State of California

Department of Technology

Stage 3 Solution Analysis

Version 3.0.1

Preparation Instructions

Statewide Information Management Manual – Section 19C

February 2022

INTRODUCTION TO THE STAGE 3 SOLUTION ANALYSIS

Overview

Statewide Information Management Manual (SIMM) Section 19C, Stage 3 Solution Analysis, is the third stage of the Project Approval Lifecycle (PAL) and provides the basis for agencies/state entities to acquire a solution that best meets business objectives and yields the highest probability of success, including the:

- Maturity of mid-level solution requirements into clearly defined and detailed solution requirements
- Elements to consider in the development of the Statement of Work (SOW)
- Guidance in the solicitation development
- Continual confirmation of organizational planning and readiness

This stage also includes the development of essential contractual deliverables which adhere to state policies and regulations. The Stage 3 Solution Analysis Instructions have been prepared to help State of California agencies and state entities[1] meet the California Department of Technology (CDT) requirements for documentation of proposals for projects.

Clarifications

- ✓ Proposal reporting requirements are initially determined as part of the Stage 1 Business Analysis but may have changed as the proposal progressed through the PAL.
- ✓ For proposals anticipated to be non-delegated, agencies/state entities are required to submit a Stage 3 Solution Analysis to the CDT.
- ✓ For proposals anticipated to be delegated, agencies/state entities must receive Stage 3 Solution Analysis approval from the agency/state entity’s Director, as applicable.
- ✓ For ancillary procurements over an agency/state entity’s Department of General Services (DGS) Delegated Purchasing Authority, the ancillary procurement will require Procurement Oversight involvement (based on SAM Section 4819.2) to conduct, oversee, and award the contract. This type of ancillary procurement may require a separate Stage 3 Solution Analysis submission package.

Stage 3 Format

Stage 3 Solution Analysis focuses on refining project management elements, developing the solicitation based on the information detailed in Stage 1 and Stage 2, packaging and readying the solicitation for release, and assessing solicitation responses.

Agencies/state entities normally begin by maturing solution requirements and developing SOW components. After requirements and SOW components have been established and vetted through agency/state entity stakeholders and oversight staff, agencies/state entities can continue preparing the formal solicitation package and assessing readiness. This approach allows agencies/state entities to build in and incorporate information from previous stages to ensure the project avoids the omission

[1]**State entity:** Includes every state office, officer, department, division, bureau, board, and commission, including Constitutional Officers. “State entity” does not include the University of California, California State University, the State Compensation Insurance Fund, the Legislature, or the Legislative Data Center in the Legislative Counsel Bureau.

of vital information to build the solicitation. For example, once the agency/state entity has identified tasks and key staff in the SOW, it can then build the bidder and key staff qualifications in the solicitation evaluation section and align the minimum qualifications with the actual project task requirements (as outlined in SOW).

Stage 3 Solution Analysis Reporting Requirements

For proposals anticipated to be non-delegated, the CDT requires specific information from agencies/state entities to carry out its responsibilities in approving the Stage 3 Solution Analysis. To evaluate an agency/state entity's Stage 3 Solution Analysis, the CDT needs to fully understand the procurement methodology and the approach to obtain a solution. Each proposal must provide sufficient detail to describe the procurement profile as a whole, solution requirements, SOW, evaluation criteria, cost/payment model, and staffing plan.

Each agency/state entity is responsible for ensuring its Stage 3 Solution Analysis analyses meet CDT requirements. The Stage 3 Solution Analysis must be comprehensive and cannot rely on verbal or subsequent written responses (e.g., emails) to the CDT staff's questions to provide needed justification for the submission. Incomplete submissions that fail to provide relevant information in written form may be returned without consideration at the discretion of the CDT.

The CDT may, at its discretion, request additional information from the agency or state entity. Per SAM Section 4819.31, the CDT's Office of Statewide Project Delivery (OSPD) may request to review and or approve IT Non-delegated Procurements prior to release to the public.

