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DEPT. COMM. 429

STATE OF HAWAI'I | *KA MOKU'ĀINA O HAWAI'I*
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | *KA 'OIHANA LOIHELU A LAWELAWE LAULĀ*

OFFICE OF ENTERPRISE TECHNOLOGY SERVICES | *KE'ENA HO'OLANA 'ENEHANA*
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

July 15, 2026

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: **[April]**

Draft Submitted: May 5, 2026

Final Submitted: June 17, 2026

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 Huakaʻi Project is in an overall Yellow (medium-risk) status.

There are three (3) project areas in Yellow (medium-risk) status and two (2) in Red (high-risk) status.

During the April reporting period, three (3) new findings were identified, and two (2) findings were retired.

The April project status reflects continued schedule pressure across several workstreams. The Schedule Performance Index (SPI) metrics, provided by the Hawaii DLIR UI PMO, show Requirements Gathering and Execution at 0.89, Design and Development at 0.88, Data Conversion at 0.88, and Testing at 0.22, indicating that some areas—particularly Testing—require focused attention to support downstream milestones and overall delivery objectives.

From a governance perspective, two schedule-related change requests have been submitted and are currently pending signature approval by the Hawaii DLIR UI PMO. In the interim, schedule updates have continued, which may limit full alignment with formal change control expectations. Continued coordination and timely approvals would help strengthen schedule transparency and management confidence. Additionally, the current project schedule reflects several quality and governance concerns, including inconsistent version control, data reliability issues, broken or missing baselines, and the use of zero-duration placeholders for planned work. Addressing these items would improve the schedule's effectiveness as a management and decision support tool, independent of specific delivery dates. The IV&V team shared these observations with the project team in April and will continue to monitor progress.

Delivery progress continues to advance, with 1,009 of 1,407 user stories completed. While the three-month average throughput has remained steady, backlog growth has been higher than forecasted. Updated IV&V forecasting suggests development completion may extend approximately 1.8–2 months beyond the current plan. Combined with the current Testing delay, these conditions represent a material risk to achieving the planned go-live timeline without further mitigation or scope adjustments. Sustaining a higher delivery velocity of 72–75, along with stabilization of testing activities, will be critical to preserving go-live viability.

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To help manage ongoing schedule risk, a preliminary go-live mitigation approach has been presented by the UI Solution Vendor and discussed with the Hawaii DLIR UI PMO, including the potential to adjust Day 1 scope to better align development and testing activities with delivery timelines. This area remains under active review, and the timely submission and approval of detailed mitigation plans will be important for informing leadership decisions regarding go-live readiness.

There are five (5) open risks, two (2) open issues, and three (3) preliminary concerns.

Executive Summary Dashboard

Overall Rating
As of April 30, 2026

M

The project is currently in a yellow status.

