ADOR Technology Refresh

State of Arizona – AZ Department of Revenue

Project Investment Justification (PIJ) RV23007

March 15th 2023

Agency Vision
Funding Arizona's priorities through excellence in innovation, exceptional customer service and public servant-led continuous improvement.

Agency Mission
Serving Taxpayers!

Team Introduction

Roles Present at ITAC

- Tom Ferruccio - Chief Information Officer

- Tom Rieckhoff - Deputy Chief Information Officer

- Bodie Graves - Senior Manager Systems/Network

- Stacy Wallace - Chief Information Security Officer

- George Simanson - Senior Manager Project Management Office

- Mehrdad Foroozesh - Gartner Consultant

- Bob Ryan - Chief Procurement Officer

Project Introduction

Stated Operational/Business Issue

- ADOR's one current storage system (SAN) appliance (Dell vMax 450F) is end of life 10/31/2023

- ADOR's current compute systems (Dell M4) are end of life 2/29/2024

- Security vulnerability patching will not be available for either system after EOL date

Benefit to the State Agency and Constituents

- ADOR's storage and compute systems will be refreshed and under OEM vendor support for the next 5 years

- OS Updates and security vulnerability patches will be maintained for the next 5 years

- These systems, which are within ADOR's Federal Tax Information System (FTI) boundary, will be able to pass audit by the IRS and OAG.

Proposed Solution

Overview of Proposed Solution

The replacement storage system (count 1) and compute systems (count 44) will be able to integrate into the existing Dell VxBlock 1000 converged infrastructure platform in order to eliminate the need for a complete system replacement with increased costs, risk and timeline. Existing chassis, racks, power provisioning, backup systems and networking will all be leveraged for the proposed system refreshes. Dell Engineering was consulted and provided recommendations based on the legacy system usage, and anticipated future growth.

- This is in alignment with ADOR's FY23/24 Strategic Plan for system refresh.
- ADOR has partnered with ADOA over the past year to perform due diligence.
- Gartner Consulting has also provided a confirmation that this refresh is advisable at this time.
- The active ADOR STARS Project will be a complete public cloud hosted re-engineering of all ADOR critical tax systems. This is currently expected to be a 5 year project.
- ADOR is currently partnered with Gartner Consulting in creating a Cloud Migration roadmap for the coming fiscal years. That roadmap planning will be presented to ADOR in April 2023. This plan will be presented to ITAC in FY23 Q4 as a condition of ITAC approval.
- ADOR is also working with ADOA to research a potential move in FY24 within the shared hosted data center to achieve economies of scale.

