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OFFICE OF ENTERPRISE TECHNOLOGY SERVICES | KE'ENA HO'OLANA 'ENEHANA
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December 16, 2025

The Honorable Ronald D. Kouchi
President of the Senate
and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Nadine K. Nakamura
Speaker and Members of the
House of Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Aloha Senate President Kouchi, Speaker Nakamura, and Members of the Legislature:

Pursuant to HRS section 27-43.6, which requires the Chief Information Officer to submit applicable independent verification and validation (IV&V) reports to the Legislature within 10 days of receiving the report, please find attached the report the Office of Enterprise Technology Services received for the State of Hawai'i, Department of Labor and Industrial Relations (DLIR) Hawai'i Unemployment Insurance Modernization (Hui Huaka'i) Project

In accordance with HRS section 93-16, this report may be viewed electronically at <http://ets.hawaii.gov> (see "Reports").

Sincerely,

Christine M. Sakuda
Chief Information Officer
State of Hawai'i

Attachments (2)



HUI Huaka'i Project

Department of Labor and Industrial Relations (DLIR)

IV&V Monthly Status Report – **[Final]**
For Reporting Period: **[October]**

Draft Submitted: November 5, 2025

Final Submitted: November 24, 2025

Overview

- Executive Summary
- IV&V Findings and Recommendations
- Appendices
 - A – IV&V Criticality Ratings
 - B – IV&V Standard Inputs
 - C – IV&V Details



Executive Summary

Executive Summary

The HUI Huaka'i Project remains classified as low risk with a Green Status but is trending Yellow.

During the October reporting period, two (2) new findings were identified, while three (3) existing findings were retired. Four project reporting areas were moved to a Yellow Status.

The UI Solution Vendor delivered an updated Project Management Plan, which now includes a Document Management Plan with enhanced procedures. This update enabled the IV&V team to close three (3) Project Management workstream findings and transition the workstream status from Yellow to Green.

The HUI Huaka'i project schedule is currently being revised and does not accurately reflect project timelines. An updated schedule is expected to be released in November.

The project has progressed from requirements gathering to development in the Appeals and Benefits workstreams. Weekly requirements meetings have been replaced with ad-hoc check-in sessions. The IV&V team continues to monitor traceability gaps between Features, User Stories, and test cases. As of October, the RTM dashboard shows that 73% of requirements have been gathered and 68% of user stories are ready for development.

The SME testing kickoff took place in early September. The IV&V team is unable to report on testing activities because the UI Solution Vendor has not provided access to ADO test plans, the QA environment, or testing metrics. Additionally, the IV&V team was removed from all testing sessions and stand-ups in October. The IV&V team was on-site in October and was able to observe testing activities and the dedicated area for testers to test and collaborate. They were also given a software demo from the UI Solution Vendor's DEV environment. Additionally, while on-site, the IV&V team conducted three project interviews.

Development throughput remains under close observation. The three-month average of user stories added has increased slightly, accompanied by a corresponding improvement in the completion rate. Overall, throughput is trending positively. To support timely delivery and manage backlog growth effectively, the project must maintain or accelerate its current pace based on current projections and forecasts.

October's strategic goal, "Leverage Real Time Insights," is part of the ongoing seven-month Strategic Goals Communication Campaign.

The Project has one (1) open preliminary concern, three (3) open risks, and two (2) open issues.

Executive Summary Dashboard

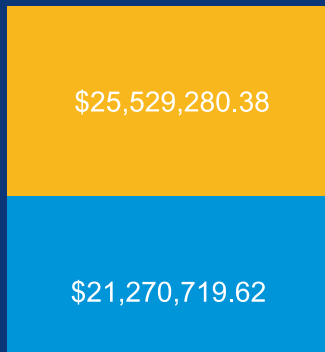
Overall Rating

As of October 31, 2025



The project is currently in a green status, trending yellow.

Project Budget



■ Expenditure ■ Remaining

% OF THE RTM
DEVELOPED AND
RELEASED TO
SANDBOX

41%

* As reported through the Project Status Report. IV&V currently cannot independently verify the percent developed and released.