Changes to Previously Approved Submittals

As a proposal progresses through each stage of the PAL, further analysis is conducted, uncertainties are cleared, and information used for decision-making improves. As additional information is collected (e.g., cost estimates, schedules, and business objectives), the information submitted in an earlier stage can be refined. If information from a previously approved Stage needs to be updated, the agency/state entity should submit an updated Stage 1 Business Analysis and/or Stage 2 Alternatives Analysis along with the Stage 3 Solution Analysis submittal.

Changes to Reportability Status

If at any stage in the PAL a proposal initially anticipated to be delegated now meets any of the reportability criteria as per State Administrative Manual (SAM) 4819.37, the agency/state entity is required to resubmit all previous Stage/Gate deliverables with all applicable sections completed for CDT review and approval.

Microsoft (MS) Word Version Forms

To ensure California's compliance with the Americans with Disabilities Act (ADA) as Amended, the CDT will only support and accept for submission the Stage 3 Solution Analysis version 3.0 (MS Word form) starting February 28, 2022. The submissions will be checked for ADA compliance and returned to the department if ADA guidelines are not met.

Stage 3 Solution Analysis Version 3.0 Changes

The Stage 3 Solution Analysis version 3.0 contains the following changes:

- The form has been renamed from Stage 3 Solution Development to Stage 3 Solution Analysis.
- The form no longer uses tables as a means of organizing content.

- Sections that required check boxes are now drop-down fields or narrative areas.
- Multiple sections have been refined and moved to the STP Procurement Assessment Form.
- Parts A and B have been combined into a single form with the curated questions.
- Some sections that require artifacts to be attached to the word document will now be required to be submitted as attachments to the submission email.
- Preliminary Assessment has been removed, questions have been distributed among Stage Gate forms if they were deemed relevant.
- Many documents are being asked to be submitted with this proposal. CDT can accept up to 25MB of attachments per email, 1000 document count limit.
- Sections that previously required inputting data from attachments have been pared down to allow for minimal information along with submission of the attachments instead.

Stage 3 Solution Analysis Transmittal Requirements

The Project Approval Executive Transmittal Form, located in SIMM Section 19G, will be used to satisfy the transmittal requirements for Stage 3 Solution Analysis.

- ✓ State entities are required to sign and submit the Project Approval Executive Transmittal to their governing agency for approval.
- ✓ Agencies are required to sign and submit the Project Approval Executive Transmittal to the CDT.

Exception – State entities that are <u>not</u> governed by an agency can sign and submit the Project Approval Executive Transmittal directly to the CDT.

> ***State entity:*** *Includes every state office, officer, department, division, bureau, board, and commission, including Constitutional Officers. "State entity" does not include the University of California, California State University, the State Compensation Insurance Fund, the Legislature, or the Legislative Data Center in the Legislative Counsel Bureau.*

The Stage 3 Solution Analysis should be submitted to the CDT through the CIO Project Oversight email address at: (ProjectOversight@state.ca.gov).

Project Approval Executive Transmittal

The transmittal template (available in SIMM Section 19G) contains the approving agency/state entity executive signatures, with the following components:

1. **State Entity Name**: Select the state entity name that prepared the Stage 3 Solution Analysis. Designate one state entity as owner if multiple state entities have a role in the proposal.
2. **Agency Name**: Select the agency name that prepared the Stage 3 Solution Analysis. Designate one agency as owner if multiple agencies have a role in the proposal. This field is not required for state entities not governed by an agency.
3. **Organization Code**: Select the organization code for the state entity responsible for the proposal.
4. **Name of Proposal**: Enter the proposal name as determined by the agency/state entity in the approved Stage 1 Business Analysis.
5. **Department of Technology Project Number**: Enter the project number assigned by the CDT

during the Stage 1 Business Analysis (in “0000-000” format).

