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DEPT. COMM. NO. 331

STATE OF HAWAIʻI | *KA MOKUʻĀINA O HAWAIʻI*
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | *KA ʻOIHANA LOIHELU A LAWELAWE LAULĀ*

OFFICE OF ENTERPRISE TECHNOLOGY SERVICES | *KEʻENA HOʻOLANA ʻENEHANA*

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

December 30, 2025

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

The Honorable Nadine K. Nakamura
Speaker and Members of the
House of Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawaiʻi 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 Hawaiʻi, Department of Labor and Industrial Relations (DLIR) Hawaiʻi Unemployment Insurance Modernization (Hui Huakaʻi) 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 Hawaiʻi

Attachments (2)

HUI Huaka'i Project

Department of Labor and Industrial Relations (DLIR)

IV&V Monthly Status Report – **[Final]**

For Reporting Period: **[November]**

Draft Submitted: December 5, 2025

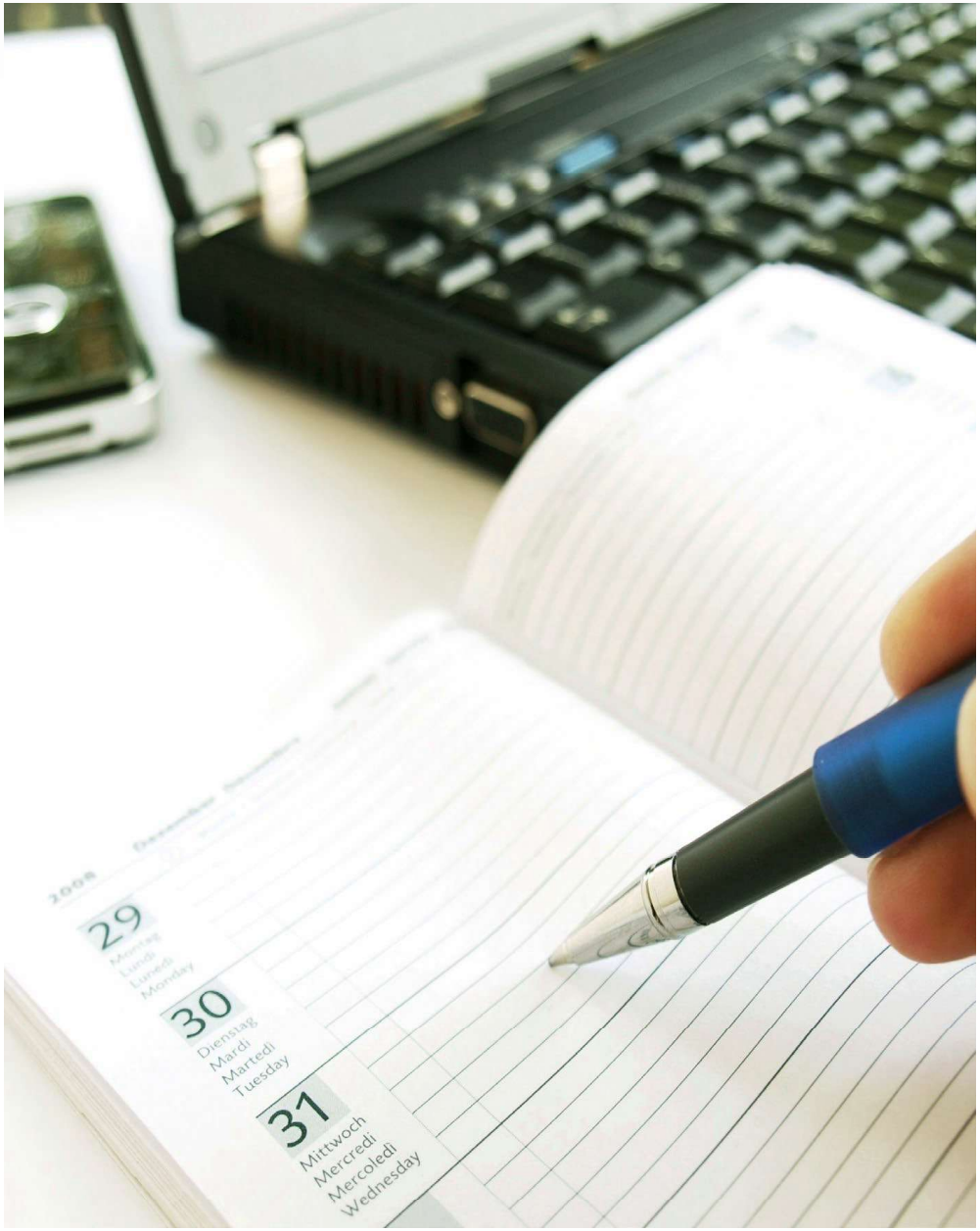
Final Submitted: December 22, 2025

PUBLIC CONSULTING GROUP

Solutions that Matter

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 is in a medium-risk Yellow status.

During the November reporting period, three (3) new findings were identified, and one (1) preliminary concern was retired. Three project reporting areas are in a medium-risk Yellow status, and one reporting area is in a high-risk Red status.

The HUI Huaka'i project schedule is under revision and currently does not accurately reflect the project timelines. The UI Solution Vendor is expected to release an updated, rebaselined schedule in December. This project area remains in a medium-risk Yellow status due to the lack of a current, approved schedule.