Total IV&V Findings - 41

Open – 6

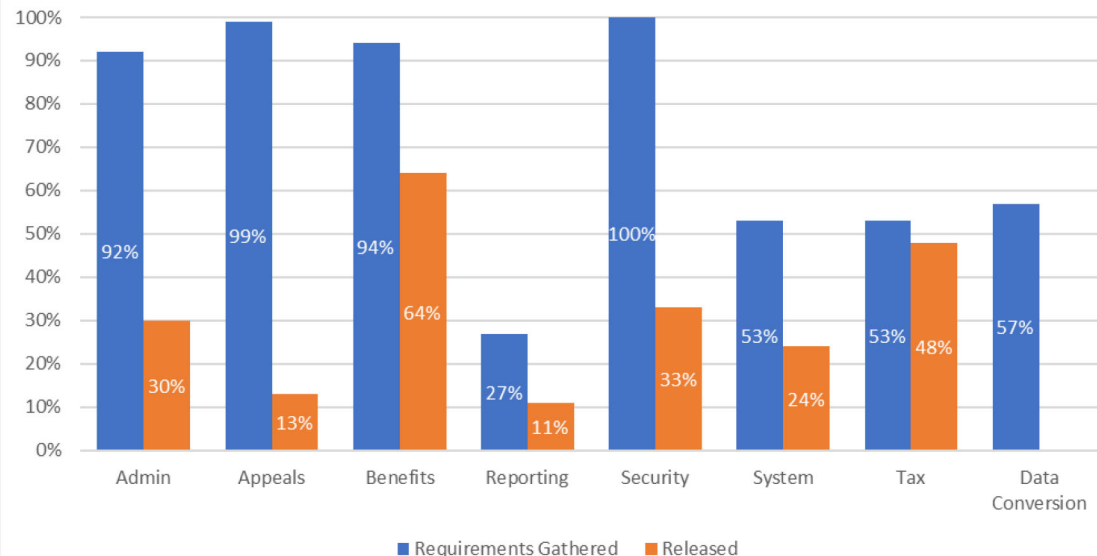
Closed – 35

Open Recommendations – 14

Closed this Month – 3

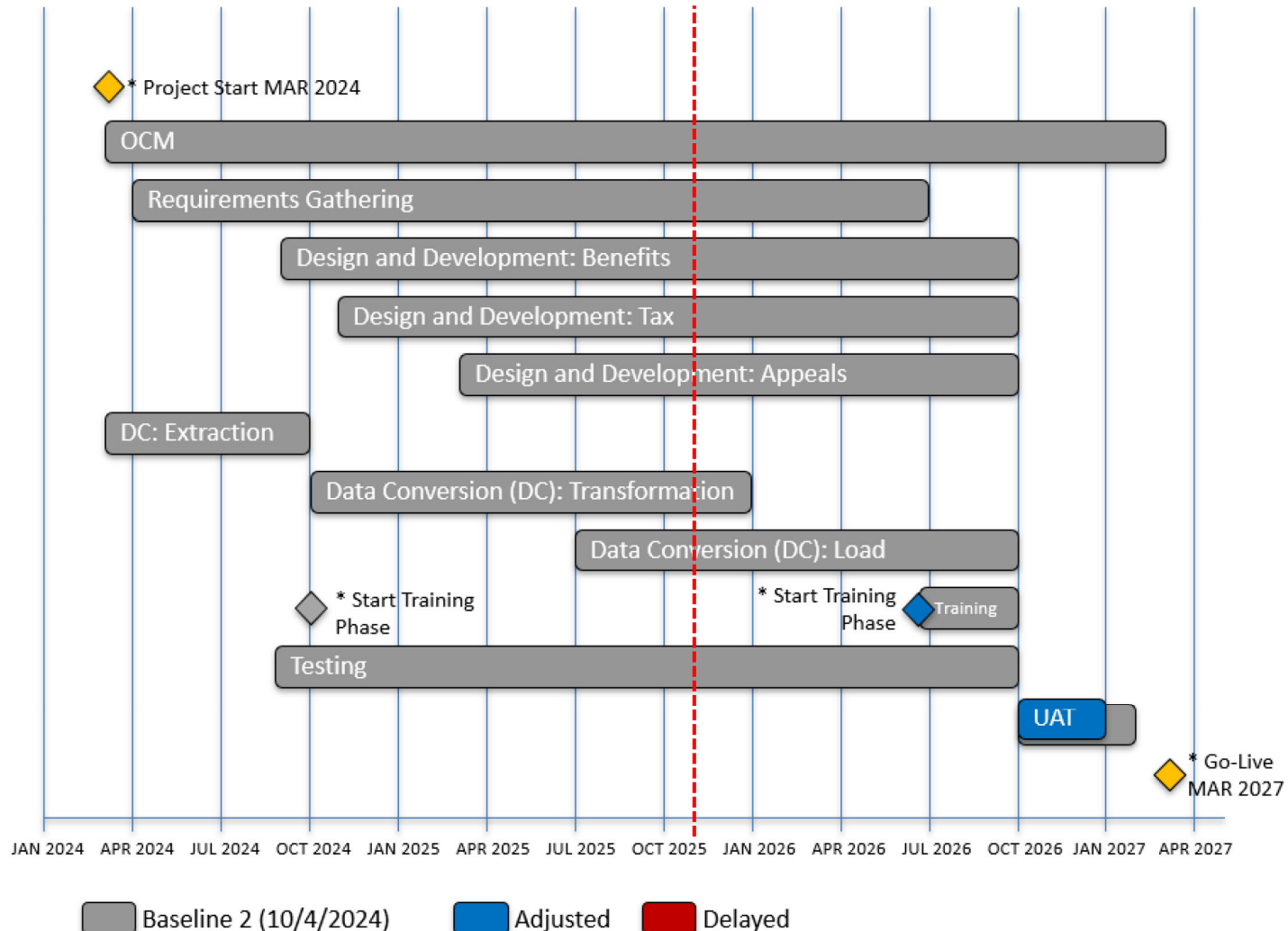
Opened this Month - 2

Status Tracker















* Data Conversion % is reported as the overall progress, not requirements gathered.