6. **Submission Deliverable**: Select the Stage/Gate deliverable(s), as applicable. For Stage 3 Solution Analysis transmittals, be sure to also select the appropriate part – Part A or Part B.
7. **Approval Signatures:** The agency/state entity executive approval signatures are required, documenting commitment and involvement at the agency/state entity level. The required signatures include those of the Information Security Officer, Enterprise Architect, Chief Information Officer, Budget Officer, Procurement and Contracting Officer, State Entity Director, Agency Information Officer and the Agency Secretary.

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Stage 3 Solution Analysis Form Instructions

Agencies/state entities may submit the Stage 3 Solution Analysis with guidance from the OSPD Project Approvals and Oversight Manager and Statewide Technology Procurement (STP) (as applicable).

It is important to note that the Stage 3 Solution Analysis work products (e.g., detailed solution requirements, SOW) and responses, along with the Stage 3 Evaluation Scorecard, may be used to determine the agency/state entity's readiness to move into Stage 4.

3.1 General Information

Agency or State Entity Name: Select the agency/state entity name that prepared and is responsible for the Stage 2 Alternatives Analysis proposal. Designate one agency or state entity as owner if multiple agencies or state entities have a role in the proposal. Includes the Organization Code in the dropdown list.

If Agency/State entity not in list, enter here: Enter the agency/state entity if not in dropdown list above including Organization Code.

Proposal Name: Enter the proposal name and acronym as determined by the agency/state entity.

Department of Technology Project Number: Enter the number assigned by the CDT in Stage 1 (in "0000-000" format).

S3SA Version Number: Select the version of the current S3SA. This selection should be used to keep track of the active document.

CDT Billing Case Number: Enter the Case Number issued by CDT's ServiceNow system for billing. If you do not have a Case Number, please click on the link in the S3SA form to access the ServiceNow page. A request can be placed through this service to obtain a case number for billing.

3.2 Submittal Information

Contact Name: Enter the name for agency/state entity person who will be the primary point-of-contact for control agency questions and comments.

Contact Email: Enter the email address of the contact provided above.

Contact Phone: Enter the ten-digit phone number of the contact provided above.

Submission Type: Select one of the following types of submission.

New Submission: Initial submission to the CDT.

Updated Submission (Pre-Approval): Updated submission based on review and feedback from the CDT, critical partners or other stakeholders prior to formal approval.

Updated Submission (Post-Approval): If Stage 3 Solution Analysis has been previously approved by the CDT and new information or updates are required, the submittal should be updated based on new information. For instance, as a proposal progresses through each stage of the PAL, further analysis is conducted, uncertainties are cleared, and data used for decision-making improves, in this case an update to the Stage 3 Solution Analysis may be required.

Withdraw Submission: An agency/state entity may decide to withdraw the Stage 3 Solution Analysis for various reasons (e.g., change in direction, feasibility, budgetary issues). If an agency/state entity wishes to withdraw a previously submitted or approved proposal from further consideration, check this field and submit the Stage 3 Solution Analysis to the CDT.

If "Withdraw Submission" is selected, select the reason for the withdrawal from the dropdown menu. If "Other," specify the reason in the space provided.

Contact your CDT Office of Statewide Project Delivery (OSPD) Project Approval and Oversight Manager and Agency Information Officer (if applicable) to inform them of your intention to withdraw the proposal. The CDT will send a written confirmation of withdrawal and communicate to all associated stakeholders. Once a proposal is withdrawn, the agency/state entity will be required to submit a new Stage 2 Alternatives Analysis to continue with a proposal for the same or a similar request.

Sections Changed, if an update or a resubmission: If either Submission Type "Updated Submission (Pre-Approval)" or "Updated Submission (Post Approval)" is selected, then enter the section numbers where updates have been made.

Summary of Changes: Provide a concise summary of changes made.

TIP: Highlight or otherwise indicate new or changed text within the modified section.

Project Approval Executive Transmittal: Include a copy of the signed Project Approval Executive Transmittal for Stage 2 Alternatives Analyses with your submission; use the Transmittal Form located in SIMM Section 19G.