Project Budget

$24,299,070.82

$22,500,929.18

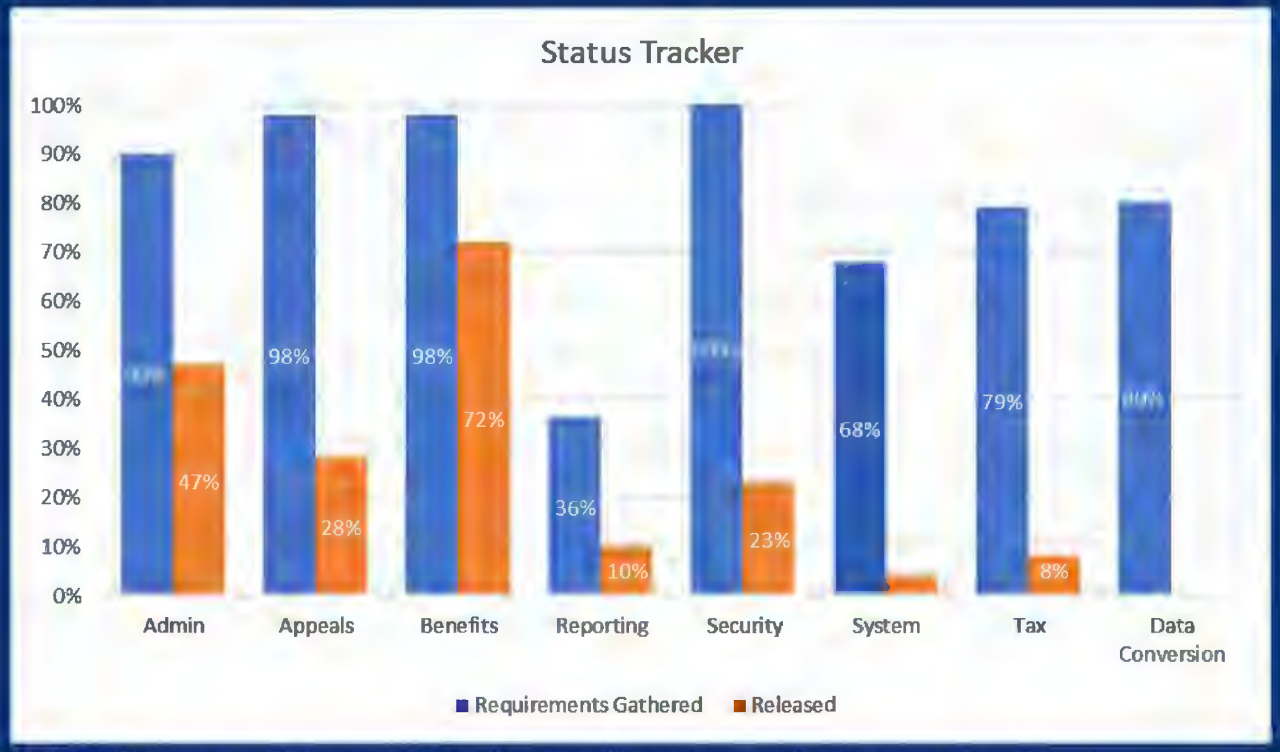
Expenditure Remaining

% OF THE RTM DEVELOPED AND RELEASED TO SANDBOX

61%

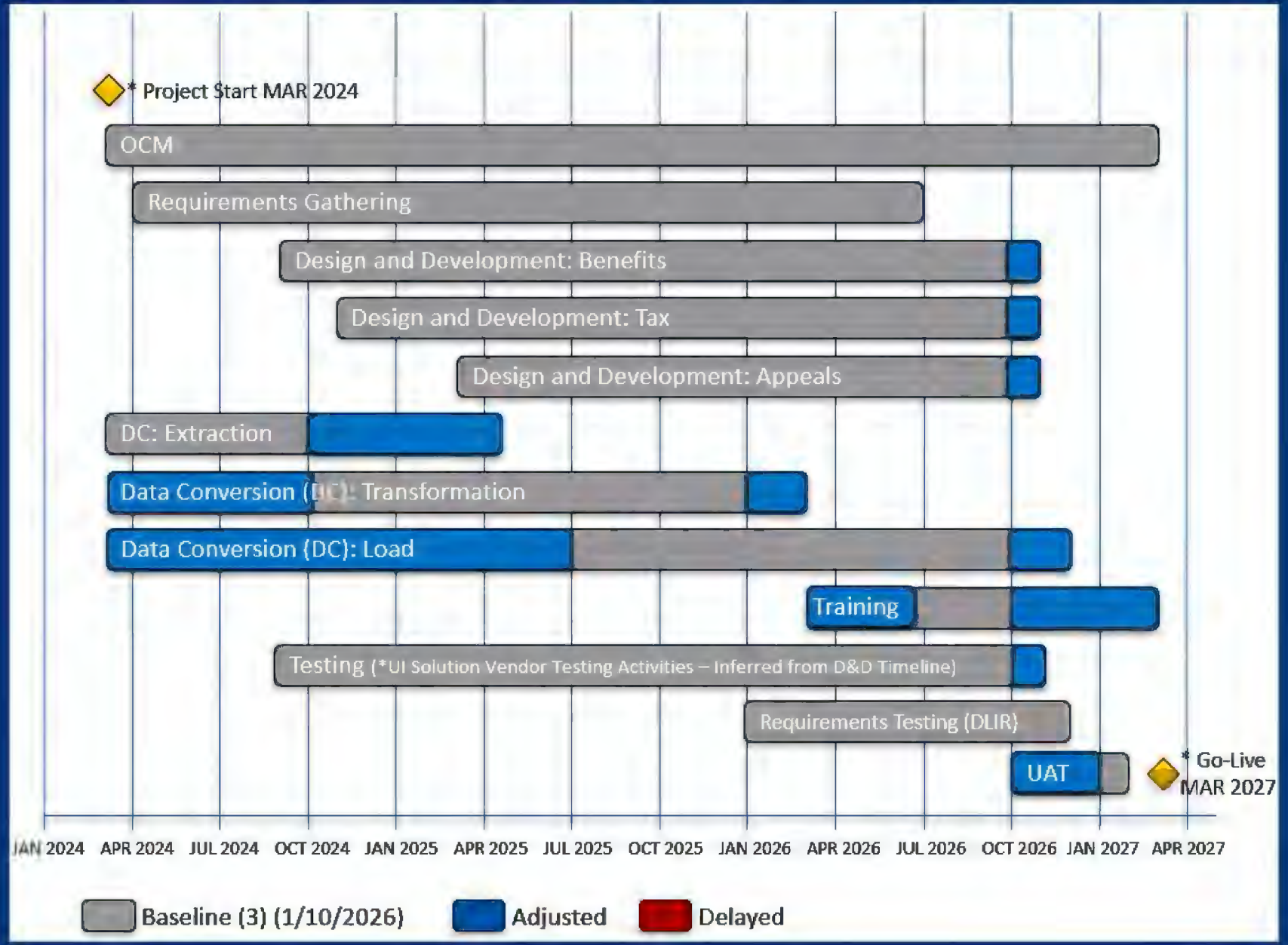
* As reported through the Project Status Report. IV&V currently cannot independently verify the percent developed and released.