Executive Summary Dashboard: Project Timeline


















Executive Summary

Aug	Sep	Oct	Category	IV&V Observations
			Project Organization and Management	The UI Solution Vendor submitted an updated Project Management Plan (PMP), which included a revised Document Management Plan. The revised plan established a structured process for document approval, revision, and maintenance, as well as a timetable for reviewing existing documentation. Additionally, the Hawaii DLIR UI PMO updated the project reporting to include multiple scenarios for measuring velocity. Consequently, the IV&V team closed four (4) findings, and this project area has been advanced to Green status. The IV&V team has opened a new preliminary concern (#57) regarding the lack of Key Performance Indicators (KPIs) for the Optimization effort and is working with the UI DLIR PMO to review the requirements.
			Scope and Schedule Management	The IV&V team continues to monitor Finding (#45) regarding velocity and throughput, as well as backlog growth. As of October 2025, 638 of 1,351 stories are complete. 3-month velocity has increased again, which is a positive trend towards the velocity targets identified. Under current IV&V models, projected completion ranges from 0.7 months behind schedule (baseline) to 2.2 months behind (conservative). The UI PMO Metrics report is using a forecast assuming no user story growth, which is associated to Finding #48 . The IV&V team is moving this category to yellow as the projected development completion is at risk of delaying timely delivery. The SPI is 0.97 as of the September 30 project schedule.
			Requirements Management	As of this reporting period, the RTM dashboard shows 73% of requirements gathered, and 68% of User Stories associated are ready for development. Requirements are shifting towards development for areas such as Appeals and Benefits, as most requirements have been gathered, and sessions are more ad hoc. The project schedule indicates that the Tax Requirements area is behind schedule, and six of the ten Tax Requirements meetings scheduled for October have been cancelled. The IV&V team continues to monitor traceability gaps between Features, User Stories, and test cases (#42). Due to ongoing traceability issues and delays in Tax Requirements, IV&V is moving this area to yellow status.
			Architecture and Design	Appeals Functional Design sessions during this reporting period focused on advancing the decisions functionality, including continued review of decision types and related configurations. Sessions also validated components of the daily assistive scheduling logic and reviewed the Schedule Fill-in / Puka Report design.

*Additional details on finding impacts and significance can be found in the IV&V Findings and Recommendations section












Executive Summary

Aug	Sep	Oct	Category	IV&V Observations
			Testing (Sprint, Unit, System, Integration, UAT)	The IV&V team opened a new Finding (#58) due to limited access to testing artifacts, processes, and metrics. The UI Solution Vendor has not provided access to ADO test plans, QA environment, or testing metrics. IV&V was removed from all testing sessions and standups in October. No SME testing schedule was provided. The UI solution vendor reports that 5% of the RTM has been tested by the State. These conditions limit the IV&V team's ability to assess testing quality, identify risks, and evaluate State involvement. The IV&V team is moving this area to yellow status.
			Data Conversion Management	During this reporting period, data conversion sessions were conducted regularly, averaging two to four meetings per week. The data cleansing vendor employs SAP Information Steward to enforce business rules that maintain data quality for HI DLIR's modernization effort. Monthly Data Scorecards identify failed records and assign quality scores (0–10) to each table. The HI DLIR UI Team collaborates with the vendor to investigate discrepancies, refine validation rules, and implement corrective actions as needed. As of October 2025, table quality scores ranged from 9.77 to 10, and overall data conversion progress reached 57%.
			Security	Security design sessions are scheduled for November 2025.
			Training and Knowledge Transfer	During this reporting period, there are no updates regarding Knowledge Transfer or Training. The IV&V team will continue to monitor the training and knowledge transfer activities.
			Interfaces	The project initiated the 3rd-party Interfaces and Integration work stream in September and brought on a new Integration Team Lead who has extensive project implementation experience. No meetings were held in October. This workstream includes reviewing all the interfaces identified in the RTM, establishing development user stories for them, and acceptance criteria, and is expected to run through September 2026.



Executive Summary

Aug	Sep	Oct	Category	IV&V Observations
			Software Development	The IV&V team continues to monitor throughput and development trends (#45). The three-month average of stories added has maintained at 94, and the completion rate for user stories has increased slightly to 88 for the three-month average. Although throughput is trending positively, based on current trends and projections, the project will need to accelerate its throughput to keep pace with backlog growth and support timely delivery. IV&V and project reports indicate development may surpass the scheduled end date. The IV&V team still lacks access to QA environments to independently validate working software. The project reports that 40% of RTM requirements have been released to QA. IV&V is moving this category to yellow as the projected development end is at risk of delaying timely delivery.
			Human Resources and Staffing Management	During this reporting period, the UI Solution Vendor added a new resource to the UI Solution Vendor PM team. IV&V will continue to monitor resource management activities.
			Risk and Issue Management	Risk and Issue Management Meetings are held every Tuesday and Thursday. During the month of October, a UI Solution Vendor Security Specialist attended multiple Risk Management Meetings and provided valuable insight and mitigation efforts for security-related risks. IV&V will continue to monitor risk and issue management activities.

*Additional details on finding impacts and significance can be found in the IV&V Findings and Recommendations section



Organizational Change Management

Organizational Change Management is **Green** with the following **Observations**:

The current OCM meetings are running smoothly without any issues. The IV&V team requested that the quarterly OCM Plan Audit and the Change Ambassador Plan be sent for review and feedback after approval from Leadership. The B-Y-O-B session scheduled for October 31, 2025, was canceled in favor of a project administration and team-building meeting; however, planning for the Holiday B-Y-O-B in December has begun. October's strategic goal, "Leverage Real Time Insights," is part of the ongoing seven-month Strategic Goals Communication Campaign. IV&V will continue to participate in and monitor OCM activities.

OCM Activities

The OCM Team's October accomplishments included:

- Weekly OCM meetings were held to review and coordinate OCM-related tasks.
- Monthly project intranet update shared to keep stakeholders informed about the project.
- Change Ambassador Network planning continued throughout October, and the plan was approved by UI Leadership.
- Preparations are underway for the Branch Manager meeting in November, where details about the Change Ambassador Network will be shared, and begin the selection process.
- The October highlighted strategic goal is "Leverage Real Time Insights". This is part of the seven-month Strategic Goals Communications Campaign. This is the fifth month of a seven-part series.
- This month's Strategic Goals Puzzle pieces were posted to the Poster in UI offices.
- B-Y-O-B Engagement Session was held to share information on Security, and a Project Alignment session was also held with all Project Team members.
 - 1 BYOB (Security) held on 10/22
 - 1 BYOB (Project Alignment) held on 10/31
- Quarterly OCM Plan Audit was conducted by the OCM Team.



