Child Welfare Digital Services – New System Project

Procurement Management Plan

August 2016

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Revision History

REVISION HISTORY			
REVISION/VERSION #	**DATE OF RELEASE**	**AUTHOR**	**SUMMARY OF CHANGES**
	April 20, 2015	R. Sasaki	Original Document
Revision # 0.1	April 21, 2015	Sri T.	Formatting, style revisions made
Version #1.0	May 12, 2015	R. Sasaki	Version #1.0 baselined.
Version 2.0	August 12, 2016	T. Yu	Align to Agile
Revision 2.1	August 31, 2016	T.YU	Incorporated comments from QA, PMO, IVV/IPOC and project SMEs.

1   INTRODUCTION

In late November 2015, a decision was made to modify the Project's procurement, design, development, and implementation approach after discussions with state and federal control agencies, the California Health and Human Services Agency (CHHS), the California Government Operations Agency (CalGovOps), the CDT, the Administration for Children, Youth and Families (ACYF), the federal General Services Administration's (GSA) 18F team (18F), and Code for America. Rather than releasing a monolithic multi-year Request for Proposal (RFP) estimated to cost several hundred million dollars and take five to seven years to implement, the Project decided to instead use a modular procurement approach coupled with agile design and development methodologies to deliver business value earlier. This approach consists of iteratively implementing business functionality in the form of "digital services" as they are developed.

This new approach has received wide-spread support throughout the state and federal government, but adopting this approach requires the Project to make several changes, which in turn have a corresponding effect on the state staff performing the associated work. These changes include:

- *Change in Procurement Approach:* The Project has changed its procurement approach from awarding a single contract to a Systems Integrator (SI) to a modular approach allowing for a series of contracts to be awarded to multiple vendors for digital service modules.
- *Change in Design/Development Approach:* The Project has changed its design and development approach to use agile methodologies. This includes implementing a user-centric design process and continuously refining requirements through an iterative development process that promotes continual engagement with stakeholders.
- *Change in Implementation Responsibility:* The Project is changing the responsibility for implementation from requiring an SI to manage statewide implementation activities to procuring these services through a separate vendor with assistance from the state and development teams.
- *Change from M&O to DevOps:* The Project is changing its post-implementation model from a traditional Maintenance and Operations (M&O) model which requires an SI to be responsible for the daily operations of the CWS-NS and any system enhancements. The Project is now proposing a Development Operations (DevOps) model which will improve service delivery by recognizing the interdependence of software development and operations which in turn will produce digital services more rapidly, with frequent iterations of ongoing enhancements.
- *Additional Project Resources:* The Project is requesting additional state staff and county and project support consultants to support the proposed changes.

- *Updates to Existing Project Resources:* The Project is requesting several changes to existing resources including converting limited-term positions to permanent and repurposing or reclassifying other project resources.

These changes are based on discussions with CHHS, state and federal control agencies, Code for America, 18F and CalGovOps. The intent of these changes are to innovate the way the CWS-NS Project will procure, design, develop, and implement services to end users in a manner that supports quicker delivery of business value and with less risk to the state.

1.1 Purpose

This document describes the Procurement Management Plan (hereinafter referred to as the "plan") for the Child Welfare Digital Service (CWDS) Child Welfare System - New System Project (hereinafter referred to as the "Project"). The purpose of this plan is to identify the tasks and activities to be performed to procure goods and services for the Project. This Plan documents the scope, content, methodology, sequence, and responsibilities for systematically and efficiently procuring goods and services to maximize best value to the state at the lowest risk while complying with state contracting laws and regulations.

1.2 Scope

The authority for the Project's procurements resides with the Office of Systems Integration (OSI), Acquisition and Contracts Services Division (ACSD). The Project initiates a procurement based on the identification of a project need to procure goods or services. After the Project process has been completed, the documents are forwarded to ACSD to coordinate final approval, and execute the procurement.

The Project works with the ACSD to run both competitive and non-competitive procurements. The ACSD, in turn, works as a procurement official with both the California Department of Technology (CalTech), which has jurisdiction, over competitive Information Technology (IT) procurements, and the Department of General Services (DGS), which has jurisdiction over non-competitive procurements. Though the Project is moving to an agile approach, the State procurement process has not changed. The Project still needs to follow State contracting laws.