Procurement Assessment Form: Include a copy of the B.5 STP Procurement Assessment form with your submission. This form needs to be filled out with all information required for Stages 2 and 3. The STP Procurement Assessment Form can be found in SIMM Section 19B.

Conditions from Stage 2 Approval: Add any conditions from the Stage 2 Approval placed on the project by CDT.

3.3 Detailed Solution Requirements and Outcomes

Detailed Solution Requirements and Outcomes

The main objective or goal in defining detailed solution requirements and outcomes is to further mature and communicate stakeholder needs and ensure the proposed solution or system functions as required. In the Stage 1 Business Analysis, strategic business goals, business problems or opportunities, and objectives form the initial business requirements for the proposal. Business process workflows produced during the Stage 2 Alternatives Analysis provide the context for further elaboration of business requirements into mid-level solution requirements. The mid-level requirements should include all project-related requirements. As part of the Stage 3 Solution Analysis, mid-level solution requirements are matured into detailed requirements that align with sections of the SOW and solicitation. For the purposes of the PAL, solution requirements continue to be sub-classified into functional, non-functional, and project/transition requirements.

One of the key factors in documenting the solution requirements is to consider that each requirement must trace back to a minimum of one mid-level solution requirement. This will be noted in the Stage 3 template under the columns noted as “(Stage 2) Mid-level Requirement Category” and “(Stage 2) Mid-level Requirement Number,” respectively. Throughout this process, the requirements will be used to build the solicitation.

Suppose the agency/state entity utilized Use Cases to document the mid-level requirements. Use Cases may continue to be used to document matured functional, non-functional, and mandatory optional requirements. In that case, however, project/transition requirements will need to be detailed in the Stage 3 Requirements Template or another appropriate mechanism that documents these requirements.

Refer to the SIMM Section 170A General Requirements Guidelines and SIMM Section 170B Project Requirements Development Instructions for additional information regarding requirements maturity.

To-Be Workflow(s)

Custom or Modified-off-the-Shelf (MOTS) solutions require to-be business process workflow diagrams to be developed for all new or proposed changes to business processes related to this proposal. The business process workflow consists of mapping a series of necessary business functions that depict an abstract graphical view of real work and personnel under different situations or timeframes. The workflow should include the events that initiate each process (i.e., the trigger event) and the results of those processes. The workflow should include the following components:

- Business Process – Illustrate the active roles and the activity the role conducts during the business process. Include the parallel processes as well as sequential steps in a process that executes the successful completion of the business process.
- Business Rules – Any business policies or procedures that dictate the need for the business process.
- Trigger Events – One or more events that directly start a business process (e.g., receive a request, phone call, or a scheduled date).
- Results – One or more outcomes from the execution of a business process.
- Data – Information or a collection of information flowing through the process (e.g., business documents, emails, etc.); an external data input for the entire process; a data output or data results of the entire process; a data store where the process can read/write data (e.g., a database, a microfiche cabinet, a document imaging storage, etc.)

Statement of Work

The SOW is a formal document that captures and defines the work activities, deliverables, contractual obligations, and timelines that a contractor must execute in performance of specified work for the state. The SOW is the most essential document in any solicitation package and/or contract. This document includes but is not limited to, traceability to the detailed solution requirements, contractor requirements, payment milestones, and standard regulatory and governance terms and conditions. The SOW is read, interpreted, and held accountable by both technical and non-technical personnel with different backgrounds. Therefore, the investment of time and effort to write a clear and high quality SOW that can be easily understood by both technical and non-technical personnel will:

- Enable the contractor to clearly understand the requirements and needs of the state;
- Allow the contractor to more accurately cost their proposal and submit higher quality technical proposals during the solicitation;
- Provide a baseline for the development of other parts of the solicitation document(s), particularly the evaluation criteria and proposal instructions;
- Minimize the need for change orders during project implementation, which minimizes risk of potential cost increases and schedule delays;
- Allow both the state and the contractor to assess performance; and
- Reduce claims and disputes under the contract.