IV&V Findings and Recommendations

IV&V Findings and Recommendations

Findings Opened During the Reporting Period

#	Finding	Category
57	Preliminary Concern - Key Performance Indicators (KPIs)/ metrics for optimization & transformation	Project Organization and Management
58	Limited access to testing artifacts, processes, and metrics	Testing

IV&V Findings and Recommendations

Findings Retired During the Reporting Period

#	Finding	Category
32	Risk – Lack of Standards for Document Maintenance	Project Organization and Management
46	Risk – Lack of formal revision schedule or update obligations for critical operational documents	Project Organization and Management
47	Issue – Deviation from Document Review Process and Lack of Revision Tracking	Project Organization and Management

IV&V Findings and Recommendations

Project Organization and Management

#	Key Findings	Criticality Rating
32	<p>Preliminary Concern – There is a lack of standardization in the approval, revision, and upkeep of Project Management Plan documents.</p> <p>Initial Observations:</p> <ul style="list-style-type: none">• The format of the document maintenance section in Project Management Plans is inconsistent across documents. For instance, the Implementation Strategy includes fields like "Effective Date" and "Approver," while other documents omit these details.• There are discrepancies in document version numbers. For example, the Implementation Strategy's file name shows version 2.0, yet its document maintenance section only lists versions up to 1.3.• Document maintenance sections in approved Project Management Plans are incomplete. For example, the Document Maintenance table in the approved Data Conversion Strategy only shows version 1.0 - Draft.• There is an inconsistency in documenting versioning information to include what information is updated in the document• There is no document management plan governing the management of project documents. <p>Analysis:</p> <p>Effective document management is a foundation for project transparency, quality control, and smooth execution. Without it, projects are more prone to miscommunication, errors, and delays. While not contractually required, PMBOK emphasizes managing project information through a structured process, like a Document Management Plan, to support communication, decision-making, and compliance.</p>	Medium

IV&V Findings and Recommendations

Project Organization and Management

Recommendations	Status
<p>IV&V recommends:</p> <ul style="list-style-type: none">• Expand the document maintenance process to include timelines, version numbers, responsible parties, and a clear format for the document maintenance section of project management plans.• Review previously approved and finalized project management plans to ensure consistency.• Establishing a Document Management Plan to ensure accessibility, accuracy, and version control throughout the project lifecycle.	Closed
Update(s)	
<p>10/17/2025 –</p> <ul style="list-style-type: none">- Closed due to the submission of the Document Maintenance Plan. <p>09/30/2025 -</p> <ul style="list-style-type: none">- IV&V requested that the Change Ambassador plan be sent for review and feedback after it has been approved by Leadership.- The Hawaii DLIR PMO has reported that the Project Management Plan has been updated to include document revision and maintenance processes. IV&V has not reviewed the document.	

IV&V Findings and Recommendations

Project Organization and Management

#	Key Findings	Criticality Rating
57	<p>Preliminary Concern – Absence of Key Performance Indicators (KPIs)/ metrics to measure the impact of optimization & transformation effort.</p> <p>Initial Observations:</p> <ul style="list-style-type: none">• The project has not defined or implemented Key Performance Indicators (KPIs) or metrics to measure the effectiveness and impact of optimization and transformation activities. <p>Analysis:</p> <p>According to Request for Proposal #RFP-24-01-UI – Optimization and Transformation Services for the Unemployment Insurance Modernization Project,</p> <ul style="list-style-type: none">• The State expects the contractor’s optimization and transformation services to measurably benefit the program by improving and enhancing:<ul style="list-style-type: none">○ Efficiency○ Quality○ Customer Experience/Journey (claimants and employers)○ Flexibility and Adaptability○ Compliance and Risk Management○ Strategic Alignment○ Decision-Making• The Optimization and Transformation scope (RFP page 25) includes critical components such as optimized requirements finalization, process and workflow transformation, CX/UX optimization, active analytics modeling, risk and issue management, UI best-practice alignment, SME leadership, and testing and validation.	Medium

IV&V Findings and Recommendations

Project Organization and Management

#	Key Findings	Criticality Rating
57	<ul style="list-style-type: none">The deliverables (RFP page 28) include cost-benefit analysis, performance reports, application performance reports, and documentation supporting ongoing monitoring of the new system's performance, including metrics and optimization guidelines. The RFP also references periodic status meetings (page 27) with completion metrics. <p>The project has not yet defined or implemented a set of Key Performance Indicators (KPIs) or metrics to measure the effectiveness of optimization and transformation activities. Without these KPIs, the project may be unable to quantify the impact and benefits of optimization and transformation efforts, analyze cost-benefit outcomes, or monitor ongoing system performance, potentially creating a gap between contractual expectations and measurable results.</p>	

IV&V Findings and Recommendations

Project Organization and Management

#	Key Findings	Criticality Rating
46	<p>Risk – Lack of formal revision schedule or update obligations for critical operational documents</p> <p>Initial Observations:</p> <ul style="list-style-type: none">• Several operational documents include statements that they are “living documents” and may be updated at the discretion of the UI Project Management Office (PMO). At this time, no formal revision schedule, defined update triggers, or version control processes are in place. Because these documents have already been approved, accepted, and paid for, there is no contractual requirement for continued maintenance.• This acceptance occurred under extenuating circumstances, which accelerated timelines. While the urgency is understood, the absence of structured revision still presents a risk that these documents may remain static without implementing some structure to future revisions of accepted and paid for documentation. <p>Analysis:</p> <p>As a result of the lack of formal update, revision, or maintenance procedures following document acceptance, execution-phase documentation may become outdated or misaligned with the final production system, support tools, or staffing structure. This may lead to degraded post-go-live performance, confusion over roles and responsibilities, or unmet service level agreements. While the documents claim to be “living,” this status is discretionary and not backed by structured governance, scheduled review cycles, or vendor obligations. Industry best practices such as IEEE 14764 and ITIL recommend that operational support plans be reviewed and updated as systems move from development to production.</p>	Medium

