Project Resourcing & Schedule

Management System

Quarterly PRSM Status Report to the Legislature

March 1, 2011 – May 31, 2011

California Department of Transportation

Division of Project Management

Office of Statewide Project Management Improvement

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Independent Project Oversight Reports

IPO Report for May 2011

Project Name: Caltrans PRSM **Assessment Date:** May 27, 2011

Frequency: Monthly

Oversight Provider Information

Oversight Leader:	Greg Thomas	**Organization:**	Deloitte & Touche LLP
Phone Number:	415 783 5211	**Email:**	grethomas@deloitte.com

Project Information

Project Number:	**2660-160**	**Department:**	Transportation (Caltrans)
Criticality:	High	**Agency:**	Business, Transportation & Housing
Last Approved Document/Date:	SPR (12/08/09)	**Total One-time Cost:**	$26,078,375
Start Date:	June 7, 2000	**End Date:**	June 13, 2011
Project Manager:	David Youmans	**Organization:**	Caltrans
Phone Number:	916.826.4425	**Email:**	david_youmans@dot.ca.gov

Summary: Current Status

Project Phase:	Adaptation		
Planned Start Date:	May 20, 2009	**Planned End Date:**	November 23, 2010
Actual Start Date:	July 1, 2009	**Forecasted End Date:**	October 17, 2011

Schedule

Select the statement that most closely applies, measured against the last **Finance approved** document.

Ahead-of-schedule:
One or more major tasks or milestones have been completed and approved early (> 5%). All other major tasks and milestones completed and approved according to plan.

Behind Schedule

On-schedule:
All major tasks and milestones have been completed and approved according to plan. (Within 5%)

Behind Schedule:
One or more major tasks or milestones are expected to be delayed. (> 5%)

Comments: A new baseline schedule was set with the approved Special Project Report (SPR) dated December 8, 2009. The SPR states the end date of the Adaptation Phase as February 2010 and the end date of the entire PRSM project as June 13, 2011. On June 9, 2010, the Implementation Vendor submitted a change request with an extension to the schedule and a cost increase. Throughout June and July, Caltrans and the Implementation Vendor were in negotiations regarding the change request. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved the schedule extension and cost increase.

The PRSM Change Control Board created Project Change Request (PCR) 14 to track the non-technical (cost and schedule) changes associated with the Implementation Vendor change request. PCR 14 was approved by the PRSM Change Control Board, pending finalization and approval of the draft PRSM project schedule, on August 24, 2010. On September 1, 2010, the Implementation Vendor approved the new baseline schedule.

On October 6, 2010, the Implementation Vendor submitted another change request for a change in scope (please note there is no requested change to schedule or overall PRSM project cost). The change request included changing the scope of the remaining Adaptation Phase activities and moving some of the remaining activities into Pilot. The activities the Implementation Vendor proposed to change and/or move to Pilot include Data Conversion, System End to End Testing, Implementation Team Training, Technical Training, and Report Development. In addition, the Implementation Vendor proposed to decrease the amount of their support during Roll Out since they will be providing more up front support during Pilot.

After several back and forth counterproposals, the Implementation Vendor rejected the latest Caltrans counterproposal. Caltrans updated the schedule to indicate the new task dates as they related to the original contract provisions. Although the schedule has been updated to reflect the original contract provisions, Caltrans and the Implementation Vendor are still in negotiations regarding the re-scope proposal. There are several key project activities, such as planning for the PRSM training program, that are dependent upon the outcome of the re-scope proposal so it is important that the re-scope proposal negotiations are settled timely, and that the outcome is used to clarify the project plan and critical project activities. In addition, during the week of January 24th, Caltrans met with Executives from the Implementation Vendor to discuss a plan for moving forward with the project. One of the outcomes of the meeting was that the Implementation Vendor is going to finalize multiple deliverables that were previously in draft form. These deliverables include the Data Initialization Plan (DIP), Pilot Plan, and System Test Plan. For information on the status of these deliverables, please refer to the **General Comments** section at the end of this report.

As part of the approval of the August 2010 approved Implementation Vendor change request, the Executive Steering Committee and the Implementation Vendor agreed that the Adaptation Phase would not go past November 23, 2010. During the PRSM Project Status Meetings, it has been noted that the delay Adaptation is due to the number of anomalies (defects) identified during configuration testing and issues regarding data conversion. According to the most recent schedule (dated May 25, 2011), the end date for Adaptation is October 17, 2011. Adaptation Phase activities (i.e., testing and data conversion) are scheduled to be completed by October 14, 2011. In addition, the end date for the PRSM Project is November 27, 2012. This represents a delay of approximately 1 year and three months for Adaptation and approximately 9 months for the PRSM Project. The OCIO has requested that Caltrans submit a Special Project Request (SPR) for the schedule delay. Please refer to the table below.

We will continue to closely monitor the schedule status during the Adaptation Phase and report any updates as they occur. Please refer to the PRSM Project Schedule issue in the **Issue** section below for information regarding further potential impacts to the schedule.

Document	**End of Adaptation Phase**	**End of Project**
SPR (dated 12/08/09)	02/2010	06/13/2011
Executive Steering Committee Approved Schedule (dated 09/01/2010)	11/23/2010	02/14/2012
Current Schedule (dated 05/25/2011)	10/17/2011	11/27/2012

Resources (Level of Effort) Choose the statement that most closely applies.

Fewer Resources
Completion of one or more major tasks and / or acceptable products has required or is expected to require materially (>5%) fewer hours/staff than planned.

Within Resources
All major tasks have been completed and acceptable products created using the planned number of hours/staff (within 5%).

More Resources
Completion of major tasks and / or acceptable products has required or is expected to require materially (>5%) more hours/staff than planned.

More Resources

Comments: In the February 2011 reporting period, a new Implementation Vendor Project Manager joined the PRSM Project Team. In the March 2011 reporting period, a few of the PRSM Project Team roles were updated. The previous IT Lead is now the Release Manager and Configuration Manager. A new team member was brought on to the project to fill in as the new IT Lead. In addition, during the PRSM Project Status Meetings, it has been noted that the delay in Adaptation is due to the number of anomalies (defects) identified during configuration testing and issues regarding data conversion. There are three current resource concerns associated with the Adaptation Phase: (1) The testing team has noted that some of the anomalies identified during testing represent questions regarding system functionality. During the beginning of testing, a business analyst was not on-hand to support the testing team. In addition, the system has not been documented from a user or tester perspective, which would assist in providing a guide to how the system should function. If an issue arose during testing, the testers were unsure if it was a defect or how the system should function. Although the Implementation Vendor has provided an Architect that is available to assist the testing team during half of their sessions and is also on-call to answer any questions that arise, additional business resources may be needed during testing.; (2) Due to the number of anomalies found during configuration testing, additional time has been built into the schedule (approximately 6 months). Caltrans has added two (2) additional resources to assist with the testing effort (one to assist with Configuration Testing and the other to assist with Integration Testing). In order to mitigate future schedule delays, additional resources may be needed to resolve anomalies and assist in the testing effort; (3) the current status of the conversion effort as a whole has not been reported clearly during the PRSM Project Status Meetings. This is partially due to the fact that there is not a single point of contact / owner for the Data Conversion effort. In order for Data Conversion to be successful, an owner needs to be identified to manage the effort. In the March 2011 reporting period, an owner was identified to manage the Data Conversion effort and report on the status. In addition, the PRSM Project Team created a Data Task Force with the goal of identifying / compiling a list of data conversion issues and working to resolve the issues. The Data Task Force has been meeting during the month of May. They have compiled a list of issues and are currently working towards testing and resolving the issues. We will continue to closely monitor the resource status during the Adaptation Phase and report any updates as they occur.

Resources (Budget/Cost) Choose the statement that most closely applies.

Less cost
The project is (>5%) under budget.

Within cost
The project is operating within budget.

Higher cost
Material budget increases (>5%) are likely.

Within Cost

Comments: A new baseline was set with the approved SPR dated 12/08/2009. On June 9, 2010, the Implementation Vendor submitted a change request with a cost increase of $947,422. Throughout June and July 2010, Caltrans and the Implementation Vendor were in negotiations regarding the potential cost increase. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved a cost increase of $864,977 ($464,977 from removing Years 2-3 Custom Code Maintenance and $400,000 from "Unanticipated Cost"). The Implementation Vendor's change request is linked to the following PRSM PCR's: PCR 13 (Changes from FIDO to EFIS Interface – Technical Requirements) and PCR 14 (Changes from FIDO to EFIS Interface – Non-Technical Requirements), which have been approved by the PRSM Change Control Board.

Quality (Client Functionality) Choose the statement that most closely applies.

Adequately Defined
Required client functionality is adequately defined, and is being successfully built into the system, given the current project phase.

Inadequately Defined

Inadequately Defined
One or more significant components of required client functionality are inadequately defined, or are not being successfully built into the system, given the current project phase.

Comments: At this point in time, given the delays in testing, it is unclear if the required functionality has been successfully built into the system. There is a concern that test scripts may not adequately reflect requirements. During the January reporting period, we reported that out of 334 total requirements, 15 have been fully satisfied and 16 have been partially satisfied (303 have not been satisfied). In addition, out of a total of 99 test scripts, 19 have been executed and 20 have been informally executed (60 have not been executed). Please note that updated metrics were not provided in February, March, or April 2011. During the month of May, Caltrans analyzed developed test cases to determine if they would satisfy requirements. For requirements that were not addressed by the developed test cases, Caltrans plans to develop new test cases. Further, configuration testing will be restarted and all test cases will be executed prior to the end of the Adaptation phase. For more information, please refer to **Issue I-4: Configuration Testing**.

In addition, there have been a significant number of problems associated with data conversions. Per the PRSM Project Schedule (dated 05/25/2011), Data Conversion testing activities are scheduled to be completed by 07/27/2011. Data Conversion activities are being performed for project data and historical data. Currently the PRSM Project Team is in the process of performing data load testing for a sample of projects on the project data and historical financial data for each District. During the weekly PRSM Project Status Meetings, the PRSM Project Team has noted that legacy data has presented some challenges and there have been some issues with loading the data. If the issues of data cleansing and data load are not mitigated or resolved prior to Pilot and roll out, there is a possibility that only a small sub-set of projects will load correctly. The PRSM Project Team created a Data Task Force with the goal of identifying / compiling a list of data conversion issues and working to resolve the issues. The Data Task Force has been meeting during the month of May. They have compiled a list of issues and are currently working towards testing and resolving the issues. We will continue to monitor this area closely and report any updates as they occur. For more information, please refer to **Issue I-3: Data Conversions**.

Quality (Architecture/System Performance) Choose the statement that most closely applies.

Adequately Defined
The system technical architecture is adequately defined, and modeling, benchmarking and testing are being conducted (or are planned) appropriate to the current project phase.

Adequately Defined

Inadequately Defined
The system technical architecture is not adequately defined, or modeling, benchmarking and testing are not being conducted (or are planned) appropriate to the current project phase.

Comments: System technical architecture and performance are adequately defined for the Adaptation Phase. The Implementation Vendor has submitted a Configuration Management Plan, High Level Design, and updated Architecture Diagram. The Production environment hardware has been configured and turned over to Caltrans. The Implementation Vendor submitted an Application Installation-Platform Acceptance Report, which was approved after revisions were made. Currently the PRSM Project Team is working on renewing Oracle licenses. They are also planning Help Desk support activities, which will be used to provide support to the districts post implementation.

New Issues

There are no new issues.

Issues

Issue I-4: Configuration Testing

Issue Statement: There have been many unexpected problems with the Configuration Testing component of the project (see the Comments under the Quality section above). The number of defects/anomalies and slow progress of Configuration Testing is causing additional schedule delays as configuration testing is in the critical path for entering the Pilot phase of the project.

Impact: High Time Frame: Short Term Severity: High Assigned to: David Cordone

IPOC Recommendations:

- I-4a - IPOC recommends that the PRSM Project Team develop a remediation plan for testing the issues and recommendations identified in the IV&V Root Cause Analysis.
- I-4b – IPOC recommends that the PRSM Project Team apply additional resources if necessary to expedite the Configuration Testing. The PRSM project team should keep the Executive Steering Committee informed of the status of this issue and request additional resources if necessary.

Status Update:

May 11 Status: Configuration Testing is still on hold pending the outcome of the re-scope proposal, organizational breakdown structure changes, and also pending the resolution of the issues with Data Conversion. In the meantime, the test team is performing Unit Testing and expanding on test documentation. As of latest PRSM interface status meeting (5/31/2011), 100% of EFIS Unit Test Scripts had passed and 63% of Staff Central Unit Test Scripts had passed.

April 11 Status: One of IPOC's recommendations in the January 2011 IPOR was that the PRSM Project Team perform a root cause analysis for the configuration testing delays. The PRSM Project team then requested that IV&V perform the root cause analysis. In February 2011, IV&V performed and submitted the root cause analysis report. During the analysis IPOC and the PRSM Project Team provided comments and feedback. Within the analysis, IV&V identified the current state of testing, current challenges, root causes, and recommendations. Some of the key points from this analysis are that the test plan, which is supposed to guide the method of all phases of testing, has not been finalized due to a number of conflicting points between Caltrans and the Implementation Vendor and testing responsibilities have not been agreed upon. In addition, configuration testing is dependent on good data. Current issues with the data have prevented progress with configuration testing, which has been on hold for approximately three months. If the issues with the data are not resolved, it will impact the testing effort and will cause additional delays in the schedule.

New Issue I-3: Data Conversions

Issue Statement: There have been many unexpected problems with the dry-run data conversion process. For several of the Districts' pilot data, there has not been a successful dry-run to date. This may cause additional schedule delays and impact the quality of integration testing.

Impact: High Time Frame: Short Term Severity: High Assigned to: Jacquelyn Moore

IPOC Recommendations:

- I-3a - IPOC recommends that the PRSM Project Team develop a remediation plan for the data conversion issues and recommendations identified in the IV&V Root Cause Analysis.
- I-3b - IPOC recommends that additional resources (including a data conversion lead) to be applied as necessary to the data conversion effort in order to keep this component of the project on track. The PRSM project team should keep the Executive Steering Committee informed of the status of this issue and request additional resources if necessary.

Status Update:

May 11 Status: The Data Task Force has been meeting during the month of May. They have compiled a list of issues and are currently working towards testing and resolving the issues. As of the last PRSM status meeting (05/25/2011), data conversion efforts are focused on District 4, which is the largest district. District 4 projects and expenditure data were loaded into a test environment at the end of May and a sizing/capacity estimate was completed. The result was that the test environment had the disk capacity to be used as a staging environment in preparation for the production PRSM implementation.

April 11 Status: In the March 2011 reporting period, an owner was identified to manage the Data Conversion effort and report on the status. In addition, the PRSM Project Team created a Data Task Force with the goal of identifying / compiling a list of data conversion issues and working to resolve the issues. The Data Task Force has been meeting during the month of March and is currently in the process of compiling the list of issues. One of IPOC's recommendations in the January 2011 IPOR was that the PRSM Project Team perform a root cause analysis for the data conversion delays. The PRSM Project team then requested that IV&V perform the root cause analysis. In February 2011, IV&V performed and submitted the root cause analysis. During the analysis IPOC and the PRSM Project Team provided comments and feedback. Within the analysis, IV&V identified the current state of conversion, current challenges, root causes, and recommendations. Some of the key points from this analysis are that the Data Initialization Plan (DIP) has not been finalized, the current status of the conversion effort as a whole is unknown outside of the Conversion Team, and there has been continuous Caltrans data issues identified by the Implementation Vendor. A number of other critical activities, including testing and training, are dependent on the data conversion effort. If the issues with the data are not resolved, it will cause additional delays in the schedule.

Issue I-2: PRSM Project Schedule

Issue Statement: As part of the approval of the Implementation Vendor change request, the Executive Steering Committee and the Implementation Vendor agreed that the Adaptation Phase would not go past November 23, 2010. According to the most recent schedule (dated May 25, 2011), the end date for Adaptation is October 17, 2011. During the PRSM Project Status Meetings, it has been noted that the delay Adaptation is due to the number of anomalies identified during configuration testing and issues regarding data conversion. Although additional time has been built into the schedule, if activities at the task level are not appropriately managed, if could result in additional delays. In addition, there is a risk that the Implementation Vendor could submit another change request for increased costs. Please refer to the **Schedule** section on page 1 for additional information.

