**Attachment 57**

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| First Data Government Solutions, LP  Change Order CO-049  CalSAWS Migration Planning |
| California Automated Consortium Eligibility System  CalACES Migration Project |

Submitted: April 26, 2018

# Statement of Purpose

This Change Order CO-049 (“Change Order”) is related to the Agreement (the “Agreement”) dated as of October 29, 2007, as amended, by and between the California Automated Consortium Eligibility System (“Consortium”) and First Data Government Solutions, LP ("First Data"). Unless the context indicates otherwise, all capitalized terms that are used, but not defined in this Change Order, shall have the meaning assigned to such terms in the Agreement.

The Consortium currently has two automated welfare systems, the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (“LEADER”) Replacement System (“LRS”) and the Consortium IV (“C-IV”) System. The Consortium is planning to migrate the counties into a combined 40-county system (“CalACES”) with a future plan to migrate all California counties into a combined 58-county system (“CalSAWS”). Federal sponsors, both Food and Nutrition Service (“FNS”) and the Centers for Medicare and Medicaid Services (“CMS”), have requested additional information and analysis surrounding the requirements and cost estimates for C-IV migration to CalACES, which will become the future CalSAWS to support and approve the Implementation Advance Planning Document (“IAPD”) for the CalACES Migration Development and Implementation (“D&I”) project to proceed. As part of the CalSAWS Migration Planning effort, a validation of requirements for C-IV migration to CalACES and CalSAWS must be performed. High-level estimates for migration one-time costs and steady-state costs for CalSAWS must be developed. Additionally, the migration plan details such as procurement strategy for the development and implementation activities, sequencing, and implementation timelines must be developed.

This Change Order outlines the staffing requirements, costs, and timeline for First Data and/or its subcontractors to conduct a validation of requirements for C-IV migration to CalACES and CalSAWS, develop high-level estimates for migration, and develop a procurement strategy for the development and implementation activities, sequencing, and implementation timelines.

# Services and Deliverables

First Data and its subcontractor shall provide the Consortium with the services and deliverables for CalSAWS planning and will provide oversight and subject matter expertise for the activities described within in this Change Order.

## Tasks

First Data and its subcontractor will have a working team with the appropriate mix of experience and expertise to lead and complete the following tasks and deliverables:

| Task No. | Task Description |
| --- | --- |
| 1 | Setup and Prep:  - Communicate confidentiality guidelines  - Define context for effort  - Describe methodology and approach  - Define scope and objectives  - Establish key deliverables for each workstream  - Define project team and configuration  - Understand and establish governance cadence and decision/escalation framework  - Send out communication to major stakeholders (e.g. counties)  - Draft Deliverable Expectation Documents (DEDs)  - Review and finalize DEDs |
| 2 | Review of CalACES requirements:  - Conduct onboarding and data gathering sessions to understand the base LRS system, gaps between C-IV and LRS, requirements identified for CalACES  - Obtain details on cost estimation and methodology for delivering on existing set of (560) requirements  - Leverage inputs to create fact-base outlining the need/value of the requirements, as well as the cost associated with the requirement  - Use appropriate cost estimation methodology to triangulate and pressure test prior cost estimates independently  - Ensure validity of requirements by capturing clear rationale (e.g., worker need, efficiency need, efficiency effect) |
| 3 | Requirements Consolidation:  - Conduct high-level review, and provide guidance and feedback on the user labs and facilitated requirements gathering process through a series of interviews and targeted data requests; Monitor to ensure that the guidance & feedback on the process are incorporated  - Collate requirements from all sources (e.g. client managed outputs from user labs / facilitated requirements gathering, business process assessment and ancillary systems assessment)  - Check for overlaps, and create a de-duplicated list  - Present consolidated list of requirements as well as value associated with requirements  - Categorize requirements in standard (CalSAWS) and deviations  - Categorize deviations into various types (e.g. customer needs, efficiency, effectiveness), by counties  - Create a prioritized list by type and cost/impact  - Conduct workshops with counties/key stakeholders to align on the requirements, prioritized and ranked by impact/need  - Ensure validity of requirements by capturing clear rationale (e.g., worker need, efficiency need, efficiency effect) |
| 4 | Data Conversion Strategy:  - Prepare & launch data requests to collect off-the-shelf materials on current data model / structure  - Identify core team for data conversion workstream  - Receive overview of LRS and CalACES data model  - Review documents & response to data request; prepare initial hypothesis on target data model  - Conduct working sessions to understand current usage & context of the key data elements (e.g., reporting, decisions)  - Determine data interface / data service needs that arise as a result of maintaining county specific ancillary systems / business processes  - Map major data elements to CalSAWS destination, if any exists, and/or documenting elements where no corresponding functionality is found  - Determine likely impact / modifications on base target model (e.g., determine data elements to be added / modified)  - Assess impacts of new data model |
| 5 | Cost Estimation:  - Develop framework for categorizing requirements (e.g. into “small”, “medium”, “large”, “very large”)  - Develop estimation methodology for each category of requirements (e.g. parametric, historical, bottoms-up etc.)  - Apply estimation methodology to develop high-level cost envelope  - Pressure test estimation through triangulation (e.g. comparing with migrations of similar scale within California and outside California) |
| 6 | Implementation Planning:  - Identify technical and non-technical activities to get to CalSAWS  - Frame potential sequencing options and tradeoffs  - Identify leading option  - Estimate potential timelines for activities based on known internal and external benchmark  - Identify all potential procurement / acquisition “blocks”  - Identify options for procuring these blocks e.g., sole source vs. competitive  - Identify leading option for each block  - Identify key risks, and articulate the mitigation plans that should be deployed to minimize impact and probability of occurrence  - Develop a view of milestones as well cost per milestone  - Identify near term action plan (i.e. what should happen immediately to stay on course for CalSAWS timeline)  - Identify potential accelerants, and associated tradeoffs  - Provide key learnings/best practices on end state operating model vendor management, and project oversight |
| 7 | Project Oversight and Subject Matter Expertise:  - Participate in project planning and status meetings  - Manage client relationship and performance to expectations  - Ensure adequate resource coverage to meet deliverable expectations  - Conduct periodic performance reviews with subcontractor for adjustments in approach as necessary  - Ensure timely completion of all tasks and deliverables as defined in the scope of work and that the deliverables meet overall standards for acceptance  - Provide ongoing advice and support regarding direction related to this scope of work, including identifying issues and risks with recommendations to minimize impacts to timeline  - Provide subject matter expertise when necessary to assist with the analysis activities contained within each deliverable. This includes support such as aiding in the interpretation and translation of information related to requirements, assistance in understanding the counties’ unique business needs, and providing clarification on the various federal, state, and county specific programs |

The assessment will be staged over an 18-week period, March 26, 2018 to July 27, 2018, during which ten deliverables will be generated. To facilitate this, there will be a short period of setup and preparation work from March 26, 2018 to March 30, 2018, for the project team to align on deliverables, approach, timelines, stakeholders and to prepare for the kickoff.

First Data and its subcontractor will produce the following deliverables:

* **Deliverable 01 – Draft fact-base for assessment of CalACES requirements:** This deliverable will contain the assessment of already identified 560 CalACES requirements against the future state CalSAWS requirements, and develop a priority order of requirements (based on an agreed upon criteria such as customer needs, cost estimates, worker efficiency and effectiveness).
* **Deliverable 02 – Draft fact-base on data conversion strategy for CalSAWS:** This deliverable will include a draft view of future state CalSAWS data models, usage profiles, and major interfaces. Additionally, it will also include a view of current state data models, and a gap analysis between current and future state models across all counties.
* **Deliverable 03 – Draft fact-base for CalSAWS requirements consolidation & priorization:** This deliverable will contain a consolidated view of requirements across business processes, ancillary systems and tools, and data models for CalSAWS (across CalWIN and CalACES), along with a view on standardized requirements, and deviations. Additionally, this deliverable will also contain a priority list of requirements.
* **Deliverable 04 – Draft fact-base for high-level estimation of one-time migration costs for CalSAWS:** This deliverable will contain a holistic view of one-time migration cost estimation to achieve the target state across all requirements (business process, ancillary systems and tools, and data conversion) This will also include the cost of transferring the consolidated system onto the cloud environment.
* **Deliverable 05 – Draft fact-base for high-level estimation of ongoing migration costs for CalSAWS:** This deliverable will contain an agreed-upon view of steady state costs for the whole CalSAWS systems across core system, ancillary systems and tools (including the cost of managing in the cloud environment.
* **Deliverable 06 – Draft fact-base for assessment on sequencing/timeline, procurement options, risk planning / mitigation and other considerations for CalSAWS:** This deliverable will contain a holistic implementation plan, including identification of major activities, key milestones, timelines, dependencies, required capabilities, and identification of risk and mitigating actions.
* **Deliverable 07 – Interim CalSAWS Report (May):** Draft report on emerging view of consolidated CalSAWS requirements, and assessment of requirements collection process: This deliverable will contain a draft report, summarizing an early view of consolidated CalSAWS requirements (across business processes, ancillary systems, data models), and the assessment of the requirements gathering process (e.g., methodology, evaluation criteria, templates).
* **Deliverable 08 – Interim CalSAWS Report (May):** Draft report on emerging view of consolidated CalSAWS requirements, and assessment of requirements collection process: This deliverable will contain an updated view of consolidated CalSAWS requirements (across business processes, ancillary systems, data models), along with an emerging view of standardized and non-standardized requirements, a priority order of requirements, and the assessment of the requirements gathering process (e.g., methodology, evaluation criteria, templates).
* **Deliverable 09 – Interim CalSAWS Report (June):** Draft report on CalSAWS requirements: This deliverable will contain a draft view (near-final) of consolidated CalSAWS requirements (across business processes, ancillary systems, data models), along with a draft of standardized and non-standardized requirements, and a priority order of requirements.
* **Deliverable 10 – Final CalSAWS Report (July):** Final report on CalSAWS requirements, with high-level cost and impacts assessment: This deliverable will be the final report of the assessment, summarizing the all the CalSAWS requirements categorized into standardized and deviations, along with a stated rationale (across business processes, ancillary systems and data models). The report will also include a cost analysis and associate impact of requirements in order to determine the priority order of implementation.

# Assumptions

In addition to any other responsibilities or duties described in this Change Order or in the Agreement, the conditions on First Data's performance and assumptions upon which First Data has relied in agreeing to perform the services described in this Change Order on the terms set out herein (collectively "Assumptions") are listed below. If any of the Assumptions are not performed or prove to be incorrect, it may cause changes to the Schedule, costs, Deliverables, or level of effort required, or otherwise impact First Data’s performance of the services described in this Change Order.

The Assumptions of this Change Order are set forth below:

1. Regular check-ins with the project team, and project review meetings with the core project team and broad set of stakeholders to provide verbal updates and align on tasks, review progress, escalate any roadblocks, and resolve outstanding issues.
2. Leverage existing meetings that occur at least monthly (or more as needed) for syndication of progress and emerging findings with critical stakeholders across the consortia, state, counties, and other partners that will be identified during the kickoff
3. Decisions shall be made in a timely fashion such that key milestones and timelines are agreed upon upfront and met
4. Access to institutional data and subject matter experts as well as time from the right data ‘leads’ to help interpret and translate the information. This includes access to off-the-shelf reports, systems and databases for pulls of raw data, any available reports and/or documents, as well as time to meet and have conversations and/or conduct interviews with relevant resources across the C-IV, LRS, CalACES and CalSAWS project teams. A data scorecard will be utilized as a tracking mechanism and to communicate outstanding data requests in a timely manner and to provide transparency into the data collection process.
5. Dedicated project team with appropriate representation from the Client, inclusive of State and Consortia stakeholders
6. Collaborative approach to problem solving with active involvement of the Client team members through frequent working sessions
7. Consortium shall give Acceptance within a reasonable timeframe when it determines that each Deliverable conforms to its applicable Specifications, and has no Deficiencies (other than Cosmetic Deficiencies).
8. The Consortium will provide, or cause to be provided, office space at no cost to First Data.