Note: *The Statement of Work should only be attached for SOW's related to the primary solicitation. Refer to the SCM Volume 3 and SIMM Section 180 STP Statement of Work Guidelines for general direction, information, and recommendations for large IT Non-delegated Projects.*

1. **Attach detailed Requirements and Outcomes documents, including traceability matrix to the email submission. Include any changed or updated requirements.** Solution Requirements must trace back to the Stage 2 Mid-Level Solution Requirements and the SOW. This traceability is critical in controlling scope, ensuring delivery of a completed solution that is neither more nor less than what was agreed to by project stakeholders, and will help to identify gaps in mid-level requirements.

2. **Stage 2 Requirements and Outcomes Changes.** As requirements are matured, Mid-Level Solution Requirements developed as part of the Stage 2 Alternatives Analysis may have been modified in order to address potential problems/business needs. The following questions help identify the scope of changed, added, or deleted requirements.

    Since approval of the Stage 2 Alternatives Analysis, has the agency/state entity developed or modified any requirements and/or outcomes that were not represented in Stage 2?

        Select "Yes," if the agency/state entity has developed or modified any requirements and/or outcomes. Select "No," if the agency/state entity has not, and skip to question 3.

    If "Yes," explain.

        Enter a brief explanation of changes in the text area.

    If "Yes," please describe the nature and scope of the change(s) and how the requirements and/or outcomes align with the business objectives established in the Stage 1 Business Analysis:

        Enter a brief narrative in the text area provided.

Note: *Additional review may be necessary if there have been changes to the mid-level solution requirements.*

3. **Attach the updated To-Be Workflow(s) to your email submission.** Attach the To-Be business process workflow diagram(s) in PDF, Visio, or another electronic format to your email submission.

If To-Be business process workflow is not attached, explain why.
Provide a brief explanation of why the to-be business process workflow is not needed (e.g., COTS).

4. **Attach the Statement of Work to your email submission.**

3.4 Project and Procurements Roadmap

Stage 3 Solution Analysis should identify significant project milestones and related procurements to support the project's objectives. The roadmap or summary should be high-level but detailed enough to provide a clear vision of the overall project, from start to finish.

Attach a Project and Procurements Roadmap or Summary to the submission.

The roadmap or summary should include both the primary and all ancillary procurements.

3.5 Project Planning

Stage 3 Solution Analysis documentation should closely align with project management planning deliverables. Project management plans developed during this stage typically relate to solution requirements, timelines, and staffing strategies. Refer to the SIMM Section 17 California Project Management Framework (CA-PMF) for templates and additional information.

Indicate the status of the following project management plans or project artifacts. Select "Yes" if the plan/artifact is complete, approved by the designated agency/state entity authority, and available for CDT review. Select "No" if the plan/artifact is under development, pending review/approval, or not yet started. Select "Not applicable" if the plan/artifact is not needed for the proposed project. If "No" or "Not Applicable" is selected, provide an explanation in the "Status" area under the respective plan.

Are the following Project Management Plans or artifacts completed to the required level, approved by the designated agency/state entity authority, and available for the Department of Technology to review? Choose: "Yes," "No," "or "Not applicable," provide the artifact status in the space provided.

- Project Management Plan (Draft)
- Risk Management Plan (Approved)
- Issue and Action Item Management Plan (Approved)
- Change Control Management Plan (Approved)
- Quality Management Plan (Approved)
- Testing Management Plan (Approved)
- Security Management Plan (Approved)
- Contract Management Plan (Updated Draft)
- Other (enter name)

If "Other," type the plan name in the space provided.

3.6 Primary Solicitation

The agency/state entity must submit the proposed Primary Solicitation package, including all attachments, exhibits, and appendices, to the CDT as part of the Stage 3 Solution Analysis formal submittal.

Attach the Primary Solicitation document to your email submission.

For a standard procurement, please attach a copy of your IFB, RFP, or RFO.

For a challenge-based procurement, please attach a copy of the solicitation.