Impact: High Time Frame: Short Term Severity: High Assigned to: Joel Arpilleda

IPOC Recommendations:

- I-2a - IPOC recommends that the PRSM Project Team continue to evaluate the remaining testing and data conversion activities and build additional time into the PRSM Project Schedule as needed. Delays at the task and activity level should be recorded and tracked. In addition, delays that affect the critical path should be immediately discussed with members of the PRSM Project Management Team. If necessary, daily checkpoint meetings should be conducted to resolve issues that impact the critical path. Issues that cannot be resolved at the PRSM project team level should be escalated to the Executive Steering Committee immediately.
- I-2b –During the week of January 24th, Caltrans met with Executives from the Implementation Vendor to discuss a plan (known as the go-forward plan) for moving forward with the project. One of the outcomes of the meeting was that the Implementation Vendor is going to finalize multiple deliverables by the end of February 2011. As of this IPOR, none of these deliverables have been finalized, however the project schedule has been partially updated to match the go-forward plan. IPOC recommends that Caltrans monitor the status of these deliverables and work with the Implementation Vendor to finalize them by the end of May 2011. Please refer to the **General Comments** section at the end of this IPOR for more information.
- I-2c - IPOC recommends that the progress of testing and data conversion should be reported in writing during the Status Meetings.

Status Update:

May 11 Status: As of the last PRSM Project schedule (dated 05/25/2011), the project schedule has been partially rebaselined to reflect the Adaptation phase milestone of 10/17/2011. The PRSM Project schedule is estimated to be completely rebaselined by the end of May 2011 or beginning of June 2011. We will continue to monitor this area closely and report any updates as they occur.

April 11 Status: CAPA procurement has been added to the schedule. The procurement cycle for CAPA is 180 days; therefore the end date for Adaptation is now November 11, 2011. The trigger for starting the 180 day cycle is obtaining approval for the purchase of CAPA. Currently, the IT Project Manager is still waiting on the approval. A delay in the approval of the purchase may result in additional delays to the schedule. After several back and forth counterproposals, the Implementation Vendor rejected the latest Caltrans counterproposal. Caltrans updated the schedule to indicate the new task dates as they related to the original contract provisions. As of the PRSM Project schedule (dated 4/12/2011), many tasks do not have accurate finish dates and/or percentages complete. For these tasks, their current status and expected completion date is unclear.

Issue I-1: EFIS Interface (PCR 13)

Issue Statement: The PRSM Project Team has been made aware that Caltrans Financial Data to Oracle (FIDO) system and CTIPS are going to be phased out once the ERP Financial Infrastructure (EFIS) has been implemented. While developing to one standard interface presents a business opportunity, specifications and data requirements will need to be analyzed and documented. The development of the EFIS interface is a critical step for the PRSM project to proceed to the Pilot phase. EFIS went live in July 2010. The development of the EFIS interface could impact the cost of PRSM. There are two (2) potential scenarios related to this issue that could impact the schedule and / or cost: 1) the time compression in the transition of EFIS support from the EFIS Implementation Vendor to Caltrans could result in the EFIS Implementation Vendor fully focused on knowledge transfer and transition. The limited availability of EFIS resources could result in a delay in the development of the EFIS interface; and 2) with the focus on knowledge transfer and transition, PRSM is a lower priority for EFIS related support, which could result in resource constraints when it comes time to supporting the PRSM/EFIS interface/testing efforts.

Impact: High Time Frame: Short Term Severity: High Assigned to: Jacqueline Moore

IPOC Recommendations:

- I-2a PRSM interface acceptance criteria for entry to the Pilot phase should be agreed upon by the PRSM Project Team and Business Stakeholders. The criteria should include specifying the quality and completeness of the interfaces (degree of production readiness) before the Pilot phase.
- I-2b - Continue to work closely with the EFIS project by attending the bi-weekly interface planning meetings. Escalate issues related to EFIS timing and resource needs to the PRSM Steering Committee for resolution as soon as the interface requirements are finalized.

Status Update:

May 11 Status: Interface testing is progressing and as of the Caltrans Unit Testing Status (dated 05/13/2011), has successfully completed all unit testing. As of the last PRSM status meeting (dated 05/2/52011), the completion of EFIS expenditures interface is pending changes to the Clarity (the PRSM Project Portfolio Management software) to utilize unit roles for project resources instead of named resources.

April 11 Status: Interface testing is still on-hold. In addition, the PRSM Project Team created a Data Task Force with the goal of identifying / compiling a list of data conversion issues and working to resolve the issues. The Data Task Force is also addressing issues associated with the interfaces. The team appears to be making progress in addressing those issues. EFIS resources have been available to assist the PRSM Project. Per discussion with the PRSM Project Manager, noted that due to the delays in Configuration Testing, the Integration Testing completion date will be delayed as well. The PRSM Project Team is currently working to revise the schedule with the updated testing dates. The Independent Verification and Validation (IV&V) Consultant has reviewed the interface code developed by the Implementation Vendor and there were no issues with the code from the perspective of IV&V. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved the schedule extension and cost increase. The PRSM Change Control Board created

Project Change Request (PCR 14) to track the non-technical (cost and schedule) changes associated with the change from Caltrans Financial Data to Oracle (FIDO) and CTIPS to the ERP Financial Infrastructure (EFIS) Interface. PCR 14 was approved by the PRSM Change Control Board, pending finalization and approval of the draft PRSM project schedule, on August 24, 2010. On September 1, 2010, the Implementation Vendor approved new baseline project schedule. Finalization and approval of PCR 13 and 14 occurred on September 1, 2010. Although Configuration Testing has been on-hold during the month of February; Integration Testing has continued to be performed, including the development and execution of test cases and use cases. It was noted during the March 1st PRSM Project Status meeting that some of the test cases between PRSM and Staff Central may have to be put on hold until the issues with data are resolved.

New Risks

There are no new risks.

Progress Toward Addressing Prior Risks

Risk R-3: PRSM Project Costs

Risk Statement: With the previous delays in the PRSM project schedule and the remaining Adaptation activities (i.e., data conversion and testing) there is a possibility of another schedule delay. The possibility of another delay in the PRSM project schedule could have an impact on the cost of the project.

Probability: Medium Impact: High Time Frame: Short Term Severity: High Assigned to: Joel Arpilleda

IPOC Recommendations:

- R-3a – IPOC recommends that the current delay in Adaptation and the potential additional delays be discussed with the Executive Steering Committee. Upon review of the previous approved Implementation Vendor change request, if it is deemed likely that another change request for cost will be submitted, discussions with the Implementation Vendor should occur immediately.
- R-3b - IPOC recommends that potential Caltrans resource needs / cost impacts are assessed given the delay in Adaptation. These resource and potential cost impacts should be discussed with the executive steering committee.

Status Update:

May 11 Status: As of the May 2011 reporting period, there has not been an increase in costs.

April 11 Status: As of the April 2011 reporting period, there has not been an increase in costs.

Risk R-2: Resource Availability

Risk Statement: Without adequate Caltrans resources working on PRSM, the project schedule could be delayed. While in the Adaptation Phase, PRSM Project Team members should be allocated full time. Individual Resources may need to be identified at the task level in the Project Plan in order to estimate resource requirements and availability.

Probability: Medium Impact: Medium Time Frame: Short Severity: Medium Assigned to: Joel Arpilleda

IPOC Recommendations:

- R-2a - After the PRSM work plan is complete, determine the resource gaps and reallocate effort as appropriate.
- R-2b - Assign individual resources at the task level in the project schedule to assist in estimating resource requirements. All PRSM project resources, including vendor resources, should be included.

Status Update:

May 11 Status: As of the month of May, the Release Manager and Configuration Manager was transitioned back to the IT Lead.

April 11 Status: In the March 2011 reporting period, a few of the PRSM Project Team roles were updated. The previous IT Lead is now to Release Manager and Configuration Manager. A new team member was brought on to the project to fill in as the new IT Lead. During the February 2011 reporting period, a new Implementation Vendor Project Manager joined the PRSM Project Team. The previous Implementation Vendor Project Manager will stay on board to assist in the transition process. During the January 2011 reporting period, the Implementation Vendor has provided an Architect that is available to assist the testing team during half of their sessions and is on-call to answer questions. In addition, Caltrans has added two (2) additional resources to assist with the testing effort (one to assist with Configuration Testing and the other to assist with Integration Testing). Please refer to the **Resource** section on page 2 for additional information.

Risk R-1: Business Process Changes and Organizational Change Management

Risk Statement: One of the most significant challenges to the PRSM Project could be engaging and obtaining buy-in from District executives, management and staff. It is very important that District executives and management are knowledgeable about PRSM and the changes to their business processes and benefits of using PRSM. District staff, in addition to training, should be knowledgeable of the decisions and consequences of changing / standardizing business processes. Lack of engagement of District personnel at all levels could have a negative impact on overall PRSM system acceptance and usage.

Probability: High Impact: High Time Frame: Med Severity: High Assigned to: David Youmans

IPOC Recommendations:

- R-1a - Define the process for gaining District consensus on policies, new business rules and business processes. The process should describe how information on new business rules and business processes will be communicated to the field with sufficient time to get feedback and buy-in.
- R-1b - Modify the format of the monthly Implementation Manager's Video Conference Meeting to begin utilizing this forum as a mechanism for Organizational Change Management. As PRSM gets closer to District roll out, change the frequency of these meetings to bi-weekly.
- R-1c – Assess the changes to the training program/plan proposed in the most recent implementation vendor change request in order to understand the impact on Organizational Change Management. Work with the Districts to help them understand the changes to the training program in order to gain organizational buy-in and confirm that the program is adequate to enable a successful Roll Out.
- R-1d – Assess the impact of the Implementation Vendor Change Request on Organizational Change Management.
- R-1e – Consider hiring / extending additional consulting resources to assist with refining the Organizational Change Management Plan and to execute the plan.

Status Update:

May 11 Status: During the May reporting period, an outline of the PRSM Prep Course was presented during the Implementation Manager's meeting. On 5/26, a trial run of the course occurred with approximately 20 Caltrans Headquarters staff that were not involved with the PRSM project. Caltrans is currently aiming to deliver an expanded PRSM Prep Course during the month of July via video conference to Implementation Managers.

April 11 Status: During the April reporting period, IPOC met with the Organizational Change Management Team and discussed the plan for preparing for and implementing organizational change management at the districts. During this

meeting, IPOC provided comments and recommendations to enhance the plan. In addition, IPOC was provided with the Draft Organizational Change Management Plan and provided comments.

General Comments

Deloitte & Touche LLP's IPOC contract with the Caltrans PRSM project started in December 2008. This Independent Project Oversight Report (IPOR) provided by Deloitte & Touche LLP has been developed in accordance with the applicable standards of the American Institute of Certified Public Accountants (AICPA) as per Deloitte & Touche LLP policy. IPOC has attended various PRSM project meetings throughout the month of May, including PRSM Status meetings, PRSM Risk and Issues meetings and PRSM Project Managers meeting.

On June 9, 2010, the Implementation Vendor submitted a change request with an extension to the schedule and a cost increase. Throughout June 2010 and July 2010, Caltrans and the Implementation Vendor were in negotiations regarding the change request. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved the schedule extension (approximately 5 months) and cost increase. On October 6, 2010, the Implementation Vendor submitted another change request for a change in scope (please note there is no change to schedule or cost). This change request included changing the scope of the remaining Adaptation Phase activities and moving some of the remaining activities into Pilot. The goal for this is to keep activities in Adaptation that can be completed prior to November 23rd and move the remaining activities into early Pilot. After several back and forth counterproposals, the Implementation Vendor rejected the latest Caltrans counterproposal. Caltrans updated the schedule to indicate the new task dates as they related to the original contract provisions. In addition, during the week of January 24th, Caltrans met with Executives from the Implementation Vendor to discuss a plan for moving forward with the project. One of the outcomes of the meeting was that the Implementation Vendor is going to finalize multiple deliverables that were previously in draft form. These deliverables include the Data Initialization Plan (DIP), Pilot Plan, and System Test Plan and were scheduled to be completed in February 2011. As of the May 25th PRSM Project Status Meeting, none of these deliverables have been completed. The updated due date for each deliverable is as follows: the Pilot Plan is now scheduled to be completed in June 2011; the System Test Plan is scheduled to be completed in June 2011 pending resolution of the current data conversion issues as well as changes to Clarity to utilize unit roles instead of name resources; and the Data Initialization Plan (DIP) has been divided into three (3) components: Data Dictionary, Conversion, and Test. The Data Dictionary has been completed. The Conversion component of the DIP is scheduled to be completed by the beginning of June 2011. The Test component of the DIP has not been started and does not currently have a completion date. For more information on the data conversion issues, please refer to **Issue I-3: Data Conversions**.

As part of the approval of the August 2010 approved Implementation Vendor change request, the Executive Steering Committee and the Implementation Vendor agreed that the Adaptation Phase would not go past November 23, 2010. According to the most recent schedule (dated May 25, 2011), the end date for Adaptation is October 17, 2011 and the end date for the PRSM Project is November 27, 2012. Please refer to the **Schedule** Section on Page 1 for additional information.

In the July 2010 reporting period, the PRSM project was re-organized so that the Project Management function is now under IT and a new Project Manager has been assigned to PRSM. This new Project Manager will be responsible for the day to day, hands-on project management activities for PRSM. The Project Management function was previously under the Division of Project Management. With the re-organization, the previous Project Manager is now providing oversight as the Project Director.

A number of project processes have been modified since the change in Project Management structure in July 2010. The PRSM Project Schedule, which was previously managed by the Implementation Vendor, is now managed by Caltrans. The new Project Manager has added baseline start and finish columns to the schedule to track baseline completion dates against actual completion dates. During the bi-weekly PRSM Project Status Meetings, the new Project Manager has allocated time in the agenda for each of the PRSM Project Team Workgroups (such as Configuration, Interfaces, Conversion, etc.) to conduct brief status updates of their current tasks, risks, and issues. Beginning in May 2011, the structure of the PRSM Project Status meetings will change. Going forward, attendees of the status meetings will only include PRSM Project Managers and Oversight vendors. The purpose of these meetings will be to provide a status update of each area of the project, without going into the task level detail of the work plan. In addition to these meetings, another weekly meeting will be scheduled for each area (i.e., testing, training). During these meetings, team members will update the schedule based on their assigned activities and provide updates to their team lead.

In addition to the bi-weekly PRSM Status meetings and the bi-weekly PRSM Risk and Issues meetings, PRSM Change Management meetings occur on a weekly basis if there are open changes to discuss. During these meetings new and open project change requests (PCR's) are discussed by PRSM Project Management and the Implementation Vendor Project Manager. As of the 05/25/2011 PRSM Project PCR Log, PCR 18 was closed. PCR 18 was a request to change the structure of the Change Control Board. The new members of the Board will include the Caltrans PRSM Project Director, Caltrans Enterprise Technology Investment Division Chief, and the Implementation Vendor Project Director.

In August 2010, the Caltrans Enterprise Technology Investment Division requested that IPOC perform a health check assessment on the PRSM project. The objective of the health check assessment was to provide a point in time assessment of the PRSM project and identify findings, risks and recommendations associated with Project Management and Systems Development Lifecycle (SDLC) areas. IPOC activities performed for the Health Check assessment included interviewing key project team members and reviewing project documentation. On October 7, 2010, IPOC submitted the finalized Health Check report to Caltrans.

Project Oversight Review Checklist for May 2011

Project Oversight Review Checklist: High Criticality Project

This checklist is an assessment for the Adaptation Phase. The end date of this phase is October 2011 (per the last approved project schedule).