Project Responsibilities

Identify Proposed Solutions Responsibilities

Agency

1. Procurement
2. Application Validation
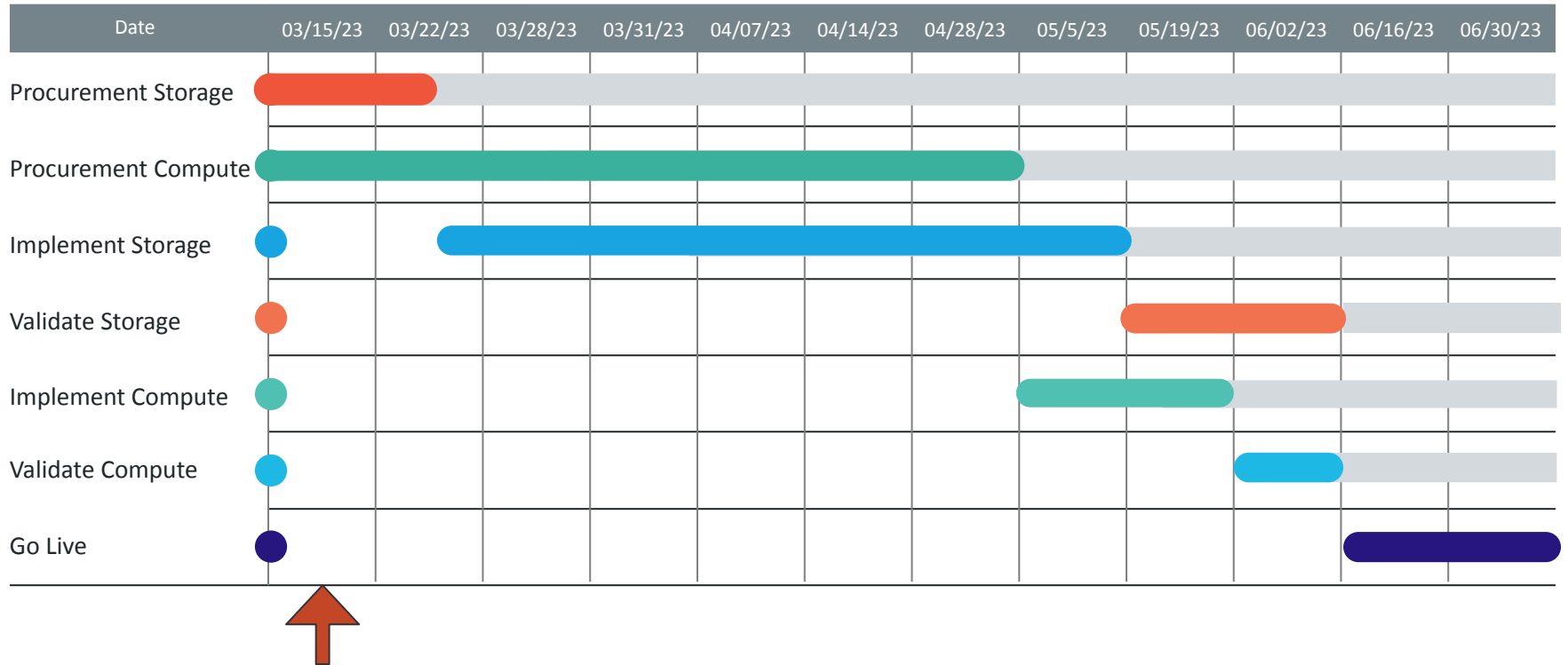3. Production Implementation

Shared

1. Installation of Hardware
2. Configuration
3. Data Migration

Dell Engineering

1. System Architecture
2. Hardware Validation
3. System Updates
4. Production Support

Project Timeline

Date	03/15/23	03/22/23	03/28/23	03/31/23	04/07/23	04/14/23	04/28/23	05/5/23	05/19/23	06/02/23	06/16/23	06/30/23
Procurement Storage												
Procurement Compute												
Implement Storage												
Validate Storage												
Implement Compute												
Validate Compute												
Go Live												

Project Costs

ARIZONA
DEPARTMENT OF ADMINISTRATION
TECHNOLOGY

Project Costs by Category	FY23	FY24	FY25	FY26	FY27	Total
Professional & Outside Services (Contractors)	167,702.00					167,702.00
Hardware	4,257,325.25					4,257,325.25
Software	15,720.94	15,720.94	15,720.94	15,720.94	15,720.94	78,604.70
Facilities						
License & Maintenance Fees	210,367.24	210,367.24	210,367.24	210,367.24	210,367.24	1,051,836.20
Other Operational Expenditures						
Total Development	4,651,115.43					4,651,115.43
Total Operational		226,088.18	226,088.18	226,088.18	226,088.18	904,352.72

What Success Looks Like

Change Management

a. Project Milestones

    a. Hardware Procurement

    b. Installations

    c. Systems Updates

    d. Data Migration

    e. Systems Validations

Measures of Success

a. Storage and compute systems refreshed and under OEM vendor support for the next 5 years

b. ADOR able to respond to NIST Common Vulnerability Exposures (CVE)

c. ADOR able to pass security audits for system support.

Q & A
Session

Appendix

Proposed Solution

Due Diligence and Method of Procurement

- A cloud based "lift and shift" of the ADOR work loads was researched with an alternate vendor. This was sized and scoped with the vendor. The 5 year estimated cost came in at $17M.
- A third party vendor for extended "break fix" support was also engaged and estimates were created. This option does not resolve the unavailability of vulnerability patching.
- A value added reseller on State Contract is being utilized.
- Further economies of scale are currently being researched within the shared hosted data center with ADOA.

Technology

- Dell Converged Infrastructure Technology has been successfully deployed at the the shared hosted data center since October of 2018.