1.3 Document Maintenance

This plan will be reviewed updated as needed. Lessons learned as a result of continuing procurement management efforts will be captured at the end of each project phase and used to improve the Project and OSI best practices.

This plan contains a revision history log that follows the Table of Contents. When changes occur, the version number will be updated to the next increment and the date, author making the change, and change description will be recorded in the revision history log of the document.

This plan is considered a base lined document after it has gone through the peer review cycle and has been approved by the Project governance bodies. Subsequent changes to the plan, including periodic updates, require the use of the Project Configuration Management and Change Management Processes.

2 ROLES AND RESPONSIBILITIES

This section describes the roles and responsibilities to manage procurements for the Project. There are various staff resources and stakeholders involved in the procurement of contracts for the Project. In some cases, one individual may perform multiple roles in the process.

Table 5-1 Roles and Responsibilities

Organization	Role	Responsibility
Office of Systems Integration (OSI)	OSI Project Director	The OSI Project Director, or his/her designee, approves all contracts, contract amendments, participates in contract dispute resolution, and attends project board of directors meetings, as needed.
OSI	OSI Acquisition and Contracts Services Division (ACSD)	The ACSD procures contracts and coordinates final approval of the contracts with the OSI Director, and advises the Project of new or modified state procurement policies and regulations to ensure full compliance with statutory requirements.
OSI	OSI Budget Office	The OSI Budget Office verifies the encumbrance funds versus the fund availability, verifies the Personal Computer Administrator (PCA) codes, and

Organization	Role	Responsibility
		is responsible for planning, development, analysis, execution, and communication of all budget-related information related to the Project.
OSI	OSI Fiscal Unit	The Fiscal Unit is responsible for developing policy and procedures to ensure day-to-day financial activities are accounted for in accordance with Generally Accepted Accounting Principles, the State Administrative Manual, Department of Personal Administration regulations, and the Federal Office of Management and Budget cost allocation principles.
CWS-NS Project	Project Director (PD)	The PD is responsible for decisions on all procurement issues within the Project. The PD is under the general direction of the OSI Deputy Director and will work closely in communicating project information throughout the life of the Project. In addition, the PD provides overall direction to the Project Manager (PM) to ensure cohesive plans, procurement, development, and execution of all contracts.
CWS-NS Project	Service Manager (SM)	The SM is responsible for confirming when new goods or services are needed and the funding is available. Once this is confirmed, the procurement process initiates.

Organization	Role	Responsibility
CWS-NS Project	Project Legal	OSI legal manages legal issues on behalf of the project and acts in collaboration with CDSS legal.
CWS-NS Project	Functional Manager (FM)	The FM is responsible, in coordination with the Contract Manager and with subject matter experts, for ensuring clear, concise contract requirements are developed.
CWS-NS Project	Contract Manager (CM)	The CM works with the project, subject matter experts, and ACSD to develop procurement documentation such as a Statement of Work (SOW) and supporting documentation.
CWS-NS Project	Fiscal Analyst (FA)	The FA reviews contract documents to ensure adequate funds are available to support the payment of invoices, tracks invoice and expenditures, and verifies that personnel, classifications, and rates in the invoice correspond to the terms in the contract and identifies the appropriate PCA codes.
Administration on Children, Youth and Families (ACYF)	Federal Stakeholder	The Administration on Children, Youth and Families (ACYF) oversees major federal programs that support: • Social services that promote the positive growth and development of children, youth and their families • Protective services and shelter for children and youth in at-risk situations