IV&V Findings and Recommendations

Project Organization and Management

Recommendations	Status
<p>IV&V recommends:</p> <ul style="list-style-type: none">• Establish a formal document update, revision schedule or trigger points for operational documents.• Formally designate which documents must be maintained as living deliverables.• If necessary, explore contractual mechanisms or change requests to require vendors to support updates to operational documents closer to go-live.	Closed 10/31/2025
Update(s)	
10/31/2025 – <p>An updated PMP was delivered, including a table of all deliverables and their corresponding review frequencies. Closing this finding.</p>	
10/23/2025 – <p>Link to updated PMP was sent on 10/6/2025. There was not a schedule for document review/revision in the document, but that this would be discussed amongst the PMO. The Document Management Plan V2 does not include a schedule for reviewing project documents.</p>	
9/29/2025 – <p>The Hawaii DLIR PMO has reported that the Project Management Plan has been updated to include document revision and maintenance processes. IV&V has received this, but it has yet to be reviewed. IV&V will review and assess the plan in the next reporting period.</p>	

IV&V Findings and Recommendations

Project Organization and Management

#	Key Findings	Criticality Rating
47	<p>Issue – Deviation from Document Review Process and Lack of Revision Tracking</p> <p>Initial Observations:</p> <ul style="list-style-type: none">• In May/June 2025, the project vendor delivered 16 finalized project plans and operational documents. Of these, 14 were submitted as Version 1.0 (Initial Submission), with no tracked revisions, and had already been approved, accepted, and paid for by the UI Project Management Office (PMO). Two documents reflected version history or updates.• IV&V did not review most of these deliverables before state approval, which differs from the review sequence documented in the Project Management Plan (PMP): draft → UI review → IV&V review → revision → final approval. As a result, it is unclear whether feedback was incorporated or tracked consistently. Ensuring that IV&V has the opportunity to review draft deliverables prior to final approval would help increase transparency, provide additional validation, and further strengthen confidence in the completeness of foundational project documentation.• This deviation occurred under extenuating circumstances, which accelerated timelines and skirted established review procedures outlined in the PMP. This context does explain the urgency, but does not eliminate the issue that these documents were finalized without following established procedures and quality assurance processes. <p>Analysis:</p> <p>As a result of approving and accepting 14 of 16 deliverables without IV&V review and without tracked revision history, the project did not fully align with the intended quality assurance controls for key planning documents. While the PMP outlines a structured review cycle, the lack of adherence introduces the risk that documents were potentially not reviewed, and that gaps, inaccuracies, or unvalidated assumptions may persist. Without version history or revision logs, there is no way to verify how, or if, feedback was incorporated.</p>	Medium

IV&V Findings and Recommendations

Project Organization and Management

Recommendations	Status
<p>IV&V recommends:</p> <ul style="list-style-type: none">• The UI PMO reaffirm the required document review and approval sequence defined in the PMP, ensuring all deliverables are reviewed by IV&V before final approval.• All future deliverables include tracked revisions and version histories that reflect incorporation of stakeholder feedback, including both UI and IV&V input.• A retrospective review be conducted on the 14 finalized deliverables to confirm their content aligns with project expectations and does not require rework or amendment.	Closed 10/31/2025

Update(s)

10/31/2025 –

A new version of the PMP was delivered which solidified a new procedure for review and approval sequence, affirmed by both the UI Solution Vendor and UI PMO. The UI PMO indicated that they will not formally conduct a retrospective review of the 14 deliverables; however, they implemented a revision and review schedule, citing that these are living documents and may be updated as needed.

10/23/2025 –

The UI PMO stated that the 14 finalized deliverables were under review for several months prior to approval and indicated there is no intention to conduct a retroactive review. A new document review process was shared with IV&V, but it contradicts the sequence defined in the approved Project Management Plan. The PMO has not clarified whether the PMP will be updated to reflect this new process. As of this update, the 14 deliverables remain approved and accepted outside of the PMP-defined document management and review procedures.

IV&V Findings and Recommendations

Project Organization and Management

#	Key Findings	Criticality Rating
48	<p>Risk – Misrepresented Velocity Forecasting in Project Dashboard</p> <p>Initial Observations:</p> <ul style="list-style-type: none">• The project's updated Power BI reporting tool, "UI PMO Metrics," presents a three-month average velocity forecast assuming no future backlog growth. This overestimates project performance and creates overly optimistic timeline projections. For example, the most recent velocity projection is showing finishing 4 months ahead of schedule, and that their current velocity is above where it needs to be.• This logic does not fully reflect historic backlog growth trends and ongoing development and testing activities. For example, the backlog has grown by nearly 300 stories in the past 3 months.• By displaying to project stakeholders or the PMO that development will conclude four months earlier than other project indicators, like the scheduled completion, creates a false sense of progress and may mislead stakeholders on project health. <p>Analysis:</p> <p>As a result of using a linear forecast that assumes zero future backlog growth, stakeholders are likely to misinterpret project health and underestimate schedule risks, resulting in poor decision-making and reduced preparedness for testing, bug resolution, and other project phases.</p> <p>While the dashboard correctly calculates the average 3-month velocity and accurately reflects current backlog totals, the underlying logic behind its forecast projection ignores consistent historical growth (e.g., 90+ new stories/month on average).</p> <p>By omitting this context, the forecast provides an overly optimistic development end date that is not aligned with broader project indicators or scenario-based planning methods.</p>	Medium

