ATTACHMENT 2

October 11, 2011

Project Sponsors
First 5 California
2389 Gateway Oaks Blvd, Suite 260
Sacramento, CA 95833
Re: First 5 California Signature Program Data System Assessment

Project Name - Practice, Research and Outcomes 0 – Five (PROOF)

Background

The First 5 California Signature Program Data System is an Information Technology (IT) project effort to configure and implement a commercial off the shelf (COTS) Program Management, Case Management, and Reporting solution to meet the business and financial quality data needs and requirements of First 5 California and its county commission and business partners.

M Corp of Sacramento, California was awarded a contract in August 2010 for the design, development, and implementation of the data system project as result of a competitive procurement process. The COTS software product known as ExtraView was proposed to be configured to meet business and technical needs from the business operations and financial perspectives, reducing the potential risk of software customization efforts that tend to be more costly than planned in maintenance and operations. The procurement required that the core business objectives needed to be designed and developed in two distinct phases, followed by a single state-wide implementation effort within a 22 month timeframe. The first design and development phase was to include statewide Signature Programs functionality, as well as County Case and Program Management functionality. The second design and development phase would re-platform the existing Annual Reporting application, provide Content Management functionality, and provide Management Reporting functionality.

Change in Project Scope

Shortly after the commencement of the project effort as fully defined in the procurement, First 5 California was also granted authority to develop its new statewide Teacher Signature Program, CARES Plus. In order to ensure that the business needs of the new program would be reflected in the new data system, the First 5 California Project Manager and its Sponsors collaborated with M Corp to develop a contract amendment to modify the scope of the project in November 2010. The contract change was effective in April 2011. The revised contract deliverables require M Corp to design, develop, and implement the project in two distinct phases. The first phase includes the automation efforts supporting the CARES Plus Signature Program and its Management Reporting business needs. The second phase includes the automation efforts for the Case Management functionality and its Management Reporting needs, additional Statewide Signature Programs and their Management Reporting needs, and the re-platform effort of the Annual Report application to be contained within the new data system. While the project scope changes were determined to be contractually equitable, the change required that M Corp deliver statewide functionality much sooner than originally

envisioned to meet the scheduled needs of the program. It also necessitated that the automation effort needed to be developed in tandem with development of the program itself. It is always challenging to develop both program needs and detailed automation needs in a parallel manner. IT Best Practices recommend development of the business needs of a program as predecessor activity to the development of subsequent automation efforts with very detailed requirements and design criteria.

Impact of Changes in Scope

The scope changes resulted in a three month delay in delivery of a quality solution for Build 1 CARES Plus functionality. Build 1 is currently scheduled for statewide implementation in October 2011. The project is currently in process of performing User Acceptance Testing of Build 1 functionality. The quality of the solution has clearly improved during the testing and defect resolve processes. First 5 California and M Corp continue to work together to ensure that any outstanding defects are not of high or critical severity, and that they will not affect data quality or system security.

Maintenance and Operations

The physical production environment is owned by First 5 California, and hosted within its server room. The ExtraView software is supported by M Corp via the Maintenance and Operations (M&O) support contract. M Corp is currently working on development of M&O-related documentation deliverables intended to provide First 5 California the ability and knowledge to support the solution at the conclusion of the M&O contract. Any remaining low severity defects will be addressed during the M&O contract.

Implementation Activities

The Project deliverables include a business change management effort and a user training effort, both of which are to be executed for Build 1 and Build 2. The training deliverables include step by step curricula geared at the various business communities and user types that will use the new data system at First 5 California and the county commission partners. Training experiences have been reported as positive and informative.

Current Risks

Like most information technology projects, there are a number of project risks that are tracked both weekly and monthly. Most of the high exposure risks facing the project are due to the current end date of the project not being in alignment with the end date of the funding authority. Without extension of the funding authority past the current end date of December 31, 2011, many originally requested, proposed, and envisioned project goals and objectives will not be met. County commission partners would need to make alternative decisions for county case management and reporting tools for use in their counties, and consolidation of data in a centralized data collection tool would not reach the originally planned automation levels. Data roll ups from the case management components would not be available for import into the annual reporting tools, severely hampering First 5 California's and the County Commissions' visions and objectives in this regard. The December 31, 2011, date affects contracts including

M Corp's Design, Development, and Implementation contract, M Corp's M&O contract, and support services to First 5 California for business analysis services and independent verification / validation (IV&V) and independent project oversight (IPO) services.

Conclusion

Build 1 provides a solid foundation on which to complete the project effort through design, development, and implementation of the Build II functionality. Lessons learned from Build 1 as to how best to work together to validate and approve detailed business requirements and design criteria will be utilized to streamline this resource-intensive activity for downstream Builds. Build II functionality is currently scheduled through October 2012.

IV&V / IPO recommends the continuance of the data system project effort to ensure that the original goals, intentions, and benefits envisioned for First 5 California and the county commissions can all be realized.

Should you have any questions or concerns on this assessment, please contact me directly at your convenience.

Sincerely,

Darren Macdonald
First 5 California PROOF Project
IV&V / IPOC Manager
Shooting Star Solutions, LLC