Requirements gathering has slowed as the UI Solution Vendor is transitioning from gathering requirements to development. The IV&V team continues to observe traceability gaps between Features, User Stories, and test cases. As of November, the RTM dashboard shows that 73% of requirements have been gathered and 73% of user stories associated with requirements are ready for development. This project area remains in a medium-risk Yellow status due to ongoing issues with traceability.

The current project focus is on development in the Tax, Appeals, and Benefits workstreams, and as a result, weekly requirements meetings have been replaced with ad-hoc check-in sessions. Challenges exist in validating working software due to the lack of software demos and the IV&V team's continued lack of access to the QA environment. The three-month average for new User Stories is stabilizing and trending downward, while throughput has continued to trend upward; however, the project will need to accelerate its throughput to keep pace with backlog growth and support timely delivery. This area remains in a Yellow, medium-risk status due to the continued growth of the backlog, which could impact delivery timelines.

The project is refining its testing process and has begun using an integrated test approach, forming a collaborative testing partnership. The collaborative testing partnership comprises the UI Solution Vendor and project team members who are testing delivered requirements. The Master Test Plan is being updated to reflect this new approach and process; however, it has not been approved. The IV&V team is unable to independently validate or verify 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. This project area has been moved to a Red, high-risk status due to the lack of project testing metrics, an approved testing plan, and an up-to-date, approved project testing schedule.

The project has two (2) open preliminary concerns, four (4) open risks, and two (2) open issues.

Executive Summary Dashboard

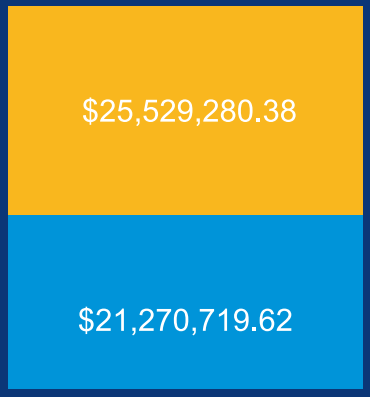
Overall Rating

As of November 30, 2025

M

The project is currently in a yellow status.