Total IV&V Findings 59
Open 11
Closed 48
Open Recommendations 42
Closed this Month 2
Opened this Month 3

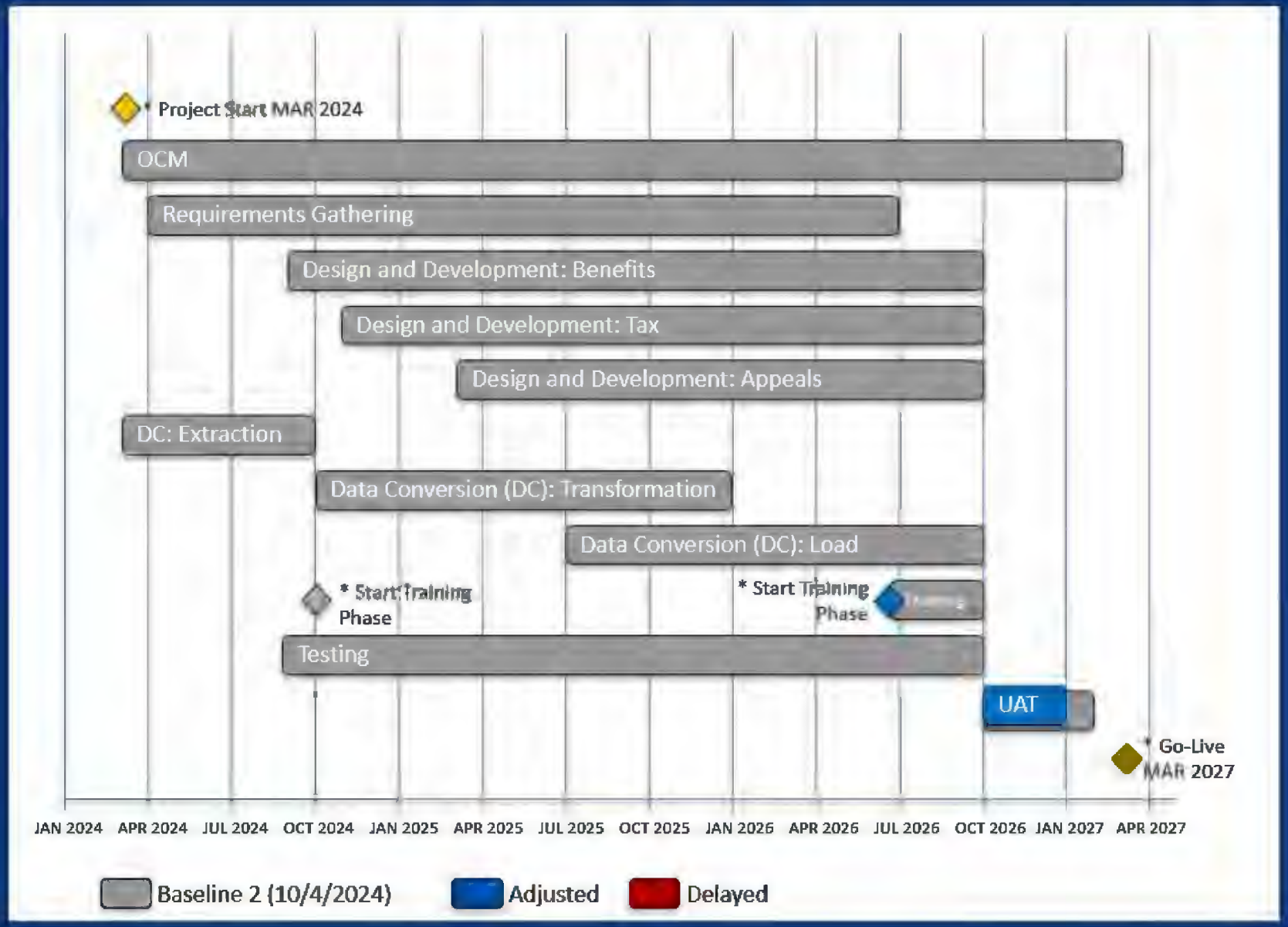


* Data Conversion % is reported as the overall progress, not requirements gathered.

Executive Summary Dashboard: Current Project Timeline



Executive Summary Dashboard: Project Timeline – Baseline 2 (10/4/2024)



Executive Summary

Feb	Mar	Apr	Category	IV&V Observations
M	M	M	Project Organization and Management	During the reporting period, the HUI Huaka'i project focused on schedule mitigation efforts, requirements verification and testing, development activities, and work on outstanding governance documentation. The revised Master Test Plan, originally due in December, was delivered to the Hawaii DLIR UI PMO in early April (Finding #61) and provided to the IV&V Team on May 1, 2026, for review. The IV&V team will provide feedback during the May reporting period. In April, the UI Solution Vendor delivered several governance artifacts, including the End-User Training Plan (3), Data Station Integration Plan, Master Test Plan, and External Requests Plan. However, the schedule indicates the Data Station Integration Plan is still under revision, with an updated version expected on May 7. Because the Project Change Request has not been signed by the Hawaii DLIR UI PMO, IV&V cannot determine whether these deliverables were late relative to the approved baseline or aligned with the UI Solution Vendor's proposed changes. The UI Solution Vendor submitted a schedule mitigation plan on January 5, 2026, however no updates on mitigation progress were provided during the February through April reporting periods. As a result, the IV&V team cannot independently assess whether mitigation actions have been completed or remain open. The IV&V team observed that Product Owner roles documented in the project release notes are assigned solely to the UI Solution Vendor, which does not align with industry best practices for State ownership of business decision-making and acceptance authority (Finding #77). This governance structure introduces delivery, accountability, and schedule risks, including reliance on vendor-reported progress rather than objective readiness. The UI Solution Vendor presented a high-level remediation approach to support changing the go-live date, with additional detail expected in May. The Project Organization and Management category remains in a Yellow (Medium Risk) due to ongoing schedule pressure, immature performance metrics, and late, outdated, or incomplete governance artifacts.