IV&V Findings and Recommendations

Project Organization and Management

Recommendations	Status
<p>IV&V recommends:</p> <ul style="list-style-type: none">• Update the Power BI dashboard logic to include realistic backlog growth assumptions, such as:<ul style="list-style-type: none">• An exponential decay model representing tapering growth over time.• A flat growth or lagged growth scenario to reflect conservative risk planning.• A phase-based growth scenario to reflect typical growth or decay of the backlog based on phases such as testing, development, and requirements gathering.• Incorporate scenario-based forecasting rather than a single linear projection to better represent uncertainty and variability.	Open
Update(s)	
<p>10/31/2025 –</p> <p>No updates as of this reporting period. IV&V is continuing to monitor and communicate risks associated to this finding.</p>	

IV&V Findings and Recommendations

Scope and Schedule Management

#	Key Findings	Criticality Rating
45	<p>Risk – Velocity and Backlog Growth Risks Schedule</p> <p>Since August 2024, the project backlog has grown by over 600 net new stories, with limited progress on completion until early 2025. Although June 2025 showed a slowdown in new story creation, it is too early to confirm a stable trend. IV&V performed forecasting in June using both story points and story counts, revealing wide variance in projected completion timelines depending on backlog growth and delivery rate.</p> <p>Under the current throughput (27 stories/month), the project could meet its October 2026 development deadline if no additional scope is added. However, continued backlog growth—even at reduced levels—would extend the timeline significantly. These findings highlight the need to control scope intake and improve throughput to ensure timely delivery.</p> <p>As a result of sustained backlog growth and reliance on variable throughput trends, future delivery timelines may extend beyond the scheduled end date, resulting in increased cost and risk exposure. Forecasting models show that if the backlog continues to grow—even modestly—project completion could extend significantly unless corrective actions are taken to improve development throughput or limit scope expansion.</p> <p>Continued on the next slide.</p>	High

IV&V Findings and Recommendations

Scope and Schedule Management

Recommendations	Status
<p>IV&V Recommends:</p> <ul style="list-style-type: none">- Stabilize backlog intake through more rigorous scope control and change management processes.- Regularly monitor and report on net new stories added per month to identify scope growth early.- Evaluate opportunities to increase throughput by analyzing bottlenecks and process inefficiencies.- Prioritize backlog grooming to eliminate unnecessary or duplicate stories.- Adopt a shared forecasting model and regularly update based on story point and count velocity.- Increase transparency into backlog refinement decisions to ensure alignment with RTM and project goals.	Open
Update(s)	
Found on next slide.	

IV&V Findings and Recommendations

Scope and Schedule Management

Update(s)

10/30/2025 –

- As of October, 638 of 1351 user stories have been completed. Schedule variance has slipped further with the most recent analysis.
- 3-month velocity has trended slightly up, yet still falls short of velocity targets needed to support timely delivery:

Baseline: Realistic decay model - project completes development 0.7 months behind schedule. Target velocity needed = 94

Conservative/Risk: Flat growth or lagged decay - project completes 2.2 months behind schedule. Target velocity needed = 105

9/29/2025 –

- As of September, 588 of 1284 user stories have been completed.
- 3-month velocity has trended up, which has positively impacted the projections and forecasts as follows:

Baseline: Realistic decay model - project completes development 0.1 months behind schedule. Target velocity needed = 84.67

Conservative/Risk: Flat growth or lagged decay - project completes 1.6 months behind schedule. Target velocity needed = 95.50

IV&V Findings and Recommendations

Scope and Schedule Management

Update(s)

8/26/2025 -

- As of August 2025, 476 of 1,251 user stories have been completed. The project's recent decision to link all backlog items to the RTM has significantly changed the backlog landscape and historical metrics, increasing visibility and improving traceability. IV&V supports this shift, as it addresses prior concerns about unlinked work.

- Forecasting has been enhanced and matured to include an exponential decay model to reflect more realistic backlog growth over time and create more accurate and nonlinear projections and forecasts. IV&V has also added velocity targets for each scenario.

- The three scenario-based projections, rooted in the exponential decay model:

Baseline: Realistic decay model - project completes development 2.0 months behind schedule

Optimistic: No new growth - project completes development 2.4 months ahead of schedule

Conservative/Risk: Flat growth or lagged decay - project completes 3.8 months behind schedule

7/28/2025 -

- As of July 2025, the project has completed 362 of 955 user stories, leaving 593 stories remaining in the backlog.

- Backlog growth has slowed, and throughput has increased, showing a positive trend of throughput and backlog decline.

- Using a 6-month average forecast, if no new stories are added, and current 6-month average throughput is maintained, the project will finish on time with the scheduled planned development end date. The Moderate scenario within that same forecast shows that maintaining the same throughput will surpass the end date by approximately 2 months. 3-month average and historical averages are being monitored as well.