Project Budget

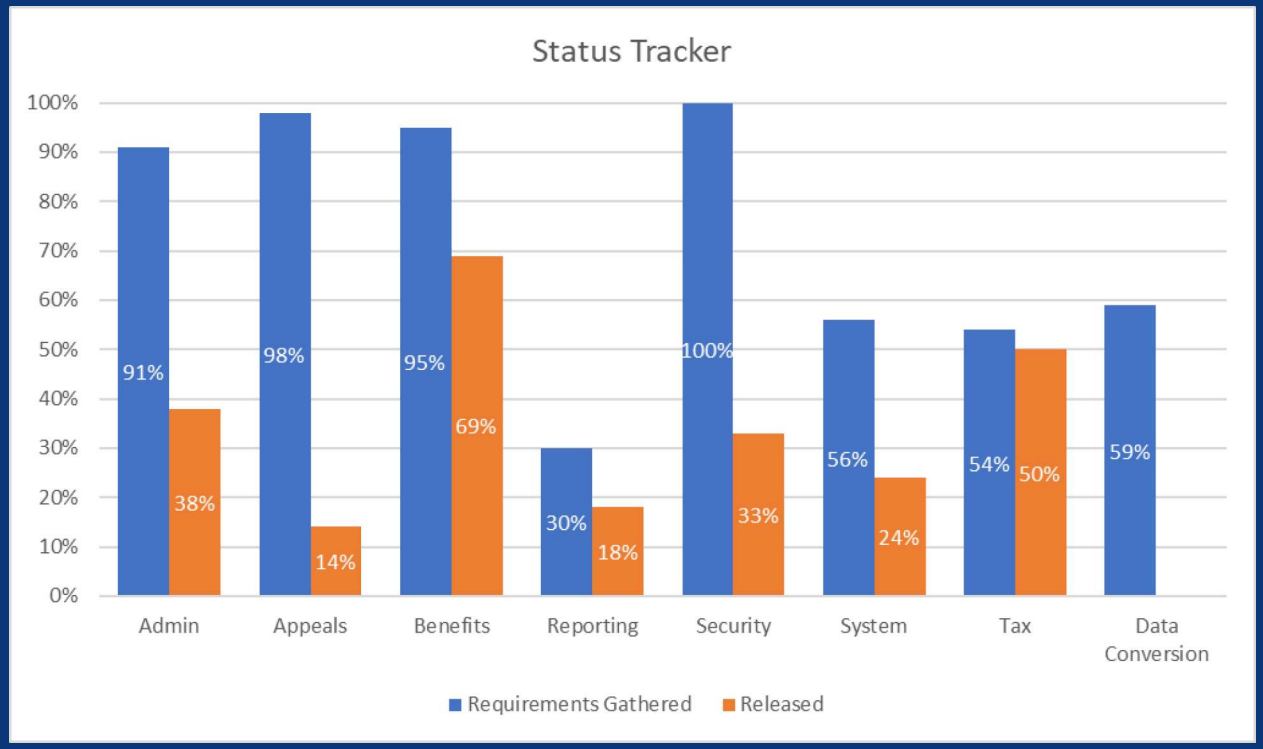


% OF THE RTM DEVELOPED AND RELEASED TO SANDBOX

44%

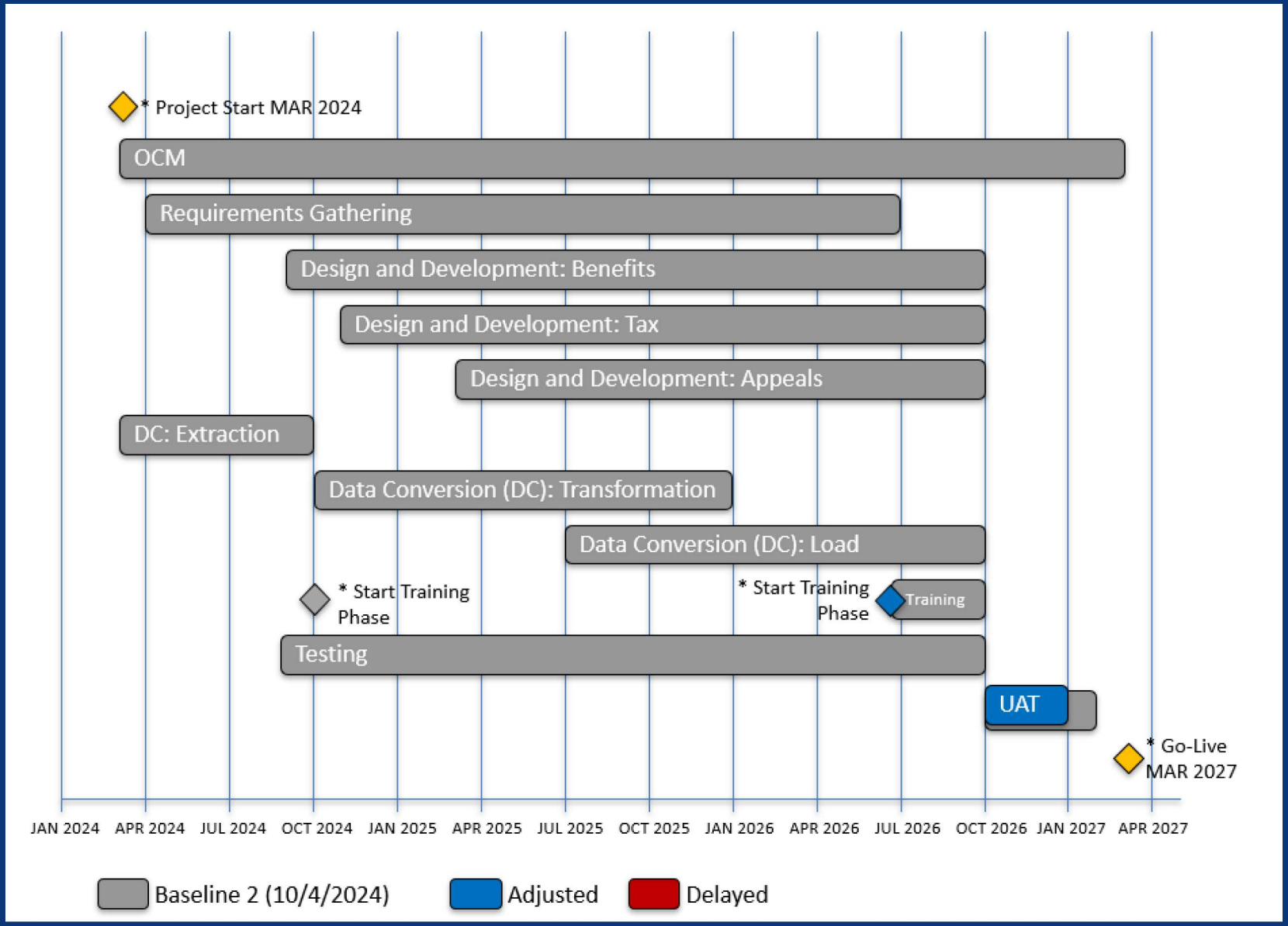
* As reported through the Project Status Report. IV&V currently cannot independently verify the percent developed and released.

Total IV&V Findings	45
Open	8
Closed	36
Open Recommendations	28
Closed this Month	1
Opened this Month	3



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

Executive Summary Dashboard: Project Timeline



Executive Summary

Sep	Oct	Nov	Category	IV&V Observations
M	M	L	Project Organization and Management	The IV&V team has opened a new Preliminary Concern (#61) related to the lack of testing for health and quality metrics and retired an existing preliminary concern. The UI Solution Vendor updated the Project Management Plan and created a new Documentation Management Plan in October and is working on updating related documents to be in line with the new process. The UI Solution Vendor is also working on an updated project schedule and an updated Master Test Plan.
L	M	M	Scope and Schedule Management	The IV&V team continues to monitor Finding (#45) regarding velocity and throughput, as well as backlog growth. As of November 2025, 762 of 1,335 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 0.4 months behind schedule (baseline) to 1 month behind (conservative). The UI PMO Metrics report is using a forecast assuming no user story growth, which is associated to Finding #48. A new schedule is being created, a change request is anticipated, and a new baseline is expected to be delivered in December.
L	M	M	Requirements Management	As of this reporting period, the RTM dashboard shows 73% of requirements gathered (unchanged in this reporting period), and 73% (up from 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 IV&V team continues to monitor traceability gaps between Features, User Stories, and test cases (#42). This lack of traceability sustains the risk that functionality may not be adequately validated during testing, potentially leading to functionality not meeting stakeholder requirements. Due to ongoing traceability issues, IV&V is keeping this area in yellow status.
L	L	L	Architecture and Design	During this reporting period, no Appeals Functional Design sessions were held. The Appeals team refined and expanded user stories to ensure full coverage of requirements, including updates to claimant portal user stories to align with the selected portal version. The SI is also rewriting all documents related to correspondence and notifications as part of the plain-language initiative and to incorporate new system-generated documents that were not previously included.