Executive Summary

Feb	Mar	Apr	Category	IV&V Observations
			Scope and Schedule Management	The May 1, 2026, project schedule indicates that multiple project areas remain behind schedule. Requirements Gathering and Execution is reporting an SPI of 0.89, Design and Development an SPI of 0.88, Data Conversion an SPI of 0.88, and Testing an SPI of 0.22, indicating significant schedule risk, particularly in the testing phase. Two change requests related to schedule updates have been submitted but remain unsigned by the Hawaii DLIR UI PMO. Despite the lack of formal signature approval, schedule updates continue to be incorporated without adherence to established change control processes, introducing governance and control concerns. User Story progress increased to 1,009 of 1,407 completed (Finding #45). The three-month average throughput remained unchanged, while backlog growth exceeded projections. Updated IV&V forecasting indicates development completion is projected to be 1.8–2 months behind schedule, requiring a sustained target velocity of 72–75 to achieve timely completion. A new preliminary concern (Finding #79) was opened due to multiple quality and governance issues within the current project schedule that are independent of any specific delivery dates. Identified deficiencies include, but are not limited to, inconsistent version control, invalid data, broken or missing baselines, and zero-duration placeholders representing actual work. Collectively, these issues limit the schedule's effectiveness as a reliable management control document, independent of specific delivery dates. The IV&V team communicated these concerns to the project team in April and will continue monitoring. A proposed go-live mitigation plan outline has been presented to the Hawaii DLIR UI PMO, which includes reducing Day 1 scope to improve the likelihood of meeting schedule targets and achieving timely project completion. The UI Solution Vendor is expected to submit detailed mitigation plan components for Hawaii DLIR UI PMO review and acceptance. Due to schedule and execution concerns this project category remains in Red (High Risk).

Executive Summary

Feb	Mar	Apr	Category	IV&V Observations
L	L	M	Requirements Management	The RTM dashboard now shows 84% (prev. 83%) of requirements gathered - user stories, and 61% (prev. 61%) of requirements released. The Hawaii Project Schedule dated 4/1/2026 shows all requirements activities behind schedule. Reported SPI varies by workstream: Benefits (.98), Appeals (.94), and Tax (.84). Appeals Requirements gathering was scheduled to finish on 4/24 but remains unfinished. Tax requirements remain the most delayed, and there were no updates to the mitigation plan during this period. The project continued SME review sessions and testing of working software for Benefits, Tax, and Appeals. The IV&V team continued monitoring conditions in (Finding #42). A broader pattern of test cases in "Design" status associated with released user stories persists, and despite query-based tracking, traceability gaps limit confirmation of full validation, including the lack of direct test case linkage to User Stories. Due to late requirements gathering activities, traceability concerns, and inconsistent documentation, this is being moved into a Yellow (Medium Risk) Status.
L	L	L	Architecture and Design	During the April 2026 reporting period, the Appeals team continued to finalize user stories related to appeals processing, hearing management, and supporting functionality (e.g., reporting, recordings, and document management) to support development, and progressed test case reviews for core Appeals functionality. An issue was identified regarding department access to file or manage appeals, with differing approaches between the UI Solution Vendor and the State. Alignment with Benefits/Tax leadership is planned to define the approach and system access. Client Portal and Employer Portal have made good progress in design and development and the design group continues to meet three times a week. There are multiple demonstrations scheduled in May to show off the new designs and functionality.
H	H	H	Testing (Sprint, Unit, System, Integration, UAT)	Testing remains behind schedule, with the 4/1 project schedule reporting 8% (prev. 5%) Actual completion, compared to the Planned % complete of 36%. The updated Master Test Plan (Finding #60) was delivered in early April, and State comments were returned for UI Solution Vendor updates. The plan has not been sent to IV&V for feedback or review. Additionally, the Selenium automation dashboard and other consolidated testing health and quality metrics remain unavailable (Finding #61). (Finding #70)was closed this period based on State communication that testers understand the current approach and have the necessary tools; IV&V will continue to monitor tester readiness. As of 4/30/2026, none of the ~1,500 requirements have completed the full State acceptance workflow, with no completion dates populated. Current throughput trends indicate the requirements testing milestones will be missed without material improvement. With the current SME Testing Result, there is a 50% failure rate of Requirements validation (Finding #73). Finding #78 was opened this month due to undefined acceptance methods for requirements with Testable = False designation, and contradictory statements made regarding this subset of the RTM. The Hawaii DLIR UI PMO is doing an independent analysis of these requirements to determine if they ag[illegible] the designations.

