change in project approach, the product delivery has been re-sequenced to mitigate the instability of the current DMVA application prior to the modernization effort. Stabilization of the current system is key to ensuring efficient and effective delivery of services to our customers through implementation of the modernized front-end application.

PAL Completion Progress

DMV began the PAL process for the FES project in February 2016, completing the first stage with the California State Transportation Agency approval of the Stage 1 Business Analysis on June 29, 2016. DMV completed the Stage 2 Alternatives Analysis in December 2017, and received CDT approval on January 10, 2018.

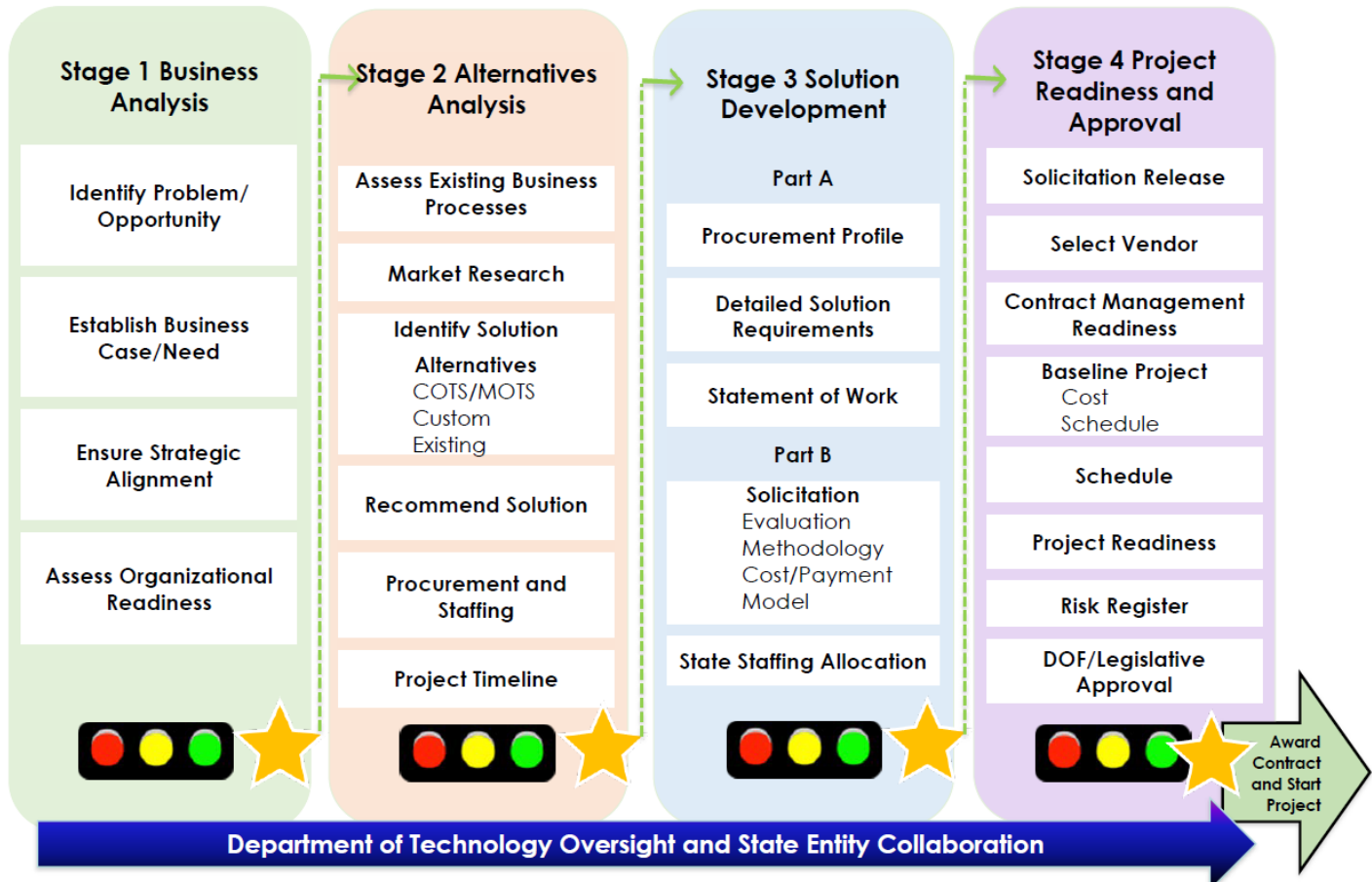
Based on direction from CDT, DMV will resubmit the Stage 3 Solution Development. This will replace previous submissions in December 2018, and May 2019. The inclusion of stabilization of the current DMVA application and business process reengineering will impact the Stage 3 and Stage 4 deliverable timelines. The completion of the PAL is dependent upon the outcome of business process reengineering solicitation that is currently in review.

Activities Underway and Anticipated Completion Dates

PAL Activities	Anticipated Completion Dates
Redevelop Stage 3	Q3 FY 2019/20
Submit revised Stage 3	Q3 FY 2019/20
Develop Stage 4	Q4 FY 2019/20
Submit Stage 4	Q1 FY 2020/21
Submit revised Stage 2 (if needed)	Q3 FY 2019/20
Additional Project Activities Underway	Anticipated Completion Dates
Business Process Workgroup	Continues through project lifecycle

Appendix A

Project Approval Lifecycle Framework



PAL Framework Diagram Rev. July 26, 2016