IV&V Findings and Recommendations

Requirements Management

#	Key Findings	Criticality Rating
42	<p>Risk– Missing Requirement and Test Case Traceability for Some User Stories and Features</p> <p>For some User Stories that have been developed, IV&V observed no corresponding test case to verify that the requirement was correctly built and works as intended. For example, Task 54144 is a child of User Story 46942 (Decision Template page). However, there is no test case associated with either the User Story or its parent Feature 46771. Additionally, there is no linked requirement associated with the Feature or the User Story (i.e., no parent requirement for the User Story, and no child requirement for the Feature).</p> <p>Requirements Traceability Matrix (RTM) typically tracks two main components for each requirement:</p> <ol style="list-style-type: none">1. Development/Build (designing and implementing the requirement)2. Testing/Validation (verifying that the requirement is correctly built and works as intended). <p>Simply, Requirement → How it is implemented → How it is tested</p> <p>The RTM's purpose is:</p> <ol style="list-style-type: none">1. Ensure every requirement is accounted for in the system build.2. Ensure every requirement is tested (validation coverage).3. Show clear traceability both forward (Requirement → Test Case) and backward (Test Case → Requirement).	Medium
Recommendations		Status
Ensure that all Features, User Stories, and related development tasks are fully traced to corresponding requirements and associated test cases in the RTM to verify that each requirement is correctly built and validated. Gaps should be addressed to maintain complete end-to-end traceability.		Open

IV&V Findings and Recommendations

Requirements Management

Update(s)

10/31/2025 There are still missing requirements and test case traceability issues.

08/31/2025 - While the discussion commentary in the User Story (46942) in ADO suggests that it has been tested, both the user story and its parent feature (46771) still lack associated test cases. This continuing gap indicates that the traceability issue remains unaddressed, sustaining the risk that this functionality may not be adequately validated during testing, potentially leading to the functionality not meeting stakeholder requirements.

7/31/2025 - There has been no change since last month regarding traceability in Azure DevOps (ADO). Task 54144 remains a child of User Story 46942 (Decision Template page), and neither the User Story nor its parent Feature 46771 has an associated test case. This ongoing gap indicates that the traceability issue first identified in May and reiterated in June remains unaddressed, sustaining the risk that this functionality may not be adequately validated during testing.

6/30/2025 - There continues to be a lack of full traceability between some Features, User Stories, and corresponding test cases in Azure DevOps (ADO). As of this month, Task 54144 remains a child of User Story 46942 (Decision Template page), but no test case has been associated with either the User Story or its parent Feature 46771. This indicates that the traceability gap identified last month has not yet been addressed, increasing the risk that functionality may not be adequately validated during testing.

5/31/2025 - Not all Features, User Stories, and related development tasks are fully traced to associated test cases in ADO, for example, Task 54144 is a child of User Story 46942 (Decision Template page). However, there is no test case associated with either the User Story or its parent Feature 46771.

IV&V Findings and Recommendations

Software Development

#	Key Findings	Criticality Rating
52	<p>Issue – The absence of regular demos of working software increases the risk of misalignment between delivered functionality and stakeholder expectations.</p> <p>Initial Observations:</p> <ul style="list-style-type: none">• Demos are a key Agile practice to align development outputs with stakeholder needs. They provide stakeholders the opportunity to review functionality, validate design decisions, and confirm whether sprint goals are met. Currently, the project is at Sprint 30, but regular demos are not consistently conducted.• Agile best practices recommend holding demos with the development team, scrum master, product owner, and relevant stakeholders at the end of each sprint. This strengthens collaboration, validates project objectives, informs backlog prioritization, and ensures that deliverables remain consistent with stakeholder expectations. <p>Analysis:</p> <ul style="list-style-type: none">• According to Agile best practices (Scrum Guide 2020, PMI Agile Practice Guide, and SAFe), demos and sprint reviews are essential for stakeholder feedback and validation of sprint outcomes. IEEE 1012-2016 emphasizes the need for early and continuous stakeholder involvement to validate requirements.• The absence of regular demos of working software increases the risk of late discovery of misaligned functionality, delays in incorporating stakeholder feedback, and unnecessary rework during testing. For example, issues such as defect 55143 (View Appeal brings blank page) could be identified earlier through demo feedback. The absence delays feedback loops and increases the risk of delivered functionality not meeting stakeholder expectations, misaligned deliverables, reduces transparency, rework, and late defect discovery.	Medium

IV&V Findings and Recommendations

Software Development

Recommendations	Status
<p>According to Agile Best Practices, IV&V recommends that the program incorporate demos consistently into future sprints and sprint reviews by:</p> <p>Conducting Sprint Reviews with Demonstrations</p> <p>At the end of each sprint (or at least once during a 2-week sprint), demonstrate completed functionality. Use these sessions to validate progress against sprint goals, gather immediate feedback, and refine or reprioritize the product backlog.</p> <ul style="list-style-type: none">• Scrum Guide (2020): Sprint Review is a formal event to “inspect the outcome of the Sprint and determine future adaptations.”• PMI Agile Practice Guide (2017): Iteration reviews (demos) ensure alignment with business priorities and continuous stakeholder feedback. <p>Maintaining a Stakeholder Engagement List</p> <p>Maintain a list or register of stakeholders, including their roles and interests, to ensure the right participants are included in demo sessions. Review and update this list regularly to strengthen stakeholder engagement.</p> <ul style="list-style-type: none">• PMBOK 7th Edition / PMI Agile Practice Guide: Identifies stakeholder engagement as critical for transparency and delivery of business value.• IEEE 1012-2016: Requires documenting stakeholder roles and involvement to ensure effective validation and verification. <p>Promoting Active Stakeholder Participation</p> <p>Encourage stakeholders to contribute during sprint reviews and demos. Highlight the importance of iterative feedback in guiding development, validating business needs, and ensuring alignment with program objectives.</p>	Open