# Confidentiality

For the Services associated with this Change Order, First Data and its subcontractors’ work to be provided as described within this Change Order is confidential and intended for the Consortium’s internal use, and for the Consortium to share as required with State, County, and Federal partners only. In order to promote true neutrality on issues, provide an environment for uncensored guidance for its clients, ensure compliance with its contract confidentiality requirements, and better empower its clients, First Data and its subcontractors do not advocate, present findings, or consent to public references in any public meeting, writing, or other public forum. The Consortium and its State, County, and Federal partners may, on an as-needed basis for the sole purpose of supporting the Consortium, disclose the fact of First Data and its subcontractors’ involvement verbally, and if necessary, in writing. The Consortium understands that First Data and its subcontractors will not advocate, present findings, or speak on the Consortium’s behalf in any public forum without specific written authorization and agreement, although First Data and/or a single subcontractor will join the Consortium routine meetings, specifically the CalACES Joint Powers of Authority Board Meeting and the CalACES Project Steering Committee Meeting, with State, County, and Federal partners that may be open to the public to be available to answer questions directly related to First Data and/or its subcontractors’ services that the Consortium may not otherwise be able to answer.

# Schedule

The Services associated with this Change Order shall commence in State Fiscal Year (“SFY”) 2017/18 and be completed in SFY 2018/19.

# Total Change Order Cost

The costs associated with this Change Order are summarized in the table below. The costs will be billed in accordance with Section 6.6 of the Agreement as reflected in Section VII below and Exhibit A.

|  |  |  |  |
| --- | --- | --- | --- |
| **SFY Summary** | **SFY 17/18** | **SFY 18/19** | **Total Cost** |
| Deliverables | $1,041,350 | $4,345,350 | **$5,386,700** |

# Payment Schedule

The following table outlines the charges and invoicing timelines for Payment Milestones associated with the Technical Analysis and deliverables.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **#** | **Deliverable** | **Target Deliverable Due Date** | **Target Invoice Date** | **Price** |
| 1 | Draft fact-base for assessment of CalACES requirements | 5/25/2018 | 6/6/2018 | $295,000 |
| 2 | Draft fact-base on data conversion strategy for CalSAWS | 6/8/2018 | 6/20/2018 | $413,000 |
| 3 | Draft fact-base for CalSAWS requirements consolidation & prioritization | 6/29/2018 | 7/11/2018 | $413,000 |
| 4 | Draft fact-base for high-level estimation of one-time migration costs for CalSAWS | 7/20/2018 | 8/1/2018 | $413,000 |
| 5 | Draft fact-base for high-level estimation of ongoing migration costs for CalSAWS | 7/20/2018 | 8/1/2018 | $413,000 |
| 6 | Draft fact-base for assessment on sequencing/timeline, procurement options, risk planning / mitigation and other considerations for CalSAWS | 7/27/2018 | 8/8/2018 | $295,000 |
| 7 | Interim CalSAWS Report (May): Draft report on emerging view of consolidated CalSAWS requirements | 5/14/2018 | 5/25/2018 | $746,350 |
| 8 | Interim CalSAWS Report (May): Draft report on emerging view of consolidated CalSAWS requirements | 5/30/2018 | 6/8/2018 | $746,350 |
| 9 | Interim CalSAWS Report (June): Draft report on CalSAWS requirements | 6/29/2018 | 7/11/2018 | $826,000 |
| 10 | Final report on CalSAWS requirements, with high-level cost and impacts assessment | 7/27/2018 | 8/8/2018 | $826,000 |
|  |  |  | **TOTAL** | **$5,386,700** |

# Impact on the Agreement

The changes outlined in this Change Order are incorporated into the Agreement dated October 29, 2007, and Amendment No. Sixty dated April 26 2018, as follows:

* Exhibit A, Financial Matters – The total increase to the Prices and Charges under the Agreement is incorporated into Sections A, C and D.

# Change Order Approval

**Subject: Change Order CO-049– CalSAWS Migration Planning**

The subject document is accepted as allowing First Data to proceed with Change Order CO-049 – CalSAWS Migration Planning.

**CALIFORNIA AUTOMATED CONSORTIUM ELIGIBLITY SYSTEM**

By:

Printed Name:

Title:

Date:

By:

Printed Name:

Title:

Date:

Notice Address:

California Automated Consortium Eligibility System  
Attention: Executive Director  
11290 Pyrites Way, Suite 150

Rancho Cordova, CA 95670-4481