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
Planning and Tracking			
Have the business case, project goals, objectives, expected outcomes, key stakeholders, and sponsor(s) identified and documented?	X		An updated SPR was approved by the OCIO on December 8, 2009. The OCIO has requested that Caltrans submit a new SPR for the schedule delay.
Has a detailed project plan with all activities (tasks), milestones, dates, and estimated hours by task loaded into project management (PM) software? Are the lowest level tasks of a short duration with measurable outcomes?		X	The Implementation Vendor is using a Rolling Wave scheduling approach. Prior to the end of each phase or PRSM Payment Point, the Implementation Vendor and Caltrans work together to develop the specific activities for the tasks in the next Rolling Wave. The new detailed Rolling Wave Plan for the succeeding Project Phase will be documented in MS Project and will be submitted for State Acceptance as a prerequisite for State Acceptance of the current Payment Point. The Implementation Vendor submitted a PRSM Project Implementation Plan during the Planning Phase of the project. The Implementation Plan provides a schedule in MS Project for project activities, milestones, and deliverables including start and finish dates, duration, and high level resource assignments for each task. On June 9, 2010, the Implementation Vendor submitted a change request with an extension to the schedule and a cost increase. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved the schedule extension and cost increase. On October 6, 2010, the Implementation Vendor submitted another change request for a change in scope. The change request included changing the scope of the remaining Adaptation Phase activities and moving some of the remaining activities into Pilot. After several back and forth counterproposals, the Implementation Vendor rejected the latest Caltrans counterproposal. Caltrans updated the schedule to indicate the new task dates as they related to the original contract provisions. According to the most recent schedule (dated May 25, 2011), the end date for Adaptation is October 17, 2011. Adaptation Phase activities (i.e., testing and data conversion) are scheduled to be completed by October 14, 2011. In addition, the end date for the PRSM Project is November 27, 2012. This represents a delay of approximately 1 year and three months for Adaptation and approximately 9 months for the PRSM Project. It was noted in the PRSM Project Status meeting on May 25, 2011 that the PRSM Project schedule is still being rebaselined and updated to reflect new tasks and task durations. Until the schedule is more stable, we are

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
			reporting this as deficient.
Is completion of planned tasks recorded within the PM software?	X		On a bi-weekly basis, current and upcoming tasks are reviewed by the PRSM Project team and completion of planned tasks is updated as necessary.
Are actual hours expended by task recorded at least monthly within PM software?	X		Actual hours are charged to a WBS and are recorded and tracked in the Department's official accounting system. An overall project WBS list of approximately 2,000 items exists in MS Excel.
Are estimated hours to complete by task recorded at least monthly within PM software?	X		On a bi-weekly basis, current and upcoming tasks are reviewed by the PRSM Project team and the estimated hours to complete the tasks are updated as necessary.
Is there a formal staffing plan, including a current organization chart, written roles and responsibilities, plans for staff acquisition, schedule for arrival and departure of specific staff, and staff training plans	X		Formal staffing plans, including a current organization chart and written roles and responsibilities exist for the Caltrans PRSM Project Team and the Implementation Vendor.
Have project cost estimates, with supporting data for each cost category, been maintained?	X		A new baseline was set with the approved SPR dated 12/08/2009. On June 9, 2010, the Implementation Vendor submitted a change request with a cost increase of $947,422. Throughout June and July 2010, Caltrans and the Implementation Vendor were in negotiations regarding the potential cost increase. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved a cost increase of $864,977 ($464,977 from removing Years 2-3 Custom Code Maintenance and $400,000 from "Unanticipated Cost").
Are software size estimates developed and tracked?	N/A	N/A	This item is not applicable.
Are two or more estimation approaches used to refine estimates?	N/A	N/A	This item is not applicable.
Are independent reviews of estimates conducted?	N/A	N/A	This item is not applicable.
Are actual costs recorded and regularly compared to budgeted costs?	X		A spreadsheet exists that shows planned and actual costs by month.
Is supporting data maintained for actual costs?	X		Actual costs are obtained from timesheets that allocate time to WBS numbers/tasks.
Is completion status of work plan activities, deliverables, and milestones recorded, compared to schedule and included in a written status reporting process?	X		During status meetings, the PRSM Project Manager distributes an updated status report, which includes an updated schedule in MS Project for the current phase. The schedule provides a detailed view of the status of activities, deliverables, and milestones for the current phase. A high-level status report is posted on the Caltrans Improvement Project web database. Status reports go to the Legislature quarterly.
Are key specification documents (e.g. contracts, requirement specifications		X	The Configuration Management Plan deliverable was submitted by the

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
and/or contract deliverables) and software products under formal configuration control, with items to be controlled and specific staff roles and responsibilities for configuration management identified in a configuration management plan?			Implementation Vendor to Caltrans during the Planning Phase. The current Configuration Management Plan, dated 7/19/2009, provides details on configuration management of key project documents and software products. Finalization of configuration requirements occurred in the September 2010 reporting period. There is an open issue on the PRSM Issue Log (Issue # 253) stating that although the Configuration Management Plan identifies a process for promotion of code and other configuration items, the process does not appear to be followed. The latest status of this issue states that the Implementation Vendor has updated the Plan and Caltrans has reviewed the plan and provided comments to the Project Manager. Per the PRSM Issue Log, the next steps are to revise, finalize, and follow the plan.
Are issues/problems and their resolution (including assignment of specific staff responsibility for issue resolution and specific deadlines for completion of resolution activities), formally tracked?	X		An Issue Management Plan was approved and open issues are in the project database. The IT project manager is considering the same tool for managing project changes. Risk and Issue Management meetings are held on a bi-weekly basis. As of May 18, 2011 the PRSM project team has begun utilizing a centralized repository to track and manage all potential and open issues.
Is user satisfaction assessed at key project milestones?	X		Representatives of the engineering areas and regions participated in the vendor demonstration evaluations. In addition, Caltrans scheduled Implementation Team training sessions that provided the PRSM Implementation Team with an overview of PRSM Methodology and Functionality. Training Session #1 occurred during the week of September 14, 2009. After completion of Session #1 training, the PRSM Project Team gathered feedback on the content and the effectiveness of the training and used the feedback to update and/or improve Training Session #2, which occurred during the week of September 28, 2009. This is adequate for the Adaptation Phase of the project. During Pilot and Roll Out, each district will have the opportunity to complete a user satisfaction survey.
Is planning in compliance with formal standards or a system development life-cycle (SDLC) methodology?	X		Compliance with PMBOK standards is adequate for this phase of the project.
Is there formal enterprise architecture in place?	X		The RFQI describes the target Caltrans enterprise environment.
Are project closeout activities performed, including a PIER, collection and archiving up-to-date project records and identification of lessons learned?	N/A	N/A	Project is in the Adaptation Phase.
Procurement			
Are appropriate procurement vehicles selected (e.g. CMAS, MSA, "alternative procurement") and their required processes followed?	X		The final contract was signed by the Implementation Vendor on February 26, 2009. Caltrans received, reviewed and signed the contract on February 27, 2009. DGS Legal reviewed and signed the contract on March 5th, 2009.

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
Is a detailed written scope of work for all services included in solicitation documents?	X		Detailed written scope of work is contained in the RFP.
Are detailed requirement specifications included in solicitation documents?	X		Detailed requirement specifications are contained in the RFP. Requirements are described in the RFQI and Value Analysis documents.
Is there material participation of outside expertise (e.g. DGS, Departmental specialists, consultants) in procurement planning and execution?	X		Outside expertise and counsel has been sought from DOF, DGS, and consultants.
For large-scale outsourcing, is qualified legal counsel obtained?	N/A	N/A	The project does not involve outsourcing as currently defined.
Risk Management			
Is formal continuous risk management performed, including development of a written risk management plan, identification, analysis, mitigation and escalation of risks in accordance with DOF/TOSU Guidelines, and regular management team review of risks and mitigation progress performed?	X		The latest version of the Risk Management Plan was submitted May 2011. Risk owners have been assigned. A Risk Register was developed and is tracked by the Risk Manager. Risk and Issue Management meetings are held on a bi-weekly basis. As of May 18, 2011 the PRSM project team has begun utilizing a centralized repository to track and manage all potential and open risks.
Does the management team review risks and mitigation progress at least monthly?	X		Risk and Issue Management meetings are held on a bi-weekly basis.
Are externally developed risk identification aids used, such as the SEI Taxonomy Based Questionnaire?	X		A risk list was initially populated using the SEI Risk Taxonomy.
Communication			
Is there a written project communications plan?	X		The latest version of the finalized and approved Communications Plan is dated 6/22/2009.
Are regular written status reports prepared and provided to the project manager, department CIO (if applicable) and other key stakeholders?	X		The Advisory Committee receives a written status report during the monthly Advisory Committee meetings. These reports include issues identified, changes to scope, schedule, cost, problems encountered, and items accomplished.
Are there written escalation policies for issues and risks?	X		Both the Risk Management Plan and the Issue Management Plan contain a risk escalation process.
Is there regular stakeholder involvement in major project decisions, issue resolution and risk mitigation?	X		Implementation Manager meetings occur on a monthly basis. The purpose of this meeting is to keep the District project managers regularly updated on the status of the project and to receive their input.
System Engineering			

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
Are users involved throughout the project, especially in requirements specification and testing?	X		Representatives of key stakeholder groups participated in and reviewed the Value Analysis Report that describes the PRSM requirements. The PRSM Project Team is being run by Caltrans Division of Project management which is the primary constituency for the system.
Do users formally approve/sign-off on written specifications?	X		Representatives of key stakeholder groups participated in and reviewed the Value Analysis Report that describes the PRSM requirements. In addition, the Implementation Vendor has been delivering a series of Checkpoints, which include a review of the PRSM configurations and design documentation. After each checkpoint, the PRSM Project Team gathers and consolidates their feedback on what was presented and provides it to the Implementation Vendor. The Implementation Vendor originally stated that there would be four (4) checkpoints over the course of the Adaptation Phase. In the March 2010 reporting period, the implementation Vendor stated that the remainder of the configurations would be presented in Checkpoint 4 or any of number of checkpoints needed. Checkpoint 4 was performed in April 2010. The walkthrough included the review of the revised design documentation for configurations presented in previous checkpoints. Configuration requirements baseline, customizations and deleted requirement agreements were reviewed by Caltrans and feedback was provided to the Implementation Vendor.
Is a formal SDLC methodology followed?	X		The Implementation Vendor is using the SDLC Stage Gate Model to manage the configuration and customization of PRSM throughout the Adaptation Phase. In this model, work packages divide the total effort into a series of stages, where gating criteria must be met prior to moving from one stage to the next. For the PRSM Project, each work package is designed, developed, tested, and accepted prior to completion of the package. This model may have an impact on the schedule, due to the amount of review time for each work package. In order to offset this, Caltrans is incorporating review cycles through the new checkpoint implementation approach.
Is a software product used to assist in managing requirements? Is there tracking of requirements traceability through all life-cycle phases?	X		An Implementation and System Acceptance Test consultant has been added to the team. The level of requirements management presently in place appears to be appropriate for the current phase of the project.
Do software engineering standards exist and are they followed?	X		Engineering standards exist and are documented in the PRSM Configuration Management Plan. IPOC will monitor the project during the Adaptation Phase and subsequent phases to determine how effectively the PRSM Project is adhering to the engineering standards.
Does product defect tracking begin no later than requirements specifications?	X		The PRSM issue management system currently is designed to serve as a defect tracking mechanism. Several of the issues already raised represent clarification to requirements.
Are formal code reviews conducted?	X		The PRSM Project Team has performed formal configuration reviews to occur

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
			during checkpoints throughout the Adaptation Phase. In the March 2010 reporting period, the implementation Vendor stated that the remainder of the configurations would be presented in Checkpoint 4 or any of number of checkpoints needed. Checkpoint 4 was performed in April 2010. The walkthrough included the review of the revised design documentation for configurations presented in previous checkpoints. Configuration requirements baseline, customizations and deleted requirement agreements were reviewed by Caltrans and feedback was provided to the Implementation Vendor. In addition, IV&V is currently performing code reviews and is planning to work with Caltrans IT to finalize code review process.
Are formal quality assurance procedures followed consistently?	X		The PRSM Project follows the State Acceptance process for deliverables. There are three types of Acceptance: Acceptance Type 1 – Objective on Receipt; Acceptance Type 2 – Non-Software Acceptance; and Acceptance Type 3 – Software Acceptance Testing by the State.
Do users sign-off on acceptance test results before a new system or changes are put into production?	N/A	N/A	Project is in the Adaptation Phase
Is the enterprise architecture plan adhered to?	X		Caltrans is in the process of creating a formal enterprise architecture plan. The PRSM technology solution was requested to be submitted as part of the study.
Are formal deliverable inspections performed, beginning with requirements specifications?	X		PCR's 8 (modifications to technical requirements related to Work Package 1) and 9 (deletion of technical requirements or parts of technical requirements, which are obsolete, redundant, or no longer needed) were approved in the June 2010 reporting period. PCR 12 (remainder of requirements not covered in PCR's 8 or 9) was approved in the August 2010 reporting period. Per the new baseline schedule (dated August 31, 2010), the Requirements Baselining effort was completed on August 24, 2010. Previously, the requirements have been through two separate review activities: user group review and IV&V review. There is a third review underway by the Project Management team in order to document the As-Is and To-Be business processes. IPOC will continue to monitor this area as the project progresses.
Are IV&V services obtained and used?	X		The IV&V Contract was approved and the IV&V Vendor began work in April 2008.

Independent Project Oversight Reports

IPO Report for April 2011

Project Name: Caltrans PRSM **Assessment Date:** April 29, 2011

Frequency: Monthly

Oversight Provider Information

Oversight Leader:	Greg Thomas	**Organization:**	Deloitte & Touche LLP
Phone Number:	415 783 5211	**Email:**	grethomas@deloitte.com

Project Information

Project Number:	**2660-160**	**Department:**	Transportation (Caltrans)
Criticality:	High	**Agency:**	Business, Transportation & Housing
Last Approved Document/Date:	SPR (12/08/09)	**Total One-time Cost:**	$26,078,375
Start Date:	June 7, 2000	**End Date:**	June 13, 2011
Project Manager:	David Youmans	**Organization:**	Caltrans
Phone Number:	916.826.4425	**Email:**	david_youmans@dot.ca.gov

Summary: Current Status

Project Phase:	Adaptation		
Planned Start Date:	May 20, 2009	**Planned End Date:**	November 23, 2010
Actual Start Date:	July 1, 2009	**Forecasted End Date:**	November 25, 2011

Schedule

Select the statement that most closely applies, measured against the last **Finance approved** document.

Ahead-of-schedule:
One or more major tasks or milestones have been completed and approved early (> 5%). All other major tasks and milestones completed and approved according to plan.

Behind Schedule

On-schedule:
All major tasks and milestones have been completed and approved according to plan. (Within 5%)

Behind Schedule:
One or more major tasks or milestones are expected to be delayed. (> 5%)

Comments: A new baseline schedule was set with the approved Special Project Report (SPR) dated December 8, 2009. The SPR states the end date of the Adaptation Phase as February 2010 and the end date of the entire PRSM project as June 13, 2011. On June 9, 2010, the Implementation Vendor submitted a change request with an extension to the schedule and a cost increase. Throughout June and July, Caltrans and the Implementation Vendor were in negotiations regarding the change request. In the August 4th, 2010 Executive Steering

Committee meeting, the Executive Steering Committee approved the schedule extension and cost increase. The PRSM Change Control Board created Project Change Request (PCR) 14 to track the non-technical (cost and schedule) changes associated with the Implementation Vendor change request. PCR 14 was approved by the PRSM Change Control Board, pending finalization and approval of the draft PRSM project schedule, on August 24, 2010. On September 1, 2010, the Implementation Vendor approved the new baseline schedule.

On October 6, 2010, the Implementation Vendor submitted another change request for a change in scope (please note there is no requested change to schedule or overall PRSM project cost). The change request included changing the scope of the remaining Adaptation Phase activities and moving some of the remaining activities into Pilot. The activities the Implementation Vendor proposed to change and/or move to Pilot include Data Conversion, System End to End Testing, Implementation Team Training, Technical Training, and Report Development. In addition, the Implementation Vendor proposed to decrease the amount of their support during Roll Out since they will be providing more up front support during Pilot.

After several back and forth counterproposals, the Implementation Vendor rejected the latest Caltrans counterproposal. Caltrans updated the schedule to indicate the new task dates as they related to the original contract provisions. Although the schedule has been updated to reflect the original contract provisions, Caltrans and the Implementation Vendor are still in negotiations regarding the re-scope proposal. There are several key project activities, such as planning for the PRSM training program, that are dependent upon the outcome of the re-scope proposal so it is important that the re-scope proposal negotiations are settled timely, and that the outcome is used to clarify the project plan and critical project activities. In addition, during the week of January 24th, Caltrans met with Executives from the Implementation Vendor to discuss a plan for moving forward with the project. One of the outcomes of the meeting was that the Implementation Vendor is going to finalize multiple deliverables that were previously in draft form. These deliverables include the Data Initialization Plan (DIP), Pilot Plan, and System Test Plan. For information on the status of these deliverables, please refer to the **General Comments** section at the end of this report.

As part of the approval of the August 2010 approved Implementation Vendor change request, the Executive Steering Committee and the Implementation Vendor agreed that the Adaptation Phase would not go past November 23, 2010. During the PRSM Project Status Meetings, it has been noted that the delay Adaptation is due to the number of anomalies (defects) identified during configuration testing and issues regarding data conversion. According to the most recent schedule (dated April 12, 2011), the end date for Adaptation is November 25, 2011. Please note that this delay is due to the procurement cycle (180 days) for CAPA (CA Productivity Accelerator), which is the tool PRSM will utilize for training. The other Adaptation Phase activities (i.e., testing and data conversion) are scheduled to be completed by June 3, 2011. In addition, the end date for the PRSM Project is August 31, 2012. This represents a delay of approximately 1 year for Adaptation (6 months without CAPA procurement) and approximately 6 months for the PRSM Project. The OCIO has requested that Caltrans submit a Special Project Request (SPR) for the schedule delay. Please refer to the table below.