Executive Summary

Feb	Mar	Apr	Category	IV&V Observations
			Data Conversion Management	During the April 2026 reporting period, data conversion activities continued to advance, with ongoing working sessions and rule-based data validations performed using SAP Information Steward. Data Scorecards remained a key tool in driving remediation efforts, with the HI DLIR UI Team and the Data Cleansing Vendor continuing to refine validation rules and address identified discrepancies. Data quality remains high, with table-level scores ranging from 9.78 to 10. Transformation activities have been completed, and data loading is underway, currently at approximately 21%, contributing to an overall data conversion progress of approximately 80%.
			Security	No security design sessions were held in April. There has been no update about how these sessions will proceed. The IV&V team will continue to monitor these activities.
			Training and Knowledge Transfer	Training was expected to start on 03/02/26 and is behind schedule. According to the project schedule, the training analysis phase was set to be completed by 03/26/26 and notes that the End User Training Plan may be "subject to baseline updates with elaboration on tasks". Training design and development are scheduled to start in the next reporting period. The IV&V team will continue to monitor the training and knowledge transfer activities and progress.
			Interfaces	Integration meetings are scheduled weekly to support preparation for interface testing; however, only one (1) session was held in April. During this reporting period, the IV&V team escalated (Finding #71) to a risk since the Interface Matrix is still the source of truth for interfaces while updates are not regularly incorporated into ADO and there is no formal update process. Spot checks between the spreadsheet and the ADO indicate the two tracking processes are not synced. The IV&V team reviewed the External Request Plan and developed multiple questions for clarification for the UI PMO. The IV&V team will continue to monitor interface progress and readiness.

Executive Summary

Feb	Mar	Apr	Category	IV&V Observations
M	M	M	Software Development	The project reports that 61% of RTM requirements have been released to QA (no change from March). During this reporting period, 1,009 of 1,407 user stories have been completed (Finding #45). Three-month average throughput remained similar, trending down, while User Story growth increased beyond projections. Updated IV&V team forecasting shows development completing 1.8–2 months behind schedule, requiring a sustained projected velocity of 72–75 to finish timely. Finding #52 was closed this reporting period as the state has accepted the associated risks. Design and development remain behind schedule, with an SPI of 0.88. No changes were observed regarding Finding #75 where velocity measurements do not account for level of effort, using only counts. The UI Solution Vendor has agreed to a code freeze (Finding #76), but this decision has not been documented, or an associated go-live plan or dates have been developed or officialized. This category is trending High Risk/Red status due to increasing concerns of throughput and meeting scheduled development completion timelines.
L	L	L	Human Resources and Staffing Management	During this reporting period, the UI Solution Vendor proposed adding an on-site project manager as an immediate action for the proposed project mitigation in a meeting held on April 29, 2026. The IV&V team will continue to monitor resource management activities.
L	L	L	Risk and Issue Management	During this reporting period, the UI PMO conducted seven (7) risk management meetings to review and update the RAID Log. The primary risks and issues discussed were related to the testing workstream and the project schedule. The IV&V team continues to observe missing information in the RAID Log for columns such as Logged By, Date Logged, Owner, Due Date, and Status. Additionally, the IV&V team began compiling a list of previously identified risks and issues the UI PMO has accepted and will conduct an analysis of the project's RAID Log in the next reporting period to ensure the accepted risks and issues are included and reviewed regularly. 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. During the reporting period, the OCM Team conducted the Quarterly OCM Plan audit and submitted the plan to the UI PMO for review and approval on April 27, 2026. The IV&V Team will review the plan and provide feedback after approval. The OCM Team provided demonstrations of the Claimant Portal on Oahu and Maui and collected feedback from internal stakeholders. The OCM Team compiled the survey results and reviewed the analysis during the weekly OCM meetings. Overall, the results and feedback were positive and indicated internal stakeholders are eager to see more functionality of the Claimant and Employer Portals. More demonstrations are scheduled to occur on Oahu, Kauai, and the Big Island in May. There were no BYOB sessions during this reporting period, as most of the OCM efforts and activities were focused on the Claimant Portal demonstrations and quarterly audit. The IV&V team will continue to participate in and monitor OCM activities.

OCM Activities

The OCM Team's April's accomplishments included:

- Demos of the modernized Claimant Portal kicked off on Oahu and Maui, with sessions continuing across Oahu, Kauai, and the Big Island throughout May. These demos serve as a touchpoint to keep internal stakeholders informed of progress, while providing an opportunity to ask questions and share feedback.
- The monthly project intranet update was published and distributed on April 30, 2026, to keep our internal stakeholders informed of project developments.
- Weekly OCM meetings were conducted to review progress and coordinate OCM activities.
- The Quarterly OCM Plan review was completed in April followed by the updated OCM Plan submitted for UI review and approval on April 27, 2026. This ongoing evaluation is meant to ensure that change management activities are regularly updated to meet the evolving needs of the project.