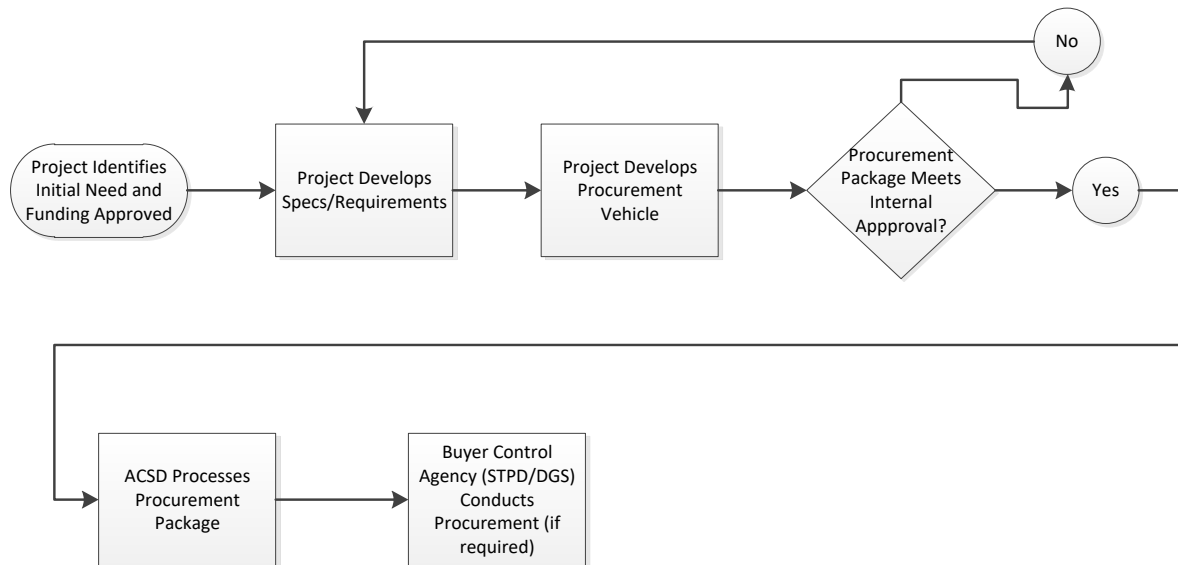| Organization	Role	Responsibility
		• Adoption for children with special needs These programs provide financial assistance to states, community-based organizations, and academic institutions to provide services, carry out research and demonstration activities, and manage training, technical assistance and information dissemination.
California Department of Social Services (CDSS), OSI, CWDA	Executive Leadership Team (ELT)	ELT is the project sponsor
California Department of Technology	Statewide Technology Procurement Division (STPD)	The STPD is responsible for administering policy and standards and overseeing all competitive procurements within the state. The Statewide Information Technology Branch facilitates information technology procurements.

Organization	Role	Responsibility
Department of General Services (DGS)	Procurement control agency	The DGS is responsible for administering procurement policy and standards, and overseeing leveraged procurements within the state, including establishing and maintaining the CMAS and MSA contract lists. The DGS is responsible for keeping records of contractor performance (particularly negative evaluations), and must approve any contract amendments over our delegated authority.
State Controller's Office (SCO)	Control Agency	The SCO is responsible for receiving check requests for invoice payment from the OSI, writing the associated check for payment, and mailing the check to the contractor.

3 PROCUREMENT MANAGEMENT APPROACH

The procurement management process depicted in

Figure 1 provides a high-level view of the Project's responsibility in the procurement process. The focus of this section is on competitive procurements.

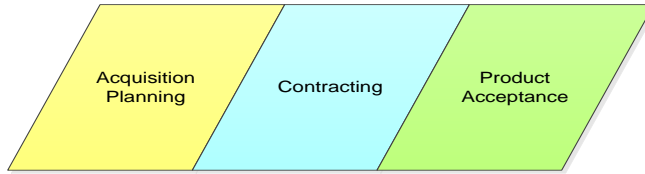**Figure 1 – CWS-NS Procurement Process**

3.1 Contracts

See the Contract Management Plan for details regarding contract management.

4   THE PROCUREMENT PROCESS

As mentioned in Section 1.2, Scope, this plan focuses on the Project's responsibilities to support the processes and documentation needed to execute procurements. The focus of this section is on competitive procurements. There is a notable variance to the process for non-competitive procurements, and that variance will be addressed.