We will continue to closely monitor the schedule status during the Adaptation Phase and report any updates as they occur. Please refer to the PRSM Project Schedule issue in the **Issue** section below for information regarding further potential impacts to the schedule.

Document	**End of Adaptation Phase**	**End of Project**
SPR (dated 12/08/09)	02/2010	06/13/2011
Executive Steering Committee Approved Schedule (dated 09/01/2010)	11/23/2010	02/14/2012
Current Schedule (dated 04/12/2011)	11/25/2011	08/31/2012

Resources (Level of Effort) Choose the statement that most closely applies.

Fewer Resources
Completion of one or more major tasks and / or acceptable products has required or is expected to require materially (>5%) fewer hours/staff than planned.

Within Resources
All major tasks have been completed and acceptable products created using the planned number of hours/staff (within 5%).

More Resources
Completion of major tasks and / or acceptable products has required or is expected to require materially (>5%) more hours/staff than planned.

More Resources

Comments: In the February 2011 reporting period, a new Implementation Vendor Project Manager joined the PRSM Project Team. In the March 2011 reporting period, a few of the PRSM Project Team roles were updated. The previous IT Lead is now the Release Manager and Configuration Manager. A new team member was brought on to the project to fill in as the new IT Lead. In addition, during the PRSM Project Status Meetings, it has been noted that the delay in Adaptation is due to the number of anomalies (defects) identified during configuration testing and issues regarding data conversion. There are three current resource concerns associated with the Adaptation Phase: (1) The testing team has noted that some of the anomalies identified during testing represent questions regarding system functionality. During the beginning of testing, a business analyst was not on-hand to support the testing team. In addition, the system has not been documented from a user or tester perspective, which would assist in providing a guide to how the system should function. If an issue arose during testing, the testers were unsure if it was a defect or how the system should function. Although the Implementation Vendor has provided an Architect that is available to assist the testing team during half of their sessions and is also on-call to answer any questions that arise, additional business resources may be needed during testing.; (2) Due to the number of anomalies found during configuration testing, additional time has been built into the schedule (approximately 6 months). Caltrans has added two (2) additional resources to assist with the testing effort (one to assist with Configuration Testing and the other to assist with Integration Testing). In order to mitigate future schedule delays, additional resources may be needed to resolve anomalies and assist in the testing effort; (3) the current status of the conversion effort as a whole has not been reported clearly during the PRSM Project Status Meetings. This is partially due to the fact that there is not a single point of contact / owner for the Data Conversion effort. In order for Data Conversion to be successful, an owner needs to be identified to manage the effort. In the March 2011 reporting period, an owner was identified to manage the Data Conversion effort and report on the status. In addition, the PRSM Project Team created a Data Task Force with the goal of identifying / compiling a list of data conversion issues and working to resolve the issues. The Data Task Force has been meeting during the month of April. They have compiled a list of issues and are currently working towards testing and resolving the issues. We will continue to closely monitor the resource status during the Adaptation Phase and report any updates as they occur.

Resources (Budget/Cost) Choose the statement that most closely applies.

Less cost
The project is (>5%) under budget.

Within cost
The project is operating within budget.

Higher cost
Material budget increases (>5%) are likely.

Within Cost

Comments: A new baseline was set with the approved SPR dated 12/08/2009. On June 9, 2010, the Implementation Vendor submitted a change request with a cost increase of $947,422. Throughout June and July 2010, Caltrans and the Implementation Vendor were in negotiations regarding the potential cost increase. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved a cost increase of $864,977 ($464,977 from removing Years 2-3 Custom Code Maintenance and $400,000 from "Unanticipated Cost"). The Implementation Vendor's change request is linked to the following PRSM PCR's: PCR 13 (Changes from FIDO to EFIS Interface – Technical Requirements) and PCR 14 (Changes from FIDO to EFIS Interface – Non-Technical Requirements), which have been approved by the PRSM Change Control Board.

Quality (Client Functionality) Choose the statement that most closely applies.

Adequately Defined
Required client functionality is adequately defined, and is being successfully built into the system, given the current project phase.

Inadequately Defined

Inadequately Defined
One or more significant components of required client functionality are inadequately defined, or are not being successfully built into the system, given the current project phase.

Comments: At this point in time, given the delays in testing, it is unclear if the required functionality has been successfully built into the system. During the January reporting period, we reported that out of 334 total requirements, 15 have been fully satisfied and 16 have been partially satisfied (303 have not been satisfied). In addition, out of a total of 99 test scripts, 19 have been executed and 20 have been informally executed (60 have not been executed). Please note that updated metrics were not provided in February, March, or April 2011. There is a concern that test scripts may not adequately reflect requirements. For more information, please refer to **Issue I-4: Configuration Testing**.

In addition, there have been a significant number of problems associated with data conversions. Per the PRSM Project Schedule (dated 04/12/2011), Data Conversion testing activities are scheduled to be completed by 05/25/2011. Data Conversion activities are being performed for project data and historical data. Currently the PRSM Project Team is in the process of performing data load testing for a sample of projects on the project data and historical financial data for each District. During the weekly PRSM Project Status Meetings, the PRSM Project Team has noted that legacy data has presented some challenges and there have been some issues with loading the data. If the issues of data cleansing and data load are not mitigated or resolved prior to Pilot and roll out, there is a possibility that only a small sub-set of projects will load correctly. The PRSM Project Team created a Data Task Force with the goal of identifying / compiling a list of data conversion issues and working to resolve the issues. The Data Task Force has been meeting during the month of April. They have compiled a list of issues and are currently working towards testing and resolving the issues. We will continue to monitor this area closely and report any updates as they occur. For more information, please refer to **Issue I-3: Data Conversions**.

Quality (Architecture/System Performance) Choose the statement that most closely applies.

Adequately Defined
The system technical architecture is adequately defined, and modeling, benchmarking and testing are being conducted (or are planned) appropriate to the current project phase.

Adequately Defined

Inadequately Defined
The system technical architecture is not adequately defined, or modeling, benchmarking and testing are not being conducted (or are planned) appropriate to the current project phase.

Comments: System technical architecture and performance are adequately defined for the Adaptation Phase. The Implementation Vendor has submitted a Configuration Management Plan, High Level Design, and updated Architecture Diagram. The Production environment hardware has been configured and turned over to Caltrans. The Implementation Vendor submitted an Application Installation-Platform Acceptance Report, which was approved after revisions were made. Currently the PRSM Project Team is working on renewing Oracle licenses. They are also planning Help Desk support activities, which will be used to provide support to the districts post implementation.

New Issues

There are no new issues.

Issues

Issue I-4: Configuration Testing

Issue Statement: There have been many unexpected problems with the Configuration Testing component of the project (see the Comments under the Quality section above). The number of defects/anomalies and slow progress of Configuration Testing is causing additional schedule delays as configuration testing is in the critical path for entering the Pilot phase of the project.

Impact: High Time Frame: Short Term Severity: High Assigned to: David Cordone

IPOC Recommendations:

- I-4a - IPOC recommends that the PRSM Project Team develop a remediation plan for testing the issues and recommendations identified in the IV&V Root Cause Analysis.
- I-4b – IPOC recommends that the PRSM Project Team apply additional resources if necessary to expedite the Configuration Testing. The PRSM project team should keep the Executive Steering Committee informed of the status of this issue and request additional resources if necessary.

Status Update:

April 11 Status: Configuration Testing is still on hold pending the outcome of the re-scope proposal and also pending the resolution of the issues with Data Conversion. In the meantime, the test team is performing Unit Testing and expanding on test documentation. As of latest status meeting (4/12/2011), 67% of EFIS Unit Test Scripts had passed and 59% of Staff Central Unit Test Scripts had passed.

March 11 Status: One of IPOC's recommendations in the January 2011 IPOR was that the PRSM Project Team perform a root cause analysis for the configuration testing delays. The PRSM Project team then requested that IV&V perform the root cause analysis. In February 2011, IV&V performed and submitted the root cause analysis report. During the analysis IPOC and the PRSM Project Team provided comments and feedback. Within the analysis, IV&V identified the current state of testing, current challenges, root causes, and recommendations. Some of the key points from this analysis are that the test plan, which is supposed to guide the method of all phases of testing, has not been finalized due to a number of conflicting points between Caltrans and the Implementation Vendor and testing responsibilities have not been agreed upon. In addition, configuration testing is dependent on good data. Current issues with the data have prevented progress with configuration testing, which has been on hold for approximately one month. If the issues with the data are not resolved, it will impact the testing effort and will cause additional delays in the schedule.

New Issue I-3: Data Conversions

Issue Statement: There have been many unexpected problems with the dry-run data conversion process. For several of the Districts' pilot data, there has not been a successful dry-run to date. This may cause additional schedule delays and impact the quality of integration testing.

Impact: High Time Frame: Short Term Severity: High Assigned to: Jacquelyn Moore

IPOC Recommendations:

- I-3a - IPOC recommends that the PRSM Project Team develop a remediation plan for the data conversion issues and recommendations identified in the IV&V Root Cause Analysis.
- I-3b - IPOC recommends that additional resources (including a data conversion lead) to be applied as necessary to the data conversion effort in order to keep this component of the project on track. The PRSM project team should keep the Executive Steering Committee informed of the status of this issue and request additional resources if necessary.

Status Update:

April 11 Status: The Data Task Force has been meeting during the month of April. They have compiled a list of issues and are currently working towards testing and resolving the issues.

March 11 Status: In the March 2011 reporting period, an owner was identified to manage the Data Conversion effort and report on the status. In addition, the PRSM Project Team created a Data Task Force with the goal of identifying / compiling a list of data conversion issues and working to resolve the issues. The Data Task Force has been meeting during the month of March and is currently in the process of compiling the list of issues. One of IPOC's recommendations in the January 2011 IPOR was that the PRSM Project Team perform a root cause analysis for the data conversion delays. The PRSM Project team then requested that IV&V perform the root cause analysis. In February 2011, IV&V performed and submitted the root cause analysis. During the analysis IPOC and the PRSM Project Team provided comments and feedback. Within the analysis, IV&V identified the current state of conversion, current challenges, root causes, and recommendations. Some of the key points from this analysis are that the Data Initialization Plan (DIP) has not been finalized, the current status of the conversion effort as a whole is unknown outside of the Conversion Team, and there has been continuous Caltrans data issues identified by the Implementation Vendor. A number of other critical activities, including testing and training, are dependent on the data conversion effort. If the issues with the data are not resolved, it will cause additional delays in the schedule.

Issue I-2: PRSM Project Schedule

Issue Statement: As part of the approval of the Implementation Vendor change request, the Executive Steering Committee and the Implementation Vendor agreed that the Adaptation Phase would not go past November 23, 2010. According to the most recent schedule (dated April 12, 2011), the end date for Adaptation is November 25, 2011 (June 3, 2011 without CAPA Procurement). During the PRSM Project Status Meetings, it has been noted that the delay Adaptation is due to the number of anomalies identified during configuration testing and issues regarding data conversion. Although additional time has been built into the schedule, if activities at the task level are not appropriately managed, if could result in additional delays. In addition, there is a risk that the Implementation Vendor could submit another change request for increased costs. Please refer to the **Schedule** section on page 1 for additional information.

Impact: High Time Frame: Short Term Severity: High Assigned to: Joel Arpilleda

IPOC Recommendations:

- I-2a - IPOC recommends that the PRSM Project Team continue to evaluate the remaining testing and data conversion activities and build additional time into the PRSM Project Schedule as needed. Delays at the task and activity level should be recorded and tracked. In addition, delays that affect the critical path should be immediately discussed with members of the PRSM Project Management Team. If necessary, daily checkpoint meetings should be conducted to resolve issues that impact the critical path. Issues that cannot be resolved at the PRSM project team level should be escalated to the Executive Steering Committee immediately.
- I-2b –During the week of January 24th, Caltrans met with Executives from the Implementation Vendor to discuss a plan for moving forward with the project. One of the outcomes of the meeting was that the Implementation Vendor is going to finalize multiple deliverables by the end of February 2011. As of this IPOR, none of these deliverables have been finalized. IPOC recommends that Caltrans monitor the status of these deliverables and work with the Implementation Vendor to finalize them by the end of May 2011. Please refer to the **General Comments** section at the end of this IPOR for more information.
- I-2c - IPOC recommends that the progress of testing and data conversion should be reported in writing during the Status Meetings.

Status Update:

April 11 Status: Within the current PRSM Project schedule (dated 4/12/2011), many tasks do not have accurate finish dates and/or percentages complete. For these tasks, their current status and expected completion date is unclear.

March 11 Status: CAPA procurement has been added to the schedule. The procurement cycle for CAPA is 180 days; therefore the end date for Adaptation is now November 11, 2011. The trigger for starting the 180 day cycle is obtaining approval for the purchase of CAPA. Currently, the IT Project Manager is still waiting on the approval. A delay in the approval of the purchase may result in additional delays to the schedule. After several back and forth counterproposals, the Implementation Vendor rejected the latest Caltrans counterproposal. Caltrans updated the schedule to indicate the new task dates as they related to the original contract provisions.

Issue I-1: EFIS Interface (PCR 13)

Issue Statement: The PRSM Project Team has been made aware that Caltrans Financial Data to Oracle (FIDO) system and CTIPS are going to be phased out once the ERP Financial Infrastructure (EFIS) has been implemented. While developing to one standard interface presents a business opportunity, specifications and data requirements will need to be analyzed and documented. The development of the EFIS interface is a critical step for the PRSM project to proceed to the Pilot phase. EFIS went live in July 2010. The development of the EFIS interface could impact the cost of PRSM. There are two (2) potential scenarios related to this issue that could impact the schedule and / or cost: 1) the time compression in the transition of EFIS support from the EFIS Implementation Vendor to Caltrans could result in the EFIS Implementation Vendor fully focused on knowledge transfer and transition. The limited availability of EFIS resources could result in a delay in the development of the EFIS interface; and 2) with the focus on knowledge transfer and transition, PRSM is a lower priority for EFIS related support, which could result in resource constraints when it comes time to supporting the PRSM/EFIS interface/testing efforts.

Impact: High Time Frame: Short Term Severity: High Assigned to: Jacqueline Moore

IPOC Recommendations:

- I-2a PRSM interface acceptance criteria for entry to the Pilot phase should be agreed upon by the PRSM Project Team and Business Stakeholders. The criteria should include specifying the quality and completeness of the interfaces (degree of production readiness) before the Pilot phase.
- I-2b - Continue to work closely with the EFIS project by attending the bi-weekly interface planning meetings. Escalate issues related to EFIS timing and resource needs to the PRSM Steering Committee for resolution as soon as the interface requirements are finalized.

Status Update:

April 11 Status: No new status.

March 11 Status: Interface testing is still on-hold. In addition, the PRSM Project Team created a Data Task Force with the goal of identifying / compiling a list of data conversion issues and working to resolve the issues. The Data Task Force is also addressing issues associated with the interfaces. The team appears to be making progress in addressing those issues. EFIS resources have been available to assist the PRSM Project. Per discussion with the PRSM Project Manager, noted that due to the delays in Configuration Testing, the Integration Testing completion date will be delayed as well. The PRSM Project Team is currently working to revise the schedule with the updated testing dates. The Independent Verification and Validation (IV&V) Consultant has reviewed the interface code developed by the Implementation Vendor and there were no issues with the code from the perspective of IV&V. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved the schedule extension and cost increase. The PRSM Change Control Board created Project Change Request (PCR 14) to track the non-technical (cost and schedule) changes associated with the change from Caltrans Financial Data to Oracle (FIDO) and CTIPS to the ERP Financial Infrastructure (EFIS) Interface. PCR 14 was approved by the PRSM Change Control Board, pending finalization and approval of the draft PRSM project schedule, on August 24, 2010. On September 1, 2010, the Implementation Vendor approved new baseline project schedule. Finalization and approval of PCR 13 and 14 occurred on September 1, 2010. Although Configuration Testing has been on-hold during the month of February; Integration Testing has continued to be performed, including the development and execution of test cases and use cases. It was noted during the March 1st PRSM Project Status meeting that some of the test cases between PRSM and Staff Central may have to be put on hold until the issues with data are resolved.

New Risks

There are no new risks.

Progress Toward Addressing Prior Risks

Risk R-3: PRSM Project Costs

Risk Statement: With the previous delays in the PRSM project schedule and the remaining Adaptation activities (i.e., data conversion and testing) there is a possibility of another schedule delay. The possibility of another delay in the PRSM project schedule could have an impact on the cost of the project.

Probability: Medium Impact: High Time Frame: Short Term Severity: High Assigned to: Joel Arpilleda

IPOC Recommendations:

- R-3a – IPOC recommends that the current delay in Adaptation and the potential additional delays be discussed with the Executive Steering Committee. Upon review of the previous approved Implementation Vendor change request, if it is deemed likely that another change request for cost will be submitted, discussions with the Implementation Vendor should occur immediately.
- R-3b - IPOC recommends that potential Caltrans resource needs / cost impacts are assessed given the delay in Adaptation. These resource and potential cost impacts should be discussed with the executive steering committee.