IV&V Findings and Recommendations

IV&V Findings and Recommendations

Findings Opened During the Reporting Period

#	Finding	Category
77	**Issue -** Product Owner (PO) Role and Accountability	Project Organization and Management
78	**Preliminary Concern** – Undefined Acceptance Method for Requirements Marked Testable = False	Testing
79	**Preliminary Concern** – Project Schedule Quality and Governance Deficiencies	Scope and Schedule Management

IV&V Findings and Recommendations

Findings Retired During the Reporting Period

#	Finding	Category
52	**Risk** – The absence of regular demos of working software increases the risk of misalignment between delivered functionality and stakeholder expectations.	Software Development
70	**Issue –** Testing Initiated Without Approved Test Plans or Adequate Tester Training	Testing

IV&V Findings and Recommendations

M 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 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 stakeholders' ability 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, leading to 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

M Project Organization and Management

Update(s)

4/30/2026 -
The test plan was delivered to the state, and state comments were returned early this reporting period. The plan has not been delivered for IV&V review or feedback. Reporting conditions remain the same.

3/25/2026 -
The updated Test Plan was expected to be delivered on 3/30/2026 but has not been delivered to the State for review and approval. While the State has expanded its own verification reporting to improve visibility into State-led testing activities, project-wide testing health and quality metrics remain inconsistent, including limited visibility into automated testing results and Selenium execution trends from the UI Solution Vendor. As a result, IV&V continues to lack consolidated insight into overall testing progress, quality, and defect trends across the project, including UI Solution Vendor testing activities. The IV&V team will continue to monitor this risk and assess testing health reporting in relation to the updated Master Test Plan when it is updated and delivered.

2/24/2026 –

The Test Master Plan remains unapproved and continues to lack a framework for reporting comprehensive testing health or quality metrics. While the project has added SME-focused ADO dashboards, these provide only point-in-time operational views (e.g., pass/fail status) and do not include defect aging, severity trends, planned vs. actual progress, or other indicators needed to assess testing quality or readiness.
Additionally, the IV&V team observed inconsistencies between SME requirement-level results and underlying test case outcomes, raising concerns about the accuracy and reliability of reported metrics. Vendor testing data also remains limited, and no standardized reporting exists that consolidates SME and vendor testing performance. As a result, the project continues to lack consistent, comprehensive testing health and quality metrics necessary for informed decision-making.

Updates continued on following slide.

IV&V Findings and Recommendations

M Project Organization and Management

Update(s)

1/29/2026 –

The most recent version of the Test Master Plan remains unapproved, and it does not yet incorporate a robust, comprehensive framework for quality-oriented metrics and reporting. The project team has indicated that additional test reporting and metric capabilities are being developed, but an estimated completion timeline has not been communicated to IV&V.

12/26/2025 –

During the December 11 meeting with the UI Solution Vendor, the team confirmed that current ADO reporting focuses on operational metrics, such as pass/fail status and requirement-level coverage. While these metrics provide visibility into test execution, they do not address broader indicators of testing health or maturity. UI Solution Vendor acknowledged this gap and committed to developing dashboards that will include requirement coverage and automation statistics. They also plan to begin weekly reporting on coverage progress. However, metrics such as defect aging, failure rates, severity distribution, and actual vs. planned execution remain absent from the current reporting framework. No timeline was provided for implementing these additional metrics.
These observations reinforce the need to expand the Test Master Plan and reporting approach to include health and quality indicators that support executive-level decision-making.

IV&V Findings and Recommendations

M Project Organization and Management

#	Key Findings	Criticality Rating
77	Issue – **Product Owner roles in project artifacts (e.g., Release Notes) are assigned to vendor personnel, which may not align with best practice for State governance of business decision-making and acceptance authority.** **Observations:** Project Release Notes identify Product Owner roles as being performed by solution provider (vendor) personnel. The Product Owner role in Agile delivery is responsible for backlog prioritization, defining business requirements, and accepting delivered functionality. Based on the artifacts reviewed, IV&V did not observe clear documentation that State personnel are designated as accountable Product Owners for business decision-making and acceptance, or that vendor personnel are formally acting in a defined proxy or support capacity. **Analysis:** In public-sector Agile programs like the DLIR UI program, the best practice is for Product Owner accountability to reside with the State (business owner) to ensure that business priorities, acceptance decisions, and value realization are aligned with agency objectives. Vendor personnel may support this function (e.g., as proxy Product Owners or Business Analysts), but should not hold ultimate decision-making or acceptance authority. Assignment of Product Owner roles to vendor personnel, without clear delineation of State accountability and vendor support roles, may result in: 1. Reduced clarity of governance and ownership for backlog prioritization and acceptance decisions 2. Potential misalignment between delivered functionality and business needs 3. Increased audit and oversight risk due to unclear accountability. 4. Challenges in maintaining appropriate separation of duties between delivery and acceptance functions. As a result, business ownership of delivered outcomes may not be clearly established.	Medium

IV&V Findings and Recommendations

M Project Organization and Management

Recommendations	Status
IV&V recommends the following actions to strengthen governance and role clarity: 1. Establish State Product Owner accountability. Clearly designate State personnel as accountable Product Owners responsible for business prioritization, backlog management, and acceptance of delivered functionality. 2. Define and document vendor support roles. Clearly define vendor roles (e.g., proxy Product Owner, Business Analyst) to support backlog development and refinement, while ensuring that final decision-making authority remains with the State. 3. Align project artifacts with governance roles. Update Release Notes and related documentation to accurately reflect State Product Owners and clearly distinguish vendor support roles. 4. Define acceptance and sign-off responsibilities. Establish and document clear acceptance criteria and sign-off authority for user stories, features, and releases, including required State involvement. 5. Communicate and reinforce governance expectations. Ensure that all stakeholders (State, vendor, IV&V) have a shared understanding of Product Owner responsibilities, decision-making authority, and governance expectations.	Open