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

Executive Summary

Sep	Oct	Nov	Category	IV&V Observations
L	M	H	Testing (Sprint, Unit, System, Integration, UAT)	Two additional Findings were opened this reporting period regarding exclusion from daily Testing Standups as well as ambiguity in defect management processes (#60). The IV&V team is continuing to monitor Finding (#58) - limited access to testing artifacts, processes, and metrics. The UI Solution Vendor has not provided access to the ADO test plans or the QA environment. IV&V was removed from all testing sessions and standups in October, and a new finding was opened tracking this resolution (#59). No SME testing schedule was provided, and it appears that no SME testing has taken place in ADO in the last 60 days. The project is in the process of updating the Master Test Plan (currently V2.3) and optimizing and adjusting their test processes and approach. The newest version of this document is currently in a draft state. Due to these conditions and growing concerns around 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 Red status.
L	L	L	Data Conversion Management	During this reporting period, data conversion activities continued at a steady cadence, with two sessions held weekly. The data cleansing vendor uses SAP Information Steward to apply business rules that support data quality for the HI DLIR modernization effort. Monthly Data Scorecards highlight failed records and assign a quality score (0–10) to each table. The HI DLIR UI Team works closely with the vendor to investigate discrepancies, refine validation rules, and implement corrective actions. As of November 2025, individual table quality scores ranged from 9.79 to 10, and overall data conversion progress reached 60%.
L	L	L	Security	There were no security design sessions held in November. There has been no update about how these sessions will proceed. The IV&V team will continue to monitor these activities.
L	L	L	Training and Knowledge Transfer	During this reporting period, there are no updates regarding Knowledge Transfer or Training. Training and Knowledge Transfer activities are scheduled to start in June 2026, per the most recently approved schedule. The IV&V team will continue to monitor the training and knowledge transfer activities.
L	L	L	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. The IV&V team will continue to monitor these activities.

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

Executive Summary

Sep	Oct	Nov	Category	IV&V Observations
L	M	M	Software Development	The IV&V team continues to monitor throughput and development trends (#45). The three-month average for User Stories added is stabilizing and trending down, and throughput has continued to trend up. 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. The IV&V team 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 44% of RTM requirements have been released to QA (40% in October).
L	L	L	Human Resources and Staffing Management	During this reporting period, no new resources were added to the project. All positions are considered stable. IV&V will continue to monitor resource management activities.
L	L	L	Risk and Issue Management	Risk and Issue Management Meetings are held every Tuesday and Thursday. During the month of November, the UI Solution Vendor continues to follow their RAID Log methodology, as outlined in the Risk Management Plan. The IV&V team 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 the quarterly OCM Plan Audit and the Change Ambassador Plan be sent for review and feedback after approval from Leadership. There was no B-Y-O-B session scheduled for November; however, planning for the Holiday B-Y-O-B in December is in progress. There was no strategic goal for the month of November; December will include two strategic goals. IV&V will continue to participate in and monitor OCM activities.

OCM Activities

The OCM Team's November 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 November. Preparations continued for the Branch Manager meeting in January where details about the Change Ambassador Network will be shared and the selection process will start in January.
- The Branch Manager Meeting was rescheduled for January, where details about the Change Ambassador Network and selection process were shared.
- This month's Strategic Goals Puzzle pieces were posted to the Poster in UI offices.
- Reviewed and confirmed 2026 OCM activities and began planning.
- Continued to gather preliminary change impacts from project team members.
- No B-Y-O-B Engagement Session was held in November.

IV&V Findings and Recommendations

IV&V Findings and Recommendations

Findings Opened During the Reporting Period

#	Finding	Category
59	**Preliminary Concern - IV&V Exclusion from Daily Standups**	Testing
60	**Risk - Inadequate Defect Management Processes and Ambiguity in Test Plan Guidance**	Testing
61	**Preliminary Concern - Lack of Testing Health and Quality Metrics**	Project Organization and Management

IV&V Findings and Recommendations

Findings Retired During the Reporting Period

#	Finding	Category
57	Absence of Key Performance Indicators (KPIs)/ metrics to measure the impact of optimization & transformation effort.	Project Organization and Management

IV&V Findings and Recommendations

Project Organization and Management

#	Key Findings	Criticality Rating

57	Preliminary Concern – Absence of Key Performance Indicators (KPIs)/ metrics to measure the impact of optimization & transformation effort.
	