Status Update:

April 11 Status: As of the April 2011 reporting period, there has not been an increase in costs.

March 11 Status: As of the March 2011 reporting period, there has not been an increase in costs.

Risk R-2: Resource Availability

Risk Statement: Without adequate Caltrans resources working on PRSM, the project schedule could be delayed. While in the Adaptation Phase, PRSM Project Team members should be allocated full time. Individual Resources may need to be identified at the task level in the Project Plan in order to estimate resource requirements and availability.

Probability: Medium Impact: Medium Time Frame: Short Severity: Medium Assigned to: Joel Arpilleda

IPOC Recommendations:

- R-2a - After the PRSM work plan is complete, determine the resource gaps and reallocate effort as appropriate.
- R-2b - Assign individual resources at the task level in the project schedule to assist in estimating resource requirements. All PRSM project resources, including vendor resources, should be included.

Status Update:

April 11 Status: No new status.

March 11 Status: In the March 2011 reporting period, a few of the PRSM Project Team roles were updated. The previous IT Lead is now to Release Manager and Configuration Manager. A new team member was brought on to the project to fill in as the new IT Lead. During the February 2011 reporting period, a new Implementation Vendor

Project Manager joined the PRSM Project Team. The previous Implementation Vendor Project Manager will stay on board to assist in the transition process. During the January 2011 reporting period, the Implementation Vendor has provided an Architect that is available to assist the testing team during half of their sessions and is on-call to answer questions. In addition, Caltrans has added two (2) additional resources to assist with the testing effort (one to assist with Configuration Testing and the other to assist with Integration Testing). Please refer to the **Resource** section on page 2 for additional information.

Risk R-1: Business Process Changes and Organizational Change Management

Risk Statement: One of the most significant challenges to the PRSM Project could be engaging and obtaining buy-in from District executives, management and staff. It is very important that District executives and management are knowledgeable about PRSM and the changes to their business processes and benefits of using PRSM. District staff, in addition to training, should be knowledgeable of the decisions and consequences of changing / standardizing business processes. Lack of engagement of District personnel at all levels could have a negative impact on overall PRSM system acceptance and usage.

Probability: High Impact: High Time Frame: Med Severity: High Assigned to: David Youmans

IPOC Recommendations:

- R-1a - Define the process for gaining District consensus on policies, new business rules and business processes. The process should describe how information on new business rules and business processes will be communicated to the field with sufficient time to get feedback and buy-in.
- R-1b - Modify the format of the monthly Implementation Manager's Video Conference Meeting to begin utilizing this forum as a mechanism for Organizational Change Management. As PRSM gets closer to District roll out, change the frequency of these meetings to bi-weekly.
- R-1c – Assess the changes to the training program/plan proposed in the most recent implementation vendor change request in order to understand the impact on Organizational Change Management. Work with the Districts to help them understand the changes to the training program in order to gain organizational buy-in and confirm that the program is adequate to enable a successful Roll Out.
- R-1d – Assess the impact of the Implementation Vendor Change Request on Organizational Change Management.
- R-1e – Consider hiring / extending additional consulting resources to assist with refining the Organizational Change Management Plan and to execute the plan.

Status Update:

April 11 Status: During the April reporting period, IPOC met with the Organizational Change Management Team and discussed the plan for preparing for and implementing organizational change management at the districts. During this meeting, IPOC provided comments and recommendations to enhance the plan. In addition, IPOC was provided with the Draft Organizational Change Management Plan and provided comments.

March 11 Status: The draft District Readiness Checklist was sent to the Districts for review. The Districts have provided their comments and Caltrans is in the process of incorporating the comments into the finalized checklist. Presentations to the Districts continue to occur. The PRSM Project Team has begun reviewing business process impacts and is in the process of finalizing the list of business process changes. Prior to the Implementation Vendor training, the PRSM Project Team is planning to provide two courses: Introduction to PRSM and Open Workbench (OWB). Current activities have been built into the PRSM schedule. Per the PRSM Project Schedule (dated 9/28/2010), the following activities are scheduled to occur: District Marketing Campaigns, Business Process Impact Analysis per District, and Communications / Publicity.

General Comments

Deloitte & Touche LLP's IPOC contract with the Caltrans PRSM project started in December 2008. This Independent Project Oversight Report (IPOR) provided by Deloitte & Touche LLP has been developed in accordance with the applicable standards of the American Institute of Certified Public Accountants (AICPA) as per Deloitte & Touche LLP policy. IPOC has attended various PRSM project meetings throughout the month of April, including PRSM Status meetings, PRSM Risk and Issues meetings and PRSM Project Managers meeting.

On June 9, 2010, the Implementation Vendor submitted a change request with an extension to the schedule and a cost increase. Throughout June 2010 and July 2010, Caltrans and the Implementation Vendor were in negotiations regarding the change request. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved the schedule extension (approximately 5 months) and cost increase. On October 6, 2010, the Implementation Vendor submitted another change request for a change in scope (please note there is no change to schedule or cost). This change request included changing the scope of the remaining Adaptation Phase activities and moving some of the remaining activities into Pilot. The goal for this is to keep activities in Adaptation that can be completed prior to November 23rd and move the remaining activities into early Pilot. After several back and forth counterproposals, the Implementation Vendor rejected the latest Caltrans counterproposal. Caltrans updated the schedule to indicate the new task dates as they related to the original contract provisions. In addition, during the week of January 24th, Caltrans met with Executives from the Implementation Vendor to discuss a plan for moving forward with the project. One of the outcomes of the meeting was that the Implementation Vendor is going to finalize multiple deliverables that were previously in draft form. These deliverables include the Data Initialization Plan (DIP), Pilot Plan, and System Test Plan and were scheduled to be completed in February 2011. As of the April 12th PRSM Project Status Meeting, none of these deliverables have been completed. The updated due date for each deliverable is as follows: the Pilot Plan is now scheduled to be completed in May 2011; the System Test Plan is scheduled to be completed in May 2011 pending resolution of the current data conversion issues; and the Data Initialization Plan (DIP) has been divided into three (3) components: Data Dictionary, Conversion, and Test. The Data Dictionary and Conversion components of the DIP are scheduled to be completed by the end of May 2011. The Test component of the DIP does not currently have a completion date. For more information on the data conversion issues, please refer to **Issue I-3: Data Conversions**.

As part of the approval of the August 2010 approved Implementation Vendor change request, the Executive Steering Committee and the Implementation Vendor agreed that the Adaptation Phase would not go past November 23, 2010. According to the most recent schedule (dated April 12, 2011), the end date for Adaptation is November 25, 2011 and the end date for the PRSM Project is August 31, 2012. Please refer to the **Schedule** Section on Page 1 for additional information.

In the July 2010 reporting period, the PRSM project was re-organized so that the Project Management function is now under IT and a new Project Manager has been assigned to PRSM. This new Project Manager will be responsible for the day to day, hands-on project management activities for PRSM. The Project Management function was previously under the Division of Project Management. With the re-organization, the previous Project Manager is now providing oversight as the Project Director.

A number of project processes have been modified since the change in Project Management structure in July 2010. The PRSM Project Schedule, which was previously managed by the Implementation Vendor, is now managed by Caltrans. The new Project Manager has added baseline start and finish columns to the schedule to track baseline completion dates against actual completion dates. During the weekly PRSM Project Status Meetings, the new Project Manager has allocated time in the agenda for each of the PRSM Project Team Workgroups (such as Configuration, Interfaces, Conversion, etc.) to conduct brief status updates of their current tasks, risks, and issues. Beginning in March 2011, the structure of the PRSM Project Status meetings will change. Going forward, attendees of the status meetings will only include PRSM Project Leads, Managers, and Oversight vendors. The purpose of these meetings will be to provide a status update of each area of the project, without going into the task level detail of the work plan. In addition to these meetings, another weekly meeting will be scheduled for each area (i.e., testing, training). During these meetings, team members will update the schedule based on their assigned activities and provide updates to their team lead.

In addition to the weekly PRSM Status meetings and the bi-weekly PRSM Risk and Issues meetings, PRSM Change Management meetings occur on a weekly basis if there are open changes to discuss. During these meetings new and open project change requests (PCR's) are discussed by PRSM Project Management and the Implementation Vendor Project Manager. There is currently an open PCR (PCR 18), which is requesting a change to the structure of the Change Control Board. If this is approved, the new members of the Board will include the Caltrans PRSM Project Director, Caltrans Enterprise Technology Investment Division Chief, and the Implementation Vendor Project Director. Please note that the current Board members will continue to assist in the change request analysis and recommendation process. Currently the Caltrans IT Project Manager is in the process of updating the PRSM Change Management Plan to include the new structure and processes.

In August 2010, the Caltrans Enterprise Technology Investment Division requested that IPOC perform a health check assessment on the PRSM project. The objective of the health check assessment was to provide a point in time assessment of the PRSM project and identify findings, risks and recommendations associated with Project Management and Systems Development Lifecycle (SDLC) areas. IPOC activities performed for the Health Check assessment included interviewing key project team members and reviewing project documentation. On October 7, 2010, IPOC submitted the finalized Health Check report to Caltrans.

Project Oversight Review Checklist for April 2011

Project Oversight Review Checklist: High Criticality Project

This checklist is an assessment for the Adaptation Phase. The end date of this phase is November 2011 (per the last approved project schedule).

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
Planning and Tracking			
Have the business case, project goals, objectives, expected outcomes, key stakeholders, and sponsor(s) identified and documented?	X		An updated SPR was approved by the OCIO on December 8, 2009. The OCIO has requested that Caltrans submit a new SPR for the schedule delay.
Has a detailed project plan with all activities (tasks), milestones, dates, and estimated hours by task loaded into project management (PM) software? Are the lowest level tasks of a short duration with measurable outcomes?		X	The Implementation Vendor is using a Rolling Wave scheduling approach. Prior to the end of each phase or PRSM Payment Point, the Implementation Vendor and Caltrans work together to develop the specific activities for the tasks in the next Rolling Wave. The new detailed Rolling Wave Plan for the succeeding Project Phase will be documented in MS Project and will be submitted for State Acceptance as a prerequisite for State Acceptance of the current Payment Point. The Implementation Vendor submitted a PRSM Project Implementation Plan during the Planning Phase of the project. The Implementation Plan provides a schedule in MS Project for project activities, milestones, and deliverables including start and finish dates, duration, and high level resource assignments for each task. On June 9, 2010, the Implementation Vendor submitted a change request with an extension to the schedule and a cost increase. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved the schedule extension and cost increase. On October 6, 2010, the Implementation Vendor submitted another change request for a change in scope. The change request included changing the scope of the remaining Adaptation Phase activities and moving some of the remaining activities into Pilot. After several back and forth counterproposals, the Implementation Vendor rejected the latest Caltrans counterproposal. Caltrans updated the schedule to indicate the new task dates as they related to the original contract provisions. According to the most recent schedule (dated April 12, 2011), the end date for Adaptation is November 25, 2011. Please note that this delay is due to the procurement cycle (180 days) for CAPA (CA Productivity Accelerator), which is the tool PRSM will utilize for training. The other Adaptation Phase activities (i.e., testing and data conversion) are scheduled to be completed by June 3, 2011. In addition, the end date for the PRSM Project is August 31, 2012. This represents a delay of approximately 1 year for Adaptation (6 months without CAPA procurement) and approximately 6 months for the PRSM Project. It was noted in the PRSM Project Status meeting on April 12, 2011 that the PRSM Project schedule is still being

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
			updated to reflect new tasks and task durations. In addition, the schedule for testing activities will not be finalized until the Test Plan has been approved. Until the schedule is more stable, we are reporting this as deficient.
Is completion of planned tasks recorded within the PM software?	X		On a bi-weekly basis, current and upcoming tasks are reviewed by the PRSM Project team and completion of planned tasks is updated as necessary.
Are actual hours expended by task recorded at least monthly within PM software?	X		Actual hours are charged to a WBS and are recorded and tracked in the Department's official accounting system. An overall project WBS list of approximately 2,000 items exists in MS Excel.
Are estimated hours to complete by task recorded at least monthly within PM software?	X		On a bi-weekly basis, current and upcoming tasks are reviewed by the PRSM Project team and the estimated hours to complete the tasks are updated as necessary.
Is there a formal staffing plan, including a current organization chart, written roles and responsibilities, plans for staff acquisition, schedule for arrival and departure of specific staff, and staff training plans	X		Formal staffing plans, including a current organization chart and written roles and responsibilities exist for the Caltrans PRSM Project Team and the Implementation Vendor.
Have project cost estimates, with supporting data for each cost category, been maintained?	X		A new baseline was set with the approved SPR dated 12/08/2009. On June 9, 2010, the Implementation Vendor submitted a change request with a cost increase of $947,422. Throughout June and July 2010, Caltrans and the Implementation Vendor were in negotiations regarding the potential cost increase. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved a cost increase of $864,977 ($464,977 from removing Years 2-3 Custom Code Maintenance and $400,000 from "Unanticipated Cost").
Are software size estimates developed and tracked?	N/A	N/A	This item is not applicable.
Are two or more estimation approaches used to refine estimates?	N/A	N/A	This item is not applicable.
Are independent reviews of estimates conducted?	N/A	N/A	This item is not applicable.
Are actual costs recorded and regularly compared to budgeted costs?	X		A spreadsheet exists that shows planned and actual costs by month.
Is supporting data maintained for actual costs?	X		Actual costs are obtained from timesheets that allocate time to WBS numbers/tasks.
Is completion status of work plan activities, deliverables, and milestones recorded, compared to schedule and included in a written status reporting process?	X		During status meetings, the PRSM Project Manager distributes an updated status report, which includes an updated schedule in MS Project for the current phase. The schedule provides a detailed view of the status of activities, deliverables, and milestones for the current phase. A high-level status report is posted on the Caltrans Improvement Project web database. Status reports go to the Legislature

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
			quarterly.
Are key specification documents (e.g. contracts, requirement specifications and/or contract deliverables) and software products under formal configuration control, with items to be controlled and specific staff roles and responsibilities for configuration management identified in a configuration management plan?		X	The Configuration Management Plan deliverable was submitted by the Implementation Vendor to Caltrans during the Planning Phase. The current Configuration Management Plan, dated 7/19/2009, provides details on configuration management of key project documents and software products. Finalization of configuration requirements occurred in the September 2010 reporting period. There is an open issue on the PRSM Issue Log (Issue # 253) stating that although the Configuration Management Plan identifies a process for promotion of code and other configuration items, the process does not appear to be followed. The latest status of this issue states that the Implementation Vendor is preparing to update the Plan to reflect the actual process they are following.
Are issues/problems and their resolution (including assignment of specific staff responsibility for issue resolution and specific deadlines for completion of resolution activities), formally tracked?	X		An Issue Management Plan was approved and open issues are in the project database. The IT project manager is considering the same tool for managing project changes. Risk and Issue Management meetings are held on a bi-weekly basis.
Is user satisfaction assessed at key project milestones?	X		Representatives of the engineering areas and regions participated in the vendor demonstration evaluations. In addition, Caltrans scheduled Implementation Team training sessions that provided the PRSM Implementation Team with an overview of PRSM Methodology and Functionality. Training Session #1 occurred during the week of September 14, 2009. After completion of Session #1 training, the PRSM Project Team gathered feedback on the content and the effectiveness of the training and used the feedback to update and/or improve Training Session #2, which occurred during the week of September 28, 2009. This is adequate for the Adaptation Phase of the project. During Pilot and Roll Out, each district will have the opportunity to complete a user satisfaction survey.
Is planning in compliance with formal standards or a system development life-cycle (SDLC) methodology?	X		Compliance with PMBOK standards is adequate for this phase of the project.
Is there formal enterprise architecture in place?	X		The RFQI describes the target Caltrans enterprise environment.
Are project closeout activities performed, including a PIER, collection and archiving up-to-date project records and identification of lessons learned?	N/A	N/A	Project is in the Adaptation Phase.
Procurement			
Are appropriate procurement vehicles selected (e.g. CMAS, MSA, "alternative procurement") and their required processes followed?	X		The final contract was signed by the Implementation Vendor on February 26, 2009. Caltrans received, reviewed and signed the contract on February 27, 2009. DGS Legal reviewed and signed the contract on March 5th, 2009.
Is a detailed written scope of work for all services included in solicitation	X		Detailed written scope of work is contained in the RFP.