The life of an acquisition program and the framework consists of phases which, as a whole, are commonly referred to as an Acquisitions Life Cycle. It begins with the Acquisition Planning phase which includes determining needs and developing requirements, and ends with the release of the procurement vehicle (RFP). This phase is followed by the Contracting Phase which starts with the release of the RFP and includes evaluation and selection of a vendor and ends with the execution of a contract. The final phase is the Product Acceptance phase and includes the contract management phase where contractual compliance is monitored to ensure requirements and acceptance criteria is met. This phase ends when all the terms of the contract have been fulfilled.

Acquisition Life Cycle

4.1 Acquisition Planning Phase

The planning Phase for the Acquisitions Life Cycle begins when all federal and state approvals to proceed with the project have been secured and the Project is ready to procure a new system or refresh an existing system. Consideration is given to overall scope, budget and schedule. During the Acquisition Planning Phase, the Project consults with the ACSD for preliminary guidance and direction on the planning of its needed goods and services. The phase ends with the release of the procurement vehicle.

The Project steps in the planning phase include:

- Planning
- Obtaining approval of the overall acquisition strategy through the federal and state approvals
- Developing requirements
- Develop the procurement documents
- Determining the evaluation and selection criteria that will be used to determine the contract awardee

4.2 Contracting Phase

The Project works with the Acquisition Specialist at the ACSD to ensure that all contracting processes are followed to ensure a competitive and legal acquisition. The Contracting Phase which is mostly done by ACSD begins upon release of the procurement vehicle and ends upon execution of the contract.

4.3 Product Acceptance Phase

The Product Acceptance phase marks the beginning of the contract management activities. The purpose of this phase is to monitor the vendor's efforts to ensure compliance with contract requirements and product acceptance criteria. The details of contract management can be found in the CWS-NS Contract Management Plan

which identifies the roles and responsibilities of project team members who will manage, track, amend and close the contract.

5   EXECUTING A CONTRACT

5.1 Requesting Approval

After a vendor or bidder has been selected, the ACSD prepares the contract package, and obtains necessary approvals.

5.2 Notifications

Once the Project receives notification that the contract has been executed, the service manager (SM), contract manager (CM), and functional manager (FM) may negotiate the actual start date with the contractor. **No contractor may begin work without a fully-executed contract.** If appropriate, the FM will also arrange for seating and equipment at the Project site.

Once the Project receives the contract, the CM will review the contract for accuracy (verify the dollar amount, deliverables, contract period, etc.). If there are any corrections needed, the CM will work with the ACSD to correct them (the errors are usually very minor).

The FA will update the Project accounting database with the encumbrance amounts. Finally, the CM will give a copy of the SOW to the project librarian (PL) to be archived. The hardcopy is stored in the library and an electronic copy is stored in the Project's document management system. These are considered the final versions. A working copy of the SOW will be kept at the desk of the CM.

APPENDIX A – ACRONYMS

Acronym	Definition
ACYF	Administration for Children, Youth and Families
ACSD	Acquisition Contracting Services Division
APD	Advance Planning Document
CalTech	California Department of Technology
CDSS	California Department of Social Services
DGS	Department of General Services
CFSD	Children and Family Services Division
CDT	California Department of Technology
CM	Contract Manager
CMAS	California Multiple Awards Schedule
CSCR	California State Contracts Register
CWDA	County Welfare Directors Association
CWS	Child Welfare Services
CWS/CMS	Child Welfare Services/Case Management System
CWS-NS	Child Welfare Services New System Project
DGS	Department of General Services
DOF	Department of Finance
FA	Fiscal Analyst
FM	Functional Manager
GSA	General Services Agreement
HHS	Health and Human Services
IAA	Interagency Agreement

Acronym	Definition
IFB	Invitation For Bid
ISD	Information Services Division
LPA	Leverage Procurement Agreement
MSA	Master Service Agreement
NCB	Non-Competitively Bid contract
OSI	Office of Systems Integration
PM	Project Manager
PO	Purchase Order
RFO	Request for Offer
RFP	Request for Proposal
RFQ	Request for Quote
SCO	State Controller's Office
SI	Systems Integrator
SLA	Service Level Agreement
SOW	Statement of Work
STPD	Statewide Technology Procurement Division