	Initial Observations:
	• The project has not defined or implemented Key Performance Indicators (KPIs) or metrics to measure the effectiveness and impact of optimization and transformation activities.
	Analysis:
	
	According to Request for Proposal #RFP-24-01-UI – Optimization and Transformation Services for the Unemployment Insurance Modernization Project,
	• The State expects the contractor's optimization and transformation services to measurably benefit the program by improving and enhancing:
	  ○ 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	• 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. 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.	

Update(s)	Status
11/30/2025 – The PMO clarified that the Optimization exercise is not within the scope of IV&V's work. Accordingly, IV&V is closing this Preliminary Concern.	Closed

IV&V Findings and Recommendations

Project Organization and Management

#	Key Findings	Criticality Rating
48	Risk – Misrepresented Velocity Forecasting in Project Dashboard **Initial Observations:** • 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. **Analysis:** 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 preparedeness for testing, bug resolution, and other project phases. 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). 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.	Medium

IV&V Findings and Recommendations

Project Organization and Management

Recommendations	Status

IV&V recommends:
• Update the Power BI dashboard logic to include realistic backlog growth assumptions, such as:
  • 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)
11/30/2025 – The IV&V team requested an update, but due to the holiday, did not receive feedback during this reporting period. **10/31/2025 –** No updates as of this reporting period. IV&V is continuing to monitor and communicate risks associated to this finding.

IV&V Findings and Recommendations

Project Organization and Management

#	Key Findings	Criticality Rating
61	Preliminary Concern – Lack of Testing Health and Quality Metrics **Initial Observations:** The Test Master Plan (TMP) outlines a set of operational metrics in its "Reporting and Metrics" section (Table 29), including test coverage percentages, bugs pending triage, and requirements awaiting validation. These metrics are primarily designed to support day-to-day testing execution and do not provide insight into the overall health, progress, trends, or maturity of the testing phase. The plan omits key indicators such as defect aging, failure rates, severity distribution, actual vs. planned test execution, and test effectiveness trends. This gap limits the ability of stakeholders to assess testing quality, identify systemic issues, and make informed decisions about readiness and risk. **Analysis:** As a result of insufficient testing of health and maturity metrics, the risk of under-informed decision-making is likely, resulting in reduced visibility into testing effectiveness and project readiness.	NA

Recommendations	Status
IV&V recommends the following actions: 1) Expand the Reporting and Metrics section of the TMP to include indicators of testing health and maturity, such as defect aging, failure rates, severity distribution, and test execution trends. 2) Incorporate actual vs. planned progress metrics to assess schedule adherence and testing throughput. 3) Align the Test Master Plan with IEEE 29119 and IEEE 1061 standards, which emphasize metrics that track quality, predictability, and progress over time. 4) Develop dashboards or summary reports that provide these metrics for executive-level visibility.	Open

IV&V Findings and Recommendations

Project Organization and Management

Update(s)
NA

IV&V Findings and Recommendations

M Scope and Schedule Management

#	Key Findings	Criticality Rating
45	Risk – **Velocity and Backlog Growth Risks Schedule** 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. 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. 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. Continued on the next slide.	High

IV&V Findings and Recommendations

M Scope and Schedule Management

Recommendations	Status
IV&V Recommends: - 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

M Scope and Schedule Management

Update(s)

11/30/2025 –
As of November, 762 of 1335 user stories have been completed. Velocity targets based on the 3-month moving average have been trending up, which is supporting more ideal metrics of timely delivery.

Baseline: Realistic decay model - project completes development 0.4 months behind schedule. Target velocity needed = 90

Conservative/Risk: Flat growth or lagged decay - project completes 1 month behind schedule. Target velocity needed = 102

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

M 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

M Requirements Management

#	Key Findings	Criticality Rating
42	**Risk–** Missing Requirement and Test Case Traceability for Some User Stories and Features 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). Requirements Traceability Matrix (RTM) typically tracks two main components for each requirement: 1. Development/Build (designing and implementing the requirement) 2. Testing/Validation (verifying that the requirement is correctly built and works as intended). Simply, Requirement → How it is implemented → How it is tested The RTM's purpose is: 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

M Requirements Management

Update(s)
11/31/2025 Test case traceablity issues have still not been resolved. This lack of traceability sustains the risk that this functionality may not be adequately validated during testing, potentially leading to the functionality not meeting stakeholder requirements. **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