IV&V Findings and Recommendations

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 significantly extend the timeline. 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, future delivery timelines may extend beyond the scheduled end date, increasing costs and risk exposure. Forecasting models indicate that if the backlog continues to grow—even modestly—project completion could be significantly delayed unless corrective actions are taken to improve development throughput or limit scope expansion. Continued on the next slide.	High

IV&V Findings and Recommendations

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 it based on story points 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)

4/30/2026 -
As of April 28, 1009 of 1407 user stories have been completed. IV&V team models have been adjusted to account for more than expected user story growth and the decay rate has been adjusted to reflect potential forecasted growth.

During this period, 3-month average User Story completion remained similar around 56 user stories, and User Story Growth increased above what was projected.

Based on the IV&V team's forecasting models:
Baseline: Realistic decay model - project completes development 1.8 months behind the scheduled development completion. Target velocity needed = 72
Conservative/Risk: Flat growth or lagged decay - project completes development 2 months behind the scheduled development completion. Target velocity needed = 75

3/31/2026 -
As of March, 968 of 1388 user stories have been completed.

During this period, 3-month average User Story completion remained the same, and User Story Growth increased above what was projected.

Based on the IV&V team's forecasting models:
Baseline: Realistic decay model - project completes development 1.1 months behind the scheduled development completion. Target velocity needed = 64
Conservative/Risk: Flat growth or lagged decay - project completes development 1.3 months behind the scheduled development completion. Target velocity needed = 65

Updates continue on following slide

IV&V Findings and Recommendations

Scope and Schedule Management

Update(s)

2/25/2026 -
As of February, 916 of 1356 user stories have been completed.

During this period, the 3-month average User Story completion decreased, while User Story Growth exceeded projections.

Based on the IV&V team's forecasting models (updated to reflect the most recent schedule, with the Development completion date pushed to 10/31/2026, from 10/9/2026):
Baseline: Realistic decay model - project completes development 0.4 months ahead the scheduled development completion. Target velocity needed = 59
Conservative/Risk: Flat growth or lagged decay - project completes development 0.2 months behind the scheduled development completion. Target velocity needed = 61

1/26/2026 -
As of January, 871 of 1326 user stories have been completed.

During this period, the IV&V team refined the forecasting model to incorporate a more accurate treatment of backlog growth over time. The updated approach is more dynamic and improves the forecasting model. Revised projections show a more optimistic outlook for development throughput and timely development completion for all scenarios. Even so, throughput trends month-to-month are inconsistent, and the team will continue to monitor the stability of these forecasts. The IV&V team is applying this refined logic to previous internal projections to compare and analyze trends. As the project approaches its deadlines, the model will become more accurate and reliable.

Baseline: Realistic decay model - project completes development 1 month ahead of the scheduled development completion. Target velocity needed = 63

Conservative/Risk: Flat growth or lagged decay - project completes development 0.7 months ahead of the scheduled development completion. Target velocity needed = 66

Updates continue on following slide

IV&V Findings and Recommendations

Scope and Schedule Management

Update(s)

12/29/2025 -
As of December, 780 of 1313 user stories have been completed. Throughput has decreased for the month of December, with 18 stories being completed, compared to 70 in the previous month. This is most likely due to holidays and team absences.

Baseline: Realistic decay model - project completes development 0.7 months behind schedule. Target velocity needed = 101

Conservative/Risk: Flat growth or lagged decay - project completes 1.4 months behind schedule. Target velocity needed = 108

11/30/2025 –
As of November, 762 of 1335 user stories have been completed. Throughput 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

Updates continue on following slide

IV&V Findings and Recommendations

H Scope and Schedule Management

Update(s)

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

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.

IV&V Findings and Recommendations

H Scope and Schedule Management

Update(s)

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 requirements were correctly built and work 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
IV&V recommends ensuring end-to-end traceability by fully tracing Features, User Stories, and related development tasks to corresponding requirements and associated test cases within the RTM. In addition, IV&V recommends explicitly linking test cases to the corresponding User Stories and Features in Azure DevOps (ADO) to help ensure that all implemented functionality is adequately validated during testing and aligned with stakeholder requirements.	Open

IV&V Findings and Recommendations

M Requirements Management

Update(s)

4/30/2026 -

During this reporting period, the project continued SME review sessions and testing activities across the Benefits and Appeals functional areas, with ongoing refinement of test scenarios and validation of requirements.

IV&V continues to observe opportunities to strengthen session planning, SME guidance related to defect management, clarity of testing expectations, adherence to defined processes, and communication regarding requirements readiness for testing.

Building on prior observations, IV&V notes that the presence of test cases in "Design" or "In Progress" status associated with user stories included in releases is not isolated to specific instances but reflects a broader pattern. Currently, there are at least 20 test cases in "Design" status, including test cases that have failed or been returned for re-testing. Project stakeholders have begun using queries to identify and track these occurrences; however, the condition persists across multiple areas.