IV&V Findings and Recommendations

Software Development

Recommendations	Status
<ul style="list-style-type: none">• Scrum Guide (2020): The Sprint Review “gives stakeholders the opportunity to provide feedback on the Increment.• Scaled Agile Framework (SAFe): Iteration Reviews emphasize validating business functionality through direct stakeholder participation. <p>Standardizing Communication in Reviews</p> <p>Define consistent practices for sprint reviews and demos. Teams should present progress, challenges, backlog impacts, and planned next steps. This enhances transparency, builds trust, and fosters ongoing engagement.</p> <ul style="list-style-type: none">• Agile Alliance / Scrum Guide: Transparency and inspection are core pillars of Agile; clear communication during reviews is key to maintaining them.• PMI Agile Practice Guide: Effective communication in ceremonies builds trust and enables adaptive planning. <p>Capturing Outcomes for Accountability</p> <p>Record feedback, key decisions, and action items from each demo in a lightweight format (e.g., sprint review notes or backlog updates). Use this as a reference for backlog refinement and continuous process improvement.</p> <ul style="list-style-type: none">• Scrum Guide (2020): Sprint Review results feed directly into backlog adaptation.• IEEE 1012-2016: Calls for traceability of validation activities, including documentation of outcomes and corrective actions.	Open

IV&V Findings and Recommendations

Software Development

Update(s)

10/31/2025 -

- During this reporting period, IV&V has not observed demonstrations of working software resulting from completed sprints, which may limit stakeholder visibility into progress and alignment with requirements.




IV&V Findings and Recommendations

Testing

#	Key Findings	Criticality Rating
58	<p>Issue— Limited access to testing artifacts, processes, and metrics</p> <p>Observations: The IV&V team has encountered various limitations in providing effective independent oversight into the testing domain of the project, which includes:</p> <ul style="list-style-type: none">• The UI Solution Vendor denied the IV&V team access to the test plan module in ADO and its inherent information, including test run information and testing metrics.• UI Solution Vendor is not currently reporting metrics on testing, test quality, or defects, and has expressed reluctance to make that information available• IV&V continues to lack access to the QA environment to validate quality and testing comprehensiveness independently <p>Analysis: As a result of limited access to testing information within ADO, ADO testing metrics, and external test quality reporting, a lack of IV&V visibility into the testing process is likely, resulting in reduced ability to identify project risks, assess development and testing quality, and validate the State's level of insight and involvement in the UI solution vendor's processes. This condition inhibits IV&V's role as an independent partner in evaluating system quality and may impair the State's ability to effectively approve and ensure the quality of the delivered solution.</p>	Medium
Recommendations		Status
<p>IV&V Recommends:</p> <ol style="list-style-type: none">1) UI Solution Vendor provide IV&V access to test plans and execution data in ADO.2) Testing statistics and reporting should be reported regularly and in a consistent and transparent format.		Open

Appendix A – IV&V Criticality Ratings

See definitions of Criticality Ratings below:

Criticality Rating	Definition
	A high rating is assigned if there is a possibility of substantial impact to product quality, scope, cost, or schedule. A major disruption is likely and the consequences would be unacceptable. A different approach is required. Mitigation strategies should be evaluated and acted upon immediately.
	A medium rating is assigned if there is a possibility of moderate impact to product quality, scope, cost, or schedule. Some disruption is likely and a different approach may be required. Mitigation strategies should be evaluated and implemented as soon as feasible.
	A low rating is assigned if there is a possibility of a slight impact on product quality, scope, cost, or schedule. Minimal disruption is likely and some oversight is most likely needed to ensure that the risk remains low. Mitigation strategies should be considered for implementation when possible.

Appendix B – IV&V Standard Inputs

Meetings attended and artifacts reviewed during the reporting period:

October 2025 Project HUI Huaka'i Weekly Status Reports

Updated Project Management Plan

Data Cleansing meetings and meeting notes for meetings in October 2025

[Development \(Appeals\) Features Backlog - Boards \(azure.com\)](#)

[Development \(Benefits\) Team Epics Backlog - Boards \(azure.com\)](#)

[DLIR Traceability Matrix Team Epics Backlog - Boards](#)

Appeals Design sessions agendas, meetings and meeting notes

Benefits Requirements Sessions agendas and Meeting Notes

Financial/Accounting Requirements agendas, meetings, and meeting notes

Tax Requirements sessions

OCM agendas, meetings, and meeting notes

Epic 28163 System

Risk management meetings

Project Schedule

Decision Log

RAID Log

Production Support Plan

Data Governance Plan

Power BI Project Reports

Appendix C – IV&V Details

- What is Independent Verification and Validation (IV&V)?
 - Oversight by an independent third party that assesses the project against industry standards to provide an unbiased view to stakeholders
 - The goal of IV&V is to help the State get the solution they want based on requirements and have it built according to best practices
 - IV&V helps improve design visibility and traceability and identifies (potential) problems early
 - IV&V objectively identifies risks and communicates to project leadership for risk management
- PCG IV&V Methodology
 - Consists of a 4-part process made up of the following areas:
 1. **Discovery** – Discovery consists of reviewing documentation, work products and deliverables, interviewing project team members, and determining applicable standards, best practices and tools
 2. **Research and Analysis** – Research and analysis is conducted in order to form an objective opinion.
 3. **Clarification** – Clarification from project team members is sought to ensure agreement and concurrence of facts between the State, the Vendor, and PCG.
 4. **Delivery of Findings** – Findings, observations, and risk assessments are documented in this monthly report and the accompanying Findings and Recommendations log. These documents are then shared with project leadership on both the State and Vendor side for them to consider and take appropriate action on.

Note: This report is a point-in-time document with findings accurate as of the last day in the reporting period.



Solutions that Matter