M Software Development

#	Key Findings	Criticality Rating
52	Issue – The absence of regular demos of working software increases the risk of misalignment between delivered functionality and stakeholder expectations. **Initial Observations:** • 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. **Analysis:** • 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

M Software Development

Recommendations	Status
According to Agile Best Practices, IV&V recommends that the program incorporate demos consistently into future sprints and sprint reviews by: **Conducting Sprint Reviews with Demonstrations** 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. • 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. **Maintaining a Stakeholder Engagement List** 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. • 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. **Promoting Active Stakeholder Participation** 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.	Open

IV&V Findings and Recommendations

M Software Development

Recommendations	Status
• 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. **Standardizing Communication in Reviews** 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. • 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. **Capturing Outcomes for Accountability** 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. • 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

M Software Development

Update(s)

11/30/2025 -

- The project did not provide demonstrations of working software from completed sprints during this reporting period. While IV&V remains available to observe sprint reviews, the lack of demos restricts the ability to validate delivered functionality and assess progress against requirements.

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

H Testing

#	Key Findings	Criticality Rating
58	**Issue–** Limited access to testing artifacts, processes, and metrics Observations: The IV&V team has encountered various limitations in providing effective independent oversight into the testing domain of the project, which includes: • 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 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.	Medium

Recommendations	Status
IV&V Recommends: 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

IV&V Findings and Recommendations

H Testing

Update(s)
11/30/2025 – There have been no changes identified by the IV&V team in this reporting period; testing statistics reported, as well as IV&V team access to testing information, remain limited.

IV&V Findings and Recommendations

H Testing

#	Key Findings	Criticality Rating
59	**Preliminary Concern** – IV&V Exclusion from Daily Standups Observations: Testing Standup meetings have been occurring since mid-September. The IV&V team was initially invited to this series, but then later asked to not attend, citing that they weren't ready for us to attend. The IV&V team has followed up to inquire when we would be allowed to attend, and no response or timeline has been provided. Prolonged exclusion has added to the previous constraints into limited visibility of the project's testing process. Analysis: As a result of IV&V's exclusion from daily testing standups, a lack of 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.	NA

Recommendations	Status
IV&V recommends the following actions to address this concern: 1) Immediately include IV&V in all daily testing standup meetings and related testing discussions. 2) Provide IV&V with access to relevant testing documentation, metrics, and environments to support independent oversight.	Open

IV&V Findings and Recommendations

H Testing

Update(s)
NA

IV&V Findings and Recommendations

H Testing

#	Key Findings	Criticality Rating
60	**Risk** – Inadequate Defect Management Processes and Ambiguity in Test Plan Guidance Observations: The IV&V team has observed that seven SME Requirements tests have remained in a failed state for over two months without any linked bugs logged in Azure DevOps (ADO). One of these test cases has a bug linked to the requirement it is linked to, but is unclear where the bug resulted from and if it's related to the test case failure (logged a month after the most recent failure of the test case). No retesting has occurred, and no updates have been made to related metrics since 9/23/2025. This is symptomatic of broader issues in defect management practices. The Test Master Plan outlines general expectations for bug logging and triage but does not explicitly require that all failed test cases result in bug creation. This lack of specificity contributes to inconsistent tracking, delayed resolution, and reduced visibility into testing progress and system quality. Analysis: As a result of ambiguous defect tracking guidance and inconsistent bug logging practices, a recurrence of untracked test failures is likely, resulting in reduced traceability, delayed issue resolution, and diminished confidence in testing outcomes.	Medium

Recommendations	Status
IV&V recommends the following actions: 1) Update the Test Master Plan to explicitly state if all failed test cases, especially SME Requirements tests, should be logged as bugs in ADO if it is a valid failure. 2) Establish reporting mechanisms that report defect aging, failure rates, and retest status to stakeholders on a recurring basis. 3) Review the 7 failed test cases and if bugs need to be logged or linked to them for resolution.	Open

IV&V Findings and Recommendations

H Testing

Update(s)
NA

Appendix A – IV&V Criticality Ratings

See definitions of Criticality Ratings below:

Criticality Rating	Definition
H	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.
M	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.
L	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:
November 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