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
documents?			
Are detailed requirement specifications included in solicitation documents?	X		Detailed requirement specifications are contained in the RFP. Requirements are described in the RFQI and Value Analysis documents.
Is there material participation of outside expertise (e.g. DGS, Departmental specialists, consultants) in procurement planning and execution?	X		Outside expertise and counsel has been sought from DOF, DGS, and consultants.
For large-scale outsourcing, is qualified legal counsel obtained?	N/A	N/A	The project does not involve outsourcing as currently defined.
Risk Management			
Is formal continuous risk management performed, including development of a written risk management plan, identification, analysis, mitigation and escalation of risks in accordance with DOF/TOSU Guidelines, and regular management team review of risks and mitigation progress performed?	X		The latest version of the Risk Management Plan was submitted April 30, 2009. Risk owners have been assigned. A Risk Register was developed and is tracked by the Risk Manager. Risk and Issue Management meetings are held on a bi-weekly basis.
Does the management team review risks and mitigation progress at least monthly?	X		Risk and Issue Management meetings are held on a bi-weekly basis.
Are externally developed risk identification aids used, such as the SEI Taxonomy Based Questionnaire?	X		A risk list was initially populated using the SEI Risk Taxonomy.
Communication			
Is there a written project communications plan?	X		The latest version of the finalized and approved Communications Plan is dated 6/22/2009.
Are regular written status reports prepared and provided to the project manager, department CIO (if applicable) and other key stakeholders?	X		The Advisory Committee receives a written status report during the monthly Advisory Committee meetings. These reports include issues identified, changes to scope, schedule, cost, problems encountered, and items accomplished.
Are there written escalation policies for issues and risks?	X		Both the Risk Management Plan and the Issue Management Plan contain a risk escalation process.
Is there regular stakeholder involvement in major project decisions, issue resolution and risk mitigation?	X		Implementation Manager meetings occur on a monthly basis. The purpose of this meeting is to keep the District project managers regularly updated on the status of the project and to receive their input.
System Engineering			
Are users involved throughout the project, especially in requirements specification and testing?	X		Representatives of key stakeholder groups participated in and reviewed the Value Analysis Report that describes the PRSM requirements. The PRSM Project Team is being run by Caltrans Division of Project management which is the primary constituency for the system.

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
Do users formally approve/sign-off on written specifications?	X		Representatives of key stakeholder groups participated in and reviewed the Value Analysis Report that describes the PRSM requirements. In addition, the Implementation Vendor has been delivering a series of Checkpoints, which include a review of the PRSM configurations and design documentation. After each checkpoint, the PRSM Project Team gathers and consolidates their feedback on what was presented and provides it to the Implementation Vendor. The Implementation Vendor originally stated that there would be four (4) checkpoints over the course of the Adaptation Phase. In the March 2010 reporting period, the implementation Vendor stated that the remainder of the configurations would be presented in Checkpoint 4 or any of number of checkpoints needed. Checkpoint 4 was performed in April 2010. The walkthrough included the review of the revised design documentation for configurations presented in previous checkpoints. Configuration requirements baseline, customizations and deleted requirement agreements were reviewed by Caltrans and feedback was provided to the Implementation Vendor.
Is a formal SDLC methodology followed?	X		The Implementation Vendor is using the SDLC Stage Gate Model to manage the configuration and customization of PRSM throughout the Adaptation Phase. In this model, work packages divide the total effort into a series of stages, where gating criteria must be met prior to moving from one stage to the next. For the PRSM Project, each work package is designed, developed, tested, and accepted prior to completion of the package. This model may have an impact on the schedule, due to the amount of review time for each work package. In order to offset this, Caltrans is incorporating review cycles through the new checkpoint implementation approach.
Is a software product used to assist in managing requirements? Is there tracking of requirements traceability through all life-cycle phases?	X		An Implementation and System Acceptance Test consultant has been added to the team. The level of requirements management presently in place appears to be appropriate for the current phase of the project.
Do software engineering standards exist and are they followed?	X		Engineering standards exist and are documented in the PRSM Configuration Management Plan. IPOC will monitor the project during the Adaptation Phase and subsequent phases to determine how effectively the PRSM Project is adhering to the engineering standards.
Does product defect tracking begin no later than requirements specifications?	X		The PRSM issue management system currently is designed to serve as a defect tracking mechanism. Several of the issues already raised represent clarification to requirements.
Are formal code reviews conducted?	X		The PRSM Project Team has performed formal configuration reviews to occur during checkpoints throughout the Adaptation Phase. In the March 2010 reporting period, the implementation Vendor stated that the remainder of the configurations would be presented in Checkpoint 4 or any of number of checkpoints needed. Checkpoint 4 was performed in April 2010. The walkthrough included the review of the revised design documentation for configurations presented in previous

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
			checkpoints. Configuration requirements baseline, customizations and deleted requirement agreements were reviewed by Caltrans and feedback was provided to the Implementation Vendor. In addition, IV&V is currently performing code reviews and is planning to work with Caltrans IT to finalize code review process.
Are formal quality assurance procedures followed consistently?	X		The PRSM Project follows the State Acceptance process for deliverables. There are three types of Acceptance: Acceptance Type 1 – Objective on Receipt; Acceptance Type 2 – Non-Software Acceptance; and Acceptance Type 3 – Software Acceptance Testing by the State.
Do users sign-off on acceptance test results before a new system or changes are put into production?	N/A	N/A	Project is in the Adaptation Phase
Is the enterprise architecture plan adhered to?	X		Caltrans is in the process of creating a formal enterprise architecture plan. The PRSM technology solution was requested to be submitted as part of the study.
Are formal deliverable inspections performed, beginning with requirements specifications?	X		PCR's 8 (modifications to technical requirements related to Work Package 1) and 9 (deletion of technical requirements or parts of technical requirements, which are obsolete, redundant, or no longer needed) were approved in the June 2010 reporting period. PCR 12 (remainder of requirements not covered in PCR's 8 or 9) was approved in the August 2010 reporting period. Per the new baseline schedule (dated August 31, 2010), the Requirements Baselining effort was completed on August 24, 2010. Previously, the requirements have been through two separate review activities: user group review and IV&V review. There is a third review underway by the Project Management team in order to document the As-Is and To-Be business processes. IPOC will continue to monitor this area as the project progresses.
Are IV&V services obtained and used?	X		The IV&V Contract was approved and the IV&V Vendor began work in April 2008.

Independent Project Oversight Reports

IPO Report for March 2011

Project Name: Caltrans PRSM **Assessment Date:** March 31, 2011

Frequency: Monthly

Oversight Provider Information

Oversight Leader:	Greg Thomas	**Organization:**	Deloitte & Touche LLP
Phone Number:	415 783 5211	**Email:**	grethomas@deloitte.com

Project Information

Project Number:	**2660-160**	**Department:**	Transportation (Caltrans)
Criticality:	High	**Agency:**	Business, Transportation & Housing
Last Approved Document/Date:	SPR (12/08/09)	**Total One-time Cost:**	$26,078,375
Start Date:	June 7, 2000	**End Date:**	June 13, 2011
Project Manager:	David Youmans	**Organization:**	Caltrans
Phone Number:	916.826.4425	**Email:**	david_youmans@dot.ca.gov

Summary: Current Status

Project Phase:	Adaptation		
Planned Start Date:	May 20, 2009	**Planned End Date:**	November 23, 2010
Actual Start Date:	July 1, 2009	**Forecasted End Date:**	November 25, 2011

Schedule

Select the statement that most closely applies, measured against the last **Finance approved** document.

Ahead-of-schedule:
One or more major tasks or milestones have been completed and approved early (> 5%). All other major tasks and milestones completed and approved according to plan.

Behind Schedule

On-schedule:
All major tasks and milestones have been completed and approved according to plan. (Within 5%)

Behind Schedule:
One or more major tasks or milestones are expected to be delayed. (> 5%)

Comments: A new baseline schedule was set with the approved Special Project Report (SPR) dated December 8, 2009. The SPR states the end date of the Adaptation Phase as February 2010 and the end date of the entire PRSM project as June 13, 2011. On June 9, 2010, the Implementation Vendor submitted a change request with an extension to the schedule and a cost increase. Throughout June and July, Caltrans and the Implementation

Vendor were in negotiations regarding the change request. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved the schedule extension and cost increase. The PRSM Change Control Board created Project Change Request (PCR) 14 to track the non-technical (cost and schedule) changes associated with the Implementation Vendor change request. PCR 14 was approved by the PRSM Change Control Board, pending finalization and approval of the draft PRSM project schedule, on August 24, 2010. On September 1, 2010, the Implementation Vendor approved the new baseline schedule.

On October 6, 2010, the Implementation Vendor submitted another change request for a change in scope (please note there is no requested change to schedule or overall PRSM project cost). The change request included changing the scope of the remaining Adaptation Phase activities and moving some of the remaining activities into Pilot. The activities the Implementation Vendor proposed to change and/or move to Pilot include Data Conversion, System End to End Testing, Implementation Team Training, Technical Training, and Report Development. In addition, the Implementation Vendor proposed to decrease the amount of their support during Roll Out since they will be providing more up front support during Pilot.

After several back and forth counterproposals, the Implementation Vendor rejected the latest Caltrans counterproposal. Caltrans updated the schedule to indicate the new task dates as they related to the original contract provisions. Although the schedule has been updated to reflect the original contract provisions, Caltrans and the Implementation Vendor are still in negotiations regarding the re-scope proposal. There are several key project activities, such as planning for the PRSM training program, that are dependent upon the outcome of the re-scope proposal so it is important that the re-scope proposal negotiations are settled timely, and that the outcome is used to clarify the project plan and critical project activities. In addition, during the week of January 24th, Caltrans met with Executives from the Implementation Vendor to discuss a plan for moving forward with the project. One of the outcomes of the meeting was that the Implementation Vendor is going to finalize multiple deliverables that were previously in draft form. These deliverables include the Data Initialization Plan (DIP), Pilot Plan, and System Test Plan. For information on the status of these deliverables, please refer to the **General Comments** section at the end of this report.

As part of the approval of the August 2010 approved Implementation Vendor change request, the Executive Steering Committee and the Implementation Vendor agreed that the Adaptation Phase would not go past November 23, 2010. During the PRSM Project Status Meetings, it has been noted that the delay Adaptation is due to the number of anomalies (defects) identified during configuration testing and issues regarding data conversion. According to the most recent schedule (dated March 29, 2011), the end date for Adaptation is November 25, 2011. Please note that this delay is due to the procurement cycle (180 days) for CAPA (CA Productivity Accelerator), which is the tool PRSM will utilize for training. The other Adaptation Phase activities (i.e., testing and data conversion) are scheduled to be completed by June 3, 2011. In addition, the end date for the PRSM Project is August 31, 2012. This represents a delay of approximately 1 year for Adaptation (6 months without CAPA procurement) and approximately 6 months for the PRSM Project. The OCIO has requested that Caltrans submit a Special Project Request (SPR) for the schedule delay. Please refer to the table below.

We will continue to closely monitor the schedule status during the Adaptation Phase and report any updates as they occur. Please refer to the PRSM Project Schedule issue in the **Issue** section below for information regarding further potential impacts to the schedule.

Document	End of Adaptation Phase	End of Project
SPR (dated 12/08/09)	02/2010	06/13/2011
Executive Steering Committee Approved Schedule (dated 09/01/2010)	11/23/2010	02/14/2012
Current Schedule (dated 03/29/2011)	11/25/2011	08/31/2012

Resources (Level of Effort) Choose the statement that most closely applies.

Fewer Resources
Completion of one or more major tasks and / or acceptable products has required or is expected to require materially (>5%) fewer hours/staff than planned.

Within Resources
All major tasks have been completed and acceptable products created using the planned number of hours/staff (within 5%).

More Resources
Completion of major tasks and / or acceptable products has required or is expected to require materially (>5%) more hours/staff than planned.

More Resources

Comments: In the February 2011 reporting period, a new Implementation Vendor Project Manager joined the PRSM Project Team. In the March 2011 reporting period, a few of the PRSM Project Team roles were updated. The previous IT Lead is now the Release Manager and Configuration Manager. A new team member was brought on to the project to fill in as the new IT Lead. In addition, during the PRSM Project Status Meetings, it has been noted that the delay in Adaptation is due to the number of anomalies (defects) identified during configuration testing and issues regarding data conversion. There are three current resource concerns associated with the Adaptation Phase: (1) The testing team has noted that some of the anomalies identified during testing represent questions regarding system functionality. During the beginning of testing, a business analyst was not on-hand to support the testing team. In addition, the system has not been documented from a user or tester perspective, which would assist in providing a guide to how the system should function. If an issue arose during testing, the testers were unsure if it was a defect or how the system should function. Although the Implementation Vendor has provided an Architect that is available to assist the testing team during half of their sessions and is also on-call to answer any questions that arise, additional business resources may be needed during testing.; (2) Due to the number of anomalies found during configuration testing, additional time has been built into the schedule (approximately 6 months). Caltrans has added two (2) additional resources to assist with the testing effort (one to assist with Configuration Testing and the other to assist with Integration Testing). In order to mitigate future schedule delays, additional resources may be needed to resolve anomalies and assist in the testing effort; (3) the current status of the conversion effort as a whole has not been reported clearly during the PRSM Project Status Meetings. This is partially due to the fact that there is not a single point of contact / owner for the Data Conversion effort. In order for Data Conversion to be successful, an owner needs to be identified to manage the effort. In the March 2011 reporting period, an owner was identified to manage the Data Conversion effort and report on the status. In addition, the PRSM Project Team created a Data Task Force with the goal of identifying / compiling a list of data conversion issues and working to resolve the issues. The Data Task Force has been meeting during the month of March and is currently in the process of compiling the list of issues. We will continue to closely monitor the resource status during the Adaptation Phase and report any updates as they occur.

Resources (Budget/Cost) Choose the statement that most closely applies.

Less cost
The project is (>5%) under budget.

Within cost
The project is operating within budget.

Higher cost
Material budget increases (>5%) are likely.

Within Cost

Comments: A new baseline was set with the approved SPR dated 12/08/2009. On June 9, 2010, the Implementation Vendor submitted a change request with a cost increase of $947,422. Throughout June and July 2010, Caltrans and the Implementation Vendor were in negotiations regarding the potential cost increase. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved a cost increase of $864,977 ($464,977 from removing Years 2-3 Custom Code Maintenance and $400,000 from "Unanticipated Cost"). The Implementation Vendor's change request is linked to the following PRSM PCR's: PCR 13 (Changes from FIDO to EFIS Interface – Technical Requirements) and PCR 14 (Changes from FIDO to EFIS Interface – Non-Technical Requirements), which have been approved by the PRSM Change Control Board.

Quality (Client Functionality) Choose the statement that most closely applies.

Adequately Defined
Required client functionality is adequately defined, and is being successfully built into the system, given the current project phase.

Inadequately Defined

Inadequately Defined
One or more significant components of required client functionality are inadequately defined, or are not being successfully built into the system, given the current project phase.

Comments: At this point in time, given the delays in testing, it is unclear if the required functionality has been successfully built into the system. During the January reporting period, we reported that out of 334 total requirements, 15 have been fully satisfied and 16 have been partially satisfied (303 have not been satisfied). In addition, out of a total of 99 test scripts, 19 have been executed and 20 have been informally executed (60 have not been executed). Please note that updated metrics were not provided in February or March 2011. There is a concern that test scripts may not adequately reflect requirements. For more information, please refer to **Issue I-4: Configuration Testing**.

In addition, there have been a significant number of problems associated with data conversions. Per the PRSM Project Schedule (dated 03/29/2011), Data Conversion testing activities are scheduled to be completed by 05/25/2011. Data Conversion activities are being performed for project data and historical data. Currently the PRSM Project Team is in the process of performing data load testing for a sample of projects on the project data and historical financial data for each District. During the weekly PRSM Project Status Meetings, the PRSM Project Team has noted that legacy data has presented some challenges and there have been some issues with loading the data. If the issues of data cleansing and data load are not mitigated or resolved prior to Pilot and roll out, there is a possibility that only a small sub-set of projects will load correctly. The PRSM Project Team created a Data Task Force with the goal of identifying / compiling a list of data conversion issues and working to resolve the issues. The Data Task Force has been meeting during the month of March and is currently in the process of compiling the list of issues. We will continue to monitor this area closely and report any updates as they occur. For more information, please refer to **Issue I-3: Data Conversions**.

Quality (Architecture/System Performance) Choose the statement that most closely applies.

Adequately Defined
The system technical architecture is adequately defined, and modeling, benchmarking and testing are being conducted (or are planned) appropriate to the current project phase.

Adequately Defined

Inadequately Defined
The system technical architecture is not adequately defined, or modeling, benchmarking and testing are not being conducted (or are planned) appropriate to the current project phase.