Note: *CDT may require formal Stage 3 Solution Analysis approval before the Primary Solicitation can be released to the public/vending community.*

Note: *If unable to attach the package due to size, please submit a zip file.*

Note: *In instances when the agency/state entity will not conduct a solicitation (e.g., NCB), the agency/state entity must submit the SOW to their email submission.*

3.7 Ancillary Procurements

The agency/state entity must submit all in-progress and completed ancillary procurement solicitation package(s), including all attachments, exhibits, and appendices, to the CDT as part of the Stage 3 Solution Analysis formal submittal.

1. **Attach all in-progress and completed ancillary procurement documents to your email submission.**

Note: *If unable to attach the package due to size, please submit a zip file.*

2. **Has the project begun procurement activities for Independent Verification and Validation (IV&V) services per the State Administrative Manual Section 4940.3?** Choose an item.

   If “Yes,” indicate the planned start date for IV&V services below:

   Enter a date.

   If “No” or “Not Applicable,” provide a brief explanation below:

   Enter a short description.

3. **Provide the following information for each of your ancillary procurements:**

   Service Type: Choose an item.

   If “Other,” specify: Enter a brief description of services.

Roles/Responsibilities or Tasks: Enter a brief description of the roles/responsibilties of the contracted staff.

Status: Choose an item.

CDT STP Conducted: Select “Yes,” if CDT STP will conduct the solicitation on behalf of the agency/state entity. Select “No,” if CDT STP has allowed the agency/state entity to conduct the procurement under its own Procurement Authority delegated by the Department of General Services.

Procurement Type: Choose an item.

If “Other,” specify: Enter the type of procurement vehicle used.

Length of Contract: Enter the length of contract in months (e.g., 36 months).

Note: *In instances when the agency/state entity will not conduct a solicitation (e.g., NCB), the agency/state entity must submit the SOW to their email submission.*

Stage 3 Deliverables Summary

The following lists out the required deliverables for the Stage 3 Solution Analysis document to be submitted by the department. Please note that the CDT can receive emails containing a maximum of 25MB of attachments and 1000 files. If your email needs to be split, please let us know during the submission in case the emails are received out of order.

Stage 3 Deliverable List:

- Stage 3 Solution Analysis Document
- Project Executive Transmittal
- STP Procurement Assessment Form completed with Stages 2 and 3 information
- Detailed Solution Requirements and Outcomes Document
- Statement of Work
- Project and Procurements Roadmap
- Primary Solicitation
- Ancillary Procurement Documents

Project Management Plans by Stage

The following plans are due during the Project Approval Lifecycle framework:

Stage 2:

- Scope Management Plan (Approved)
- Communication Management Plan (Approved)
- Schedule Management Plan (Approved)
- Procurement Management Plan (Approved)
- Requirements Management Plan (Approved)
- Stakeholder Management Plan (Draft)
- Governance Plan (Draft)

- Contract Management Plan (Draft)
- Resource Management Plan (Draft)
- Change Control Management Plan (Draft)
- Risk Management Plan (Draft and Risk Log)
- Issue and Action Item Management Plan (Draft and Issue Log)
- Cost Management Plan (Approved if planning BCP was approved)
    - The cost management plan must be submitted in an approved state for Stage 2 only if a planning BCP was approved for this effort. If a planning BCP was not submitted/approved, the Cost Management Plan will be required as an approved plan in Stage 4.

<u>Stage 3:</u>

- Project Management Plan (Draft)
- Risk Management Plan (Approved)
- Issue and Action Item Management Plan (Approved)
- Change Control Management Plan (Approved)
- Quality Management Plan (Approved)
- Testing Management Plan (Approved)
- Security Management Plan (Approved)
- Contract Management Plan (Updated Draft)
- Other plans (not required)

<u>Stage 4:</u>

- Contract Management Plan (Approved)
- Implementation Management Plan (Approved)
- Cost Management Plan (Approved)
- Configuration Management Plan (Draft)
- Data Management Plan (Draft)
- Maintenance and Operations Transition Management Plan (Draft)