Comments: System technical architecture and performance are adequately defined for the Adaptation Phase. The Implementation Vendor has submitted a Configuration Management Plan, High Level Design, and updated Architecture Diagram. The Production environment hardware has been configured and turned over to Caltrans. The Implementation Vendor submitted an Application Installation-Platform Acceptance Report; however Caltrans rejected the report and requested revisions. The Implementation Vendor is currently revising the report and is planning to re-submit the report in April 2011.

New Issues

There are no new issues.

Issues

Issue I-4: Configuration Testing

Issue Statement: There have been many unexpected problems with the Configuration Testing component of the project (see the Comments under the Quality section above). The number of defects/anomalies and slow progress of Configuration Testing is causing additional schedule delays as configuration testing is in the critical path for entering the Pilot phase of the project.

Impact: High Time Frame: Short Term Severity: High Assigned to: David Cordone

IPOC Recommendations:

- I-4a - IPOC recommends that the PRSM Project Team develop a remediation plan for testing the issues and recommendations identified in the IV&V Root Cause Analysis.
- I-4b – IPOC recommends that the PRSM Project Team apply additional resources if necessary to expedite the Configuration Testing. The PRSM project team should keep the Executive Steering Committee informed of the status of this issue and request additional resources if necessary.

Status Update:

March 11 Status: Configuration Testing is still on hold pending the outcome of the re-scope proposal and also pending the resolution of the issues with Data Conversion. In the meantime, the test team is performing Unit Testing and expanding on test documentation. Updated test metrics will be shared beginning in April 2011.

Feb 11 Status: One of IPOC's recommendations in the January 2011 IPOR was that the PRSM Project Team perform a root cause analysis for the configuration testing delays. The PRSM Project team then requested that IV&V perform the root cause analysis. In February 2011, IV&V performed and submitted the root cause analysis report. During the analysis IPOC and the PRSM Project Team provided comments and feedback. Within the analysis, IV&V identified the current state of testing, current challenges, root causes, and recommendations. Some of the key points from this analysis are that the test plan, which is supposed to guide the method of all phases of testing, has not been finalized due to a number of conflicting points between Caltrans and the Implementation Vendor and testing responsibilities have not been agreed upon. In addition, configuration testing is dependent on good data. Current issues with the data have prevented progress with configuration testing, which has been on hold for approximately one month. If the issues with the data are not resolved, it will impact the testing effort and will cause additional delays in the schedule.

New Issue I-3: Data Conversions

Issue Statement: There have been many unexpected problems with the dry-run data conversion process. For several of the Districts' pilot data, there has not been a successful dry-run to date. This may cause additional schedule delays and impact the quality of integration testing.

Impact: High Time Frame: Short Term Severity: High Assigned to: Jacquelyn Moore

IPOC Recommendations:

- I-3a - IPOC recommends that the PRSM Project Team develop a remediation plan for the data conversion issues and recommendations identified in the IV&V Root Cause Analysis.

- I-3b - IPOC recommends that additional resources (including a data conversion lead) to be applied as necessary to the data conversion effort in order to keep this component of the project on track. The PRSM project team should keep the Executive Steering Committee informed of the status of this issue and request additional resources if necessary.

Status Update:

March 11 Status: In the March 2011 reporting period, an owner was identified to manage the Data Conversion effort and report on the status. In addition, the PRSM Project Team created a Data Task Force with the goal of identifying / compiling a list of data conversion issues and working to resolve the issues. The Data Task Force has been meeting during the month of March and is currently in the process of compiling the list of issues.

Feb 11 Status: One of IPOC's recommendations in the January 2011 IPOR was that the PRSM Project Team perform a root cause analysis for the data conversion delays. The PRSM Project team then requested that IV&V perform the root cause analysis. In February 2011, IV&V performed and submitted the root cause analysis. During the analysis IPOC and the PRSM Project Team provided comments and feedback. Within the analysis, IV&V identified the current state of conversion, current challenges, root causes, and recommendations. Some of the key points from this analysis are that the Data Initialization Plan (DIP) has not been finalized, the current status of the conversion effort as a whole is unknown outside of the Conversion Team, and there has been continuous Caltrans data issues identified by the Implementation Vendor. A number of other critical activities, including testing and training, are dependent on the data conversion effort. If the issues with the data are not resolved, it will cause additional delays in the schedule.

Issue I-2: PRSM Project Schedule

Issue Statement: As part of the approval of the Implementation Vendor change request, the Executive Steering Committee and the Implementation Vendor agreed that the Adaptation Phase would not go past November 23, 2010. According to the most recent schedule (dated February 1, 2011), the end date for Adaptation is May 24, 2011. During the PRSM Project Status Meetings, it has been noted that the delay Adaptation is due to the number of anomalies identified during configuration testing and issues regarding data conversion.. Although additional time has been built into the schedule, if activities at the task level are not appropriately managed, if could result in additional delays. In addition, there is a risk that the Implementation Vendor could submit another change request for increased costs. Please refer to the **Schedule** section on page 1 for additional information.

Impact: High Time Frame: Short Term Severity: High Assigned to: Joel Arpilleda

IPOC Recommendations:

- I-2a - IPOC recommends that the PRSM Project Team continue to evaluate the remaining testing and data conversion activities and build additional time into the PRSM Project Schedule as needed. Delays at the task and activity level should be recorded and tracked. In addition, delays that affect the critical path should be immediately discussed with members of the PRSM Project Management Team. If necessary, daily checkpoint meetings should be conducted to resolve issues that impact the critical path. Issues that cannot be resolved at the PRSM project team level should be escalated to the Executive Steering Committee immediately.
- I-2b –During the week of January 24th, Caltrans met with Executives from the Implementation Vendor to discuss a plan for moving forward with the project. One of the outcomes of the meeting was that the Implementation Vendor is going to finalize multiple deliverables by the end of February 2011. As of this IPOR, none of these deliverables have been finalized. IPOC recommends that Caltrans monitor the status of these deliverables and work with the Implementation Vendor to finalize them by the end of April 2011. Please refer to the **General Comments** section at the end of this IPOR for more information.
- I-2c - IPOC recommends that the progress of testing and data conversion should be reported in writing during the Status Meetings.

Status Update:

March 11 Status: Within the current PRSM Project schedule (dated 3/29/2011), many tasks do not have accurate finish dates and/or percentages complete. For these tasks, it is unclear on their status and when they are expected to be completed.

Feb 11 Status: CAPA procurement has been added to the schedule. The procurement cycle for CAPA is 180 days; therefore the end date for Adaptation is now November 11, 2011. The trigger for starting the 180 day cycle is obtaining approval for the purchase of CAPA. Currently, the IT Project Manager is still waiting on the approval. A delay in the approval of the purchase may result in additional delays to the schedule. After several back and forth counterproposals, the Implementation Vendor rejected the latest Caltrans counterproposal. Caltrans updated the schedule to indicate the new task dates as they related to the original contract provisions. According to the most recent schedule (dated February 1, 2011), the end date for Adaptation is May 24, 2011 and the end date for the PRSM Project is August 15, 2012.

Issue I-1: EFIS Interface (PCR 13)

Issue Statement: The PRSM Project Team has been made aware that Caltrans Financial Data to Oracle (FIDO) system and CTIPS are going to be phased out once the ERP Financial Infrastructure (EFIS) has been implemented. While developing to one standard interface presents a business opportunity, specifications and data requirements will need to be analyzed and documented. The development of the EFIS interface is a critical step for the PRSM project to proceed to the Pilot phase. EFIS went live in July 2010. The development of the EFIS interface could impact the cost of PRSM. There are two (2) potential scenarios related to this issue that could impact the schedule and / or cost: 1) the time compression in the transition of EFIS support from the EFIS Implementation Vendor to Caltrans could result in the EFIS Implementation Vendor fully focused on knowledge transfer and transition. The limited availability of EFIS resources could result in a delay in the development of the EFIS interface; and 2) with the focus on knowledge transfer and transition, PRSM is a lower priority for EFIS related support, which could result in resource constraints when it comes time to supporting the PRSM/EFIS interface/testing efforts.

Impact: High Time Frame: Short Term Severity: High Assigned to: Jacqueline Moore

IPOC Recommendations:

- I-2a PRSM interface acceptance criteria for entry to the Pilot phase should be agreed upon by the PRSM Project Team and Business Stakeholders. The criteria should include specifying the quality and completeness of the interfaces (degree of production readiness) before the Pilot phase.
- I-2b - Continue to work closely with the EFIS project by attending the bi-weekly interface planning meetings. Escalate issues related to EFIS timing and resource needs to the PRSM Steering Committee for resolution as soon as the interface requirements are finalized.

Status Update:

March 11 Status: Interface testing is still on-hold. In addition, the PRSM Project Team created a Data Task Force with the goal of identifying / compiling a list of data conversion issues and working to resolve the issues. The Data Task Force is also addressing issues associated with the interfaces. The team appears to be making progress in addressing those issues.

Feb 11 Status: Interface (Integration) testing formally kicked off on January 31, 2011. EFIS resources have been available to assist the PRSM Project. Per discussion with the PRSM Project Manager, noted that due to the delays in Configuration Testing, the Integration Testing completion date will be delayed as well. The PRSM Project Team is currently working to revise the schedule with the updated testing dates. The Independent Verification and Validation (IV&V) Consultant has reviewed the interface code developed by the Implementation Vendor and there were no issues with the code from the perspective of IV&V. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved the schedule extension and cost increase. The PRSM Change Control Board created Project Change Request (PCR 14) to track the non-technical (cost and schedule) changes associated with the change from Caltrans Financial Data to Oracle (FIDO) and CTIPS to the ERP Financial Infrastructure (EFIS) Interface. PCR 14 was approved by the PRSM Change Control Board, pending finalization and approval of the draft PRSM project schedule, on August 24, 2010. On September 1, 2010, the Implementation Vendor approved new baseline project schedule. Finalization and approval of PCR 13 and 14 occurred on September 1, 2010. Although Configuration Testing

has been on-hold during the month of February; Integration Testing has continued to be performed, including the development and execution of test cases and use cases. It was noted during the March 1st PRSM Project Status meeting that some of the test cases between PRSM and Staff Central may have to be put on hold until the issues with data are resolved.

New Risks

There are no new risks.

Progress Toward Addressing Prior Risks

Risk R-3: PRSM Project Costs

Risk Statement: With the previous delays in the PRSM project schedule and the remaining Adaptation activities (i.e., data conversion and testing) there is a possibility of another schedule delay. The possibility of another delay in the PRSM project schedule could have an impact on the cost of the project.

Probability: Medium Impact: High Time Frame: Short Term Severity: High Assigned to: Joel Arpilleda

IPOC Recommendations:

- R-3a – IPOC recommends that the current delay in Adaptation and the potential additional delays be discussed with the Executive Steering Committee. Upon review of the previous approved Implementation Vendor change request, if it is deemed likely that another change request for cost will be submitted, discussions with the Implementation Vendor should occur immediately.
- R-3b - IPOC recommends that potential Caltrans resource needs / cost impacts are assessed given the delay in Adaptation. These resource and potential cost impacts should be discussed with the executive steering committee.

Status Update:

March 11 Status: As of the March 2011 reporting period, there has not been an increase in costs.

Fed 11 Status: As of the february 2011 reporting period, there has not been an increase in costs.

Risk R-2: Resource Availability

Risk Statement: Without adequate Caltrans resources working on PRSM, the project schedule could be delayed. While in the Adaptation Phase, PRSM Project Team members should be allocated full time. Individual Resources may need to be identified at the task level in the Project Plan in order to estimate resource requirements and availability.

Probability: Medium Impact: Medium Time Frame: Short Severity: Medium Assigned to: Joel Arpilleda

IPOC Recommendations:

- R-2a - After the PRSM work plan is complete, determine the resource gaps and reallocate effort as appropriate.
- R-2b - Assign individual resources at the task level in the project schedule to assist in estimating resource requirements. All PRSM project resources, including vendor resources, should be included.

Status Update:

March 11 Status: In the March 2011 reporting period, a few of the PRSM Project Team roles were updated. The previous IT Lead is now to Release Manager and Configuration Manager. A new team member was brought on to the project to fill in as the new IT Lead.

Feb 11 Status: During the February 2011 reporting period, a new Implementation Vendor Project Manager joined the PRSM Project Team. The previous Implementation Vendor Project Manager will stay on board to assist in the transition process. During the January 2011 reporting period, the Implementation Vendor has provided an Architect that is available to assist the testing team during half of their sessions and is on-call to answer questions. In addition, Caltrans has added two (2) additional resources to assist with the testing effort (one to assist with Configuration Testing and the other to assist with Integration Testing). Please refer to the **Resource** section on page 2 for additional information.

Risk R-1: Business Process Changes and Organizational Change Management

Risk Statement: One of the most significant challenges to the PRSM Project could be engaging and obtaining buy-in from District executives, management and staff. It is very important that District executives and management are knowledgeable about PRSM and the changes to their business processes and benefits of using PRSM. District staff, in addition to training, should be knowledgeable of the decisions and consequences of changing / standardizing business processes. Lack of engagement of District personnel at all levels could have a negative impact on overall PRSM system acceptance and usage.

Probability: High Impact: High Time Frame: Med Severity: High Assigned to: David Youmans

IPOC Recommendations:

- R-1a - Define the process for gaining District consensus on policies, new business rules and business processes. The process should describe how information on new business rules and business processes will be communicated to the field with sufficient time to get feedback and buy-in.
- R-1b - Modify the format of the monthly Implementation Manager's Video Conference Meeting to begin utilizing this forum as a mechanism for Organizational Change Management. As PRSM gets closer to District roll out, change the frequency of these meetings to bi-weekly.
- R-1c – Assess the changes to the training program/plan proposed in the most recent implementation vendor change request in order to understand the impact on Organizational Change Management. Work with the Districts to help them understand the changes to the training program in order to gain organizational buy-in and confirm that the program is adequate to enable a successful Roll Out.
- R-1d – Assess the impact of the Implementation Vendor Change Request on Organizational Change Management.
- R-1e – Consider hiring / extending additional consulting resources to assist with refining the Organizational Change Management Plan and to execute the plan.

Status Update:

March 11 Status: No new status.

Feb 11 Status: The draft District Readiness Checklist was sent to the Districts for review. The Districts have provided their comments and Caltrans is in the process of incorporating the comments into the finalized checklist. Presentations to the Districts continue to occur. The PRSM Project Team has begun reviewing business process impacts and is in the process of finalizing the list of business process changes. Prior to the Implementation Vendor training, the PRSM Project Team is planning to provide two courses: Introduction to PRSM and Open Workbench (OWB). Current activities have been built into the PRSM schedule. Per the PRSM Project Schedule (dated 9/28/2010), the following activities are scheduled to occur: District Marketing Campaigns, Business Process Impact Analysis per District, and Communications / Publicity.

General Comments

Deloitte & Touche LLP's IPOC contract with the Caltrans PRSM project started in December 2008. This Independent Project Oversight Report (IPOR) provided by Deloitte & Touche LLP has been developed in accordance with the applicable standards of the American Institute of Certified Public Accountants (AICPA) as per Deloitte & Touche LLP policy. IPOC has attended various PRSM project meetings throughout the month of March, including PRSM Status meetings, PRSM Risk and Issues meetings, PRSM Advisory Committee meetings, and PRSM Project Managers meeting.

On June 9, 2010, the Implementation Vendor submitted a change request with an extension to the schedule and a cost increase. Throughout June 2010 and July 2010, Caltrans and the Implementation Vendor were in negotiations regarding the change request. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved the schedule extension (approximately 5 months) and cost increase. On October 6, 2010, the Implementation Vendor submitted another change request for a change in scope (please note there is no change to schedule or cost). This change request included changing the scope of the remaining Adaptation Phase activities and moving some of the remaining activities into Pilot. The goal for this is to keep activities in Adaptation that can be completed prior to November 23rd and move the remaining activities into early Pilot. After several back and forth counterproposals, the Implementation Vendor rejected the latest Caltrans counterproposal. Caltrans updated the schedule to indicate the new task dates as they related to the original contract provisions. In addition, during the week of January 24th, Caltrans met with Executives from the Implementation Vendor to discuss a plan for moving forward with the project. One of the outcomes of the meeting was that the Implementation Vendor is going to finalize multiple deliverables that were previously in draft form. These deliverables include the Data Initialization Plan (DIP), Pilot Plan, and System Test Plan and were scheduled to be completed in February 2011. As of the March 29th PRSM Project Status Meeting, none of these deliverables have been completed. The updated due date for each deliverable is as follows: the Data Initialization Plan (DIP) is currently on-hold and no end date has been established within the PRSM Project Schedule, the Pilot Plan is now scheduled to be completed in May 2011, and the System Test Plan is scheduled to be completed in April 2011 pending resolution of the current data conversion issues. For more information on the data conversion issues, please refer to **Issue I-3: Data Conversions**.

As part of the approval of the August 2010 approved Implementation Vendor change request, the Executive Steering Committee and the Implementation Vendor agreed that the Adaptation Phase would not go past November 23, 2010. According to the most recent schedule (dated March 29, 2011), the end date for Adaptation is November 25, 2011 and the end date for the PRSM Project is August 31, 2012. Please refer to the **Schedule** Section on Page 1 for additional information.

In the July 2010 reporting period, the PRSM project was re-organized so that the Project Management function is now under IT and a new Project Manager has been assigned to PRSM. This new Project Manager will be responsible for the day to day, hands-on project management activities for PRSM. The Project Management function was previously under the Division of Project Management. With the re-organization, the previous Project Manager is now providing oversight as the Project Director.

A number of project processes have been modified since the change in Project Management structure in July 2010. The PRSM Project Schedule, which was previously managed by the Implementation Vendor, is now managed by Caltrans. The new Project Manager has added baseline start and finish columns to the schedule to track baseline completion dates against actual completion dates. During the weekly PRSM Project Status Meetings, the new Project Manager has allocated time in the agenda for each of the PRSM Project Team Workgroups (such as Configuration, Interfaces, Conversion, etc.) to conduct brief status updates of their current tasks, risks, and issues. Beginning in March 2011, the structure of the PRSM Project Status meetings will change. Going forward, attendees of the status meetings will only include PRSM Project Leads, Managers, and Oversight vendors. The purpose of these meetings will be to provide a status update of each area of the project, without going into the task level detail of the work plan. In addition to these meetings, another weekly meeting will be scheduled for each area (i.e., testing, training). During these meetings, team members will update the schedule based on their assigned activities and provide updates to their team lead.

In addition to the weekly PRSM Status meetings and the bi-weekly PRSM Risk and Issues meetings, PRSM Change Management meetings occur on a weekly basis if there are open changes to discuss. During these meetings new and open project change requests (PCR's) are discussed by PRSM Project Management and the Implementation Vendor Project Manager. There is currently an open PCR (PCR 18), which is requesting a change to the structure of the Change Control Board. If this is approved, the new members of the Board will include the Caltrans PRSM Project Director, Caltrans Enterprise Technology Investment Division Chief, and the Implementation Vendor Project Director. Please note that the current Board members will continue to assist in the change request analysis and recommendation process. Currently the Caltrans IT Project Manager is in the process of updating the PRSM Change Management Plan to include the new structure and processes.

In August 2010, the Caltrans Enterprise Technology Investment Division requested that IPOC perform a health check assessment on the PRSM project. The objective of the health check assessment was to provide a point in time assessment of the PRSM project and identify findings, risks and recommendations associated with Project Management and Systems Development Lifecycle (SDLC) areas. IPOC activities performed for the Health Check assessment included interviewing key project team members and reviewing project documentation. On October 7, 2010, IPOC submitted the finalized Health Check report to Caltrans.

Project Oversight Review Checklist for March 2011

Project Oversight Review Checklist: High Criticality Project

This checklist is an assessment for the Adaptation Phase. The end date of this phase is November 2011 (per the last approved project schedule).

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
Planning and Tracking			
Have the business case, project goals, objectives, expected outcomes, key stakeholders, and sponsor(s) identified and documented?	X		An updated SPR was approved by the OCIO on December 8, 2009. The OCIO has requested that Caltrans submit a new SPR for the schedule delay.
Has a detailed project plan with all activities (tasks), milestones, dates, and estimated hours by task loaded into project management (PM) software? Are the lowest level tasks of a short duration with measurable outcomes?		X	The Implementation Vendor is using a Rolling Wave scheduling approach. Prior to the end of each phase or PRSM Payment Point, the Implementation Vendor and Caltrans work together to develop the specific activities for the tasks in the next Rolling Wave. The new detailed Rolling Wave Plan for the succeeding Project Phase will be documented in MS Project and will be submitted for State Acceptance as a prerequisite for State Acceptance of the current Payment Point. The Implementation Vendor submitted a PRSM Project Implementation Plan during the Planning Phase of the project. The Implementation Plan provides a schedule in MS Project for project activities, milestones, and deliverables including start and finish dates, duration, and high level resource assignments for each task. On June 9, 2010, the Implementation Vendor submitted a change request with an extension to the schedule and a cost increase. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved the schedule extension and cost increase. On October 6, 2010, the Implementation Vendor submitted another change request for a change in scope. The change request included changing the scope of the remaining Adaptation Phase activities and moving some of the remaining activities into Pilot. After several back and forth counterproposals, the Implementation Vendor rejected the latest Caltrans counterproposal. Caltrans updated the schedule to indicate the new task dates as they related to the original contract provisions. According to the most recent schedule (dated March 29, 2011), the end date for Adaptation is November 25, 2011. Please note that this delay is due to the procurement cycle (180 days) for CAPA (CA Productivity Accelerator), which is the tool PRSM will utilize for training. The other Adaptation Phase activities (i.e., testing and data conversion) are scheduled to be completed by June 3, 2011. In addition, the end date for the PRSM Project is August 31, 2012. This represents a delay of approximately 1 year for Adaptation (6 months without CAPA procurement) and approximately 6 months for the PRSM Project. It was noted in the PRSM Project Status meeting on March 29, 2011 that the PRSM Project schedule is still being

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
			updated to reflect new tasks and task durations. In addition, the schedule for testing activities will not be finalized until the Test Plan has been approved. Until the schedule is more stable, we are reporting this as deficient.
Is completion of planned tasks recorded within the PM software?	X		On a weekly basis, current and upcoming tasks are reviewed by the PRSM Project team and completion of planned tasks is updated as necessary.
Are actual hours expended by task recorded at least monthly within PM software?	X		Actual hours are charged to a WBS and are recorded and tracked in the Department's official accounting system. An overall project WBS list of approximately 2,000 items exists in MS Excel.
Are estimated hours to complete by task recorded at least monthly within PM software?	X		On a weekly basis, current and upcoming tasks are reviewed by the PRSM Project team and the estimated hours to complete the tasks are updated as necessary.
Is there a formal staffing plan, including a current organization chart, written roles and responsibilities, plans for staff acquisition, schedule for arrival and departure of specific staff, and staff training plans	X		Formal staffing plans, including a current organization chart and written roles and responsibilities exist for the Caltrans PRSM Project Team and the Implementation Vendor.
Have project cost estimates, with supporting data for each cost category, been maintained?	X		A new baseline was set with the approved SPR dated 12/08/2009. On June 9, 2010, the Implementation Vendor submitted a change request with a cost increase of $947,422. Throughout June and July 2010, Caltrans and the Implementation Vendor were in negotiations regarding the potential cost increase. In the August 4th, 2010 Executive Steering Committee meeting, the Executive Steering Committee approved a cost increase of $864,977 ($464,977 from removing Years 2-3 Custom Code Maintenance and $400,000 from "Unanticipated Cost").
Are software size estimates developed and tracked?	N/A	N/A	This item is not applicable.
Are two or more estimation approaches used to refine estimates?	N/A	N/A	This item is not applicable.
Are independent reviews of estimates conducted?	N/A	N/A	This item is not applicable.
Are actual costs recorded and regularly compared to budgeted costs?	X		A spreadsheet exists that shows planned and actual costs by month.
Is supporting data maintained for actual costs?	X		Actual costs are obtained from timesheets that allocate time to WBS numbers/tasks.
Is completion status of work plan activities, deliverables, and milestones recorded, compared to schedule and included in a written status reporting process?	X		During status meetings, the PRSM Project Manager distributes an updated status report, which includes an updated schedule in MS Project for the current phase. The schedule provides a detailed view of the status of activities, deliverables, and milestones for the current phase. A high-level status report is posted on the Caltrans Improvement Project web database. Status reports go to the Legislature quarterly.

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
Are key specification documents (e.g. contracts, requirement specifications and/or contract deliverables) and software products under formal configuration control, with items to be controlled and specific staff roles and responsibilities for configuration management identified in a configuration management plan?		X	The Configuration Management Plan deliverable was submitted by the Implementation Vendor to Caltrans during the Planning Phase. The current Configuration Management Plan, dated 7/19/2009, provides details on configuration management of key project documents and software products. Finalization of configuration requirements occurred in the September 2010 reporting period. There is an open issue on the PRSM Issue Log (Issue # 253) stating that although the Configuration Management Plan identifies a process for promotion of code and other configuration items, the process does not appear to be followed. The latest status of this issue states that the Implementation Vendor is preparing to update the Plan to reflect the actual process they are following.
Are issues/problems and their resolution (including assignment of specific staff responsibility for issue resolution and specific deadlines for completion of resolution activities), formally tracked?	X		An Issue Management Plan was approved and open issues are in the project database. The IT project manager is considering the same tool for managing project changes. Additionally, Caltrans had established an Issues Management Meeting that is held on a bi-weekly basis.
Is user satisfaction assessed at key project milestones?	X		Representatives of the engineering areas and regions participated in the vendor demonstration evaluations. In addition, Caltrans scheduled Implementation Team training sessions that provided the PRSM Implementation Team with an overview of PRSM Methodology and Functionality. Training Session #1 occurred during the week of September 14, 2009. After completion of Session #1 training, the PRSM Project Team gathered feedback on the content and the effectiveness of the training and used the feedback to update and/or improve Training Session #2, which occurred during the week of September 28, 2009. This is adequate for the Adaptation Phase of the project. During Pilot and Roll Out, each district will have the opportunity to complete a user satisfaction survey.
Is planning in compliance with formal standards or a system development life-cycle (SDLC) methodology?	X		Compliance with PMBOK standards is adequate for this phase of the project.
Is there formal enterprise architecture in place?	X		The RFQI describes the target Caltrans enterprise environment.
Are project closeout activities performed, including a PIER, collection and archiving up-to-date project records and identification of lessons learned?	N/A	N/A	Project is in the Adaptation Phase.
Procurement			
Are appropriate procurement vehicles selected (e.g. CMAS, MSA, "alternative procurement") and their required processes followed?	X		The final contract was signed by the Implementation Vendor on February 26, 2009. Caltrans received, reviewed and signed the contract on February 27, 2009. DGS Legal reviewed and signed the contract on March 5th, 2009.
Is a detailed written scope of work for all services included in solicitation documents?	X		Detailed written scope of work is contained in the RFP.

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
Are detailed requirement specifications included in solicitation documents?	X		Detailed requirement specifications are contained in the RFP. Requirements are described in the RFQI and Value Analysis documents.
Is there material participation of outside expertise (e.g. DGS, Departmental specialists, consultants) in procurement planning and execution?	X		Outside expertise and counsel has been sought from DOF, DGS, and consultants.
For large-scale outsourcing, is qualified legal counsel obtained?	N/A	N/A	The project does not involve outsourcing as currently defined.
Risk Management			
Is formal continuous risk management performed, including development of a written risk management plan, identification, analysis, mitigation and escalation of risks in accordance with DOF/TOSU Guidelines, and regular management team review of risks and mitigation progress performed?	X		The latest version of the Risk Management Plan was submitted April 30, 2009. Risk owners have been assigned. A Risk Register was developed and is tracked by the Risk Manager. Risk meetings occur on a bi-weekly basis.
Does the management team review risks and mitigation progress at least monthly?	X		Risk Management meetings have been held bi-weekly with the PRSM Project Team where risks and their associated mitigation progress are reviewed.
Are externally developed risk identification aids used, such as the SEI Taxonomy Based Questionnaire?	X		A risk list was initially populated using the SEI Risk Taxonomy.
Communication			
Is there a written project communications plan?	X		The latest version of the finalized and approved Communications Plan is dated 6/22/2009.
Are regular written status reports prepared and provided to the project manager, department CIO (if applicable) and other key stakeholders?	X		The Advisory Committee receives a written status report during the monthly Advisory Committee meetings. These reports include issues identified, changes to scope, schedule, cost, problems encountered, and items accomplished.
Are there written escalation policies for issues and risks?	X		Both the Risk Management Plan and the Issue Management Plan contain a risk escalation process.
Is there regular stakeholder involvement in major project decisions, issue resolution and risk mitigation?	X		Implementation Manager meetings occur on a monthly basis. The purpose of this meeting is to keep the District project managers regularly updated on the status of the project and to receive their input.
System Engineering			
Are users involved throughout the project, especially in requirements specification and testing?	X		Representatives of key stakeholder groups participated in and reviewed the Value Analysis Report that describes the PRSM requirements. The PRSM Project Team is being run by Caltrans Division of Project management which is the primary constituency for the system.
Do users formally approve/sign-off on written specifications?	X		Representatives of key stakeholder groups participated in and reviewed the Value

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
			Analysis Report that describes the PRSM requirements. In addition, the Implementation Vendor has been delivering a series of Checkpoints, which include a review of the PRSM configurations and design documentation. After each checkpoint, the PRSM Project Team gathers and consolidates their feedback on what was presented and provides it to the Implementation Vendor. The Implementation Vendor originally stated that there would be four (4) checkpoints over the course of the Adaptation Phase. In the March 2010 reporting period, the implementation Vendor stated that the remainder of the configurations would be presented in Checkpoint 4 or any of number of checkpoints needed. Checkpoint 4 was performed in April 2010. The walkthrough included the review of the revised design documentation for configurations presented in previous checkpoints. Configuration requirements baseline, customizations and deleted requirement agreements were reviewed by Caltrans and feedback was provided to the Implementation Vendor.
Is a formal SDLC methodology followed?	X		The Implementation Vendor is using the SDLC Stage Gate Model to manage the configuration and customization of PRSM throughout the Adaptation Phase. In this model, work packages divide the total effort into a series of stages, where gating criteria must be met prior to moving from one stage to the next. For the PRSM Project, each work package is designed, developed, tested, and accepted prior to completion of the package. This model may have an impact on the schedule, due to the amount of review time for each work package. In order to offset this, Caltrans is incorporating review cycles through the new checkpoint implementation approach.
Is a software product used to assist in managing requirements? Is there tracking of requirements traceability through all life-cycle phases?	X		An Implementation and System Acceptance Test consultant has been added to the team. The level of requirements management presently in place appears to be appropriate for the current phase of the project.
Do software engineering standards exist and are they followed?	X		Engineering standards exist and are documented in the PRSM Configuration Management Plan. IPOC will monitor the project during the Adaptation Phase and subsequent phases to determine how effectively the PRSM Project is adhering to the engineering standards.
Does product defect tracking begin no later than requirements specifications?	X		The PRSM issue management system currently is designed to serve as a defect tracking mechanism. Several of the issues already raised represent clarification to requirements.
Are formal code reviews conducted?	X		The PRSM Project Team has performed formal configuration reviews to occur during checkpoints throughout the Adaptation Phase. In the March 2010 reporting period, the implementation Vendor stated that the remainder of the configurations would be presented in Checkpoint 4 or any of number of checkpoints needed. Checkpoint 4 was performed in April 2010. The walkthrough included the review of the revised design documentation for configurations presented in previous checkpoints. Configuration requirements baseline, customizations and deleted

Practices and Products	Adequate	Deficient	Notes: Items Reviewed; Interviews Conducted; Demonstration
			requirement agreements were reviewed by Caltrans and feedback was provided to the Implementation Vendor. In addition, IV&V is currently performing code reviews and is planning to work with Caltrans IT to finalize code review process.
Are formal quality assurance procedures followed consistently?	X		The PRSM Project follows the State Acceptance process for deliverables. There are three types of Acceptance: Acceptance Type 1 – Objective on Receipt; Acceptance Type 2 – Non-Software Acceptance; and Acceptance Type 3 – Software Acceptance Testing by the State.
Do users sign-off on acceptance test results before a new system or changes are put into production?	N/A	N/A	Project is in the Adaptation Phase
Is the enterprise architecture plan adhered to?	X		Caltrans is in the process of creating a formal enterprise architecture plan. The PRSM technology solution was requested to be submitted as part of the study.
Are formal deliverable inspections performed, beginning with requirements specifications?	X		PCR's 8 (modifications to technical requirements related to Work Package 1) and 9 (deletion of technical requirements or parts of technical requirements, which are obsolete, redundant, or no longer needed) were approved in the June 2010 reporting period. PCR 12 (remainder of requirements not covered in PCR's 8 or 9) was approved in the August 2010 reporting period. Per the new baseline schedule (dated August 31, 2010), the Requirements Baselining effort was completed on August 24, 2010. Previously, the requirements have been through two separate review activities: user group review and IV&V review. There is a third review underway by the Project Management team in order to document the As-Is and To-Be business processes. IPOC will continue to monitor this area as the project progresses.
Are IV&V services obtained and used?	X		The IV&V Contract was approved and the IV&V Vendor began work in April 2008.