Given the current ADO structure, where test cases are linked to requirements but not directly to User Stories, IV&V remains unable to consistently confirm that all user stories included in releases have been fully validated prior to QA designation and will continue to monitor traceability and validation coverage under Finding #42.

3/31/2026 -

During this reporting period, the project continued to conduct multiple SME review sessions and testing of working software across the Benefits and Appeals functional areas. SMEs continued to review and refine test scenarios and actively test requirements.

While these sessions reflect ongoing execution of the established testing and demonstration approach and provide structured opportunities for early stakeholder review and feedback, IV&V continues to observe opportunities to strengthen session planning, SME guidance and training related to defect management, clarity of testing expectations, adherence to defined processes by the

IV&V Findings and Recommendations

M Requirements Management

Update(s)

solution provider, and communication regarding requirements readiness for testing.

Section 8 of the Requirements Management Plan v1.1 states: "All in-scope features are reviewed and tested by the UI SMEs. A Requirements Traceability Matrix will show how each High-Level Requirement is tested at the feature and user story levels." While this statement is positioned in the context of User Acceptance Testing (UAT), IV&V notes that this expectation would be applicable across testing phases.

Additionally, the Sprint 39 and 40 Application Release Notes indicates that Appeals User Story 43451 was delivered to QA. User Story 43451 traces to Requirement 47607 ("A2.03.13.S System shall allow hearing officer schedule management"). However, the associated test suite (62413) under Requirement 47607 remains in "In Progress" status, as reflected in Azure DevOps. Given the current ADO structure, in which test cases are linked to requirements but not directly to User Stories, IV&V is unable to independently confirm that User Story 43451 has been fully tested prior to QA designation.

2/28/2026 -

During this reporting period, the project conducted multiple SME review sessions and testing of working software across the Benefits and Appeals functional areas. For both areas, SMEs reviewed and refined test scenarios and actively tested requirements.

While these sessions reflect continued execution of the established testing and demonstration approach and provide structured opportunities for early stakeholder review and feedback, IV&V observes opportunities to strengthen session planning, SME guidance and training related to defect management, clarity of testing expectations, adherence to defined processes by the solution provider, and communication regarding requirements readiness for testing. Additionally, Sprint 38 Release Notes indicate that Appeals User Story 34950 was delivered to QA. User Story 34950 traces to Requirement 47597 ("A2.02.01.S System shall allow entry of paper appeal filings"). However, associated test cases under Requirement 47597 remain in "Design" status, as reflected in Azure DevOps and the Appeals Leadership Dashboard. Given the current ADO structure, in which test cases are linked to requirements but not directly to User Stories, IV&V is unable to independently confirm that User Story 34950

IV&V Findings and Recommendations

M Requirements Management

Update(s)

has been fully tested prior to QA designation.

1/31/2026 -

During this reporting period, the project conducted multiple SME review sessions and demonstrations of working software across both the Benefits and Appeals functional areas. For Appeals, SMEs reviewed and refined test scenarios mapped 1:1 to RTM requirements, including scenarios for paper appeal filing, timeliness management, staff-filed and department-filed appeals, appeal modification and cancellation, section of law management, and decision template processing.

The project also demonstrated claimant and employer portal Appeals functionality and continued to define a structured test case development approach, including requirement-level traceability within the RTM, SME approval workflows, and automation planning for regression testing. These activities represent continued implementation of the defined review, validation, and traceability process and provide early evidence of requirement-to-test coverage and stakeholder validation.

In parallel, Finance activities focused on reviewing accounting test cases, updating completed RTM requirements, transitioning RTM work items to appropriate workflow states, and preparing test scenario coverage, representing early-stage progress toward applying the same traceability and validation approach to Finance.
In Sprint 37, User Story 56692 is marked as “Closed” and traces to six (6) requirements. IV&V observed that one of these requirements (Requirement 56693) does not have an associated test suite or test case.

IV&V will continue to monitor implementation of the testing process, including end-to-end traceability between requirements, User Stories, and associated test cases within the RTM and Azure DevOps (ADO), and will assess whether story-level linkage, SME validation, and automation coverage are consistently achieved across functional areas.

IV&V Findings and Recommendations

M Requirements Management

Update(s)

12/31/2025 -

The project has defined and begun implementing a new, systematic testing process with the following key elements:
a) Requirements Traceability
All tests will be explicitly linked to the Requirements Traceability Matrix (RTM) to ensure full coverage, establish clear go/no-go criteria at the requirement level, and enable efficient SME engagement.

b) SME Review and Execution Model
Subject Matter Experts (SMEs) will review test scenarios for completeness and execute tests using standardized, two-part scripts consisting of:
- A high-level summary providing business and functional context, and
- Detailed, step-by-step instructions for execution.

c) Test Automation Approach
Testing will be automated using two (2) tools:
- TestSuite for complex data setup activities (e.g., wage seeding), and
- Selenium for user interface interactions that simulate end-user actions (e.g., navigation and data entry).

Regular SME review meetings are scheduled to begin the week of January 5, 2026, starting with an introductory session. Meeting agendas will be distributed in advance to support resource planning.

Under the project's current testing approach, test scenarios and cases are primarily linked to requirements but are not consistently linked to the associated User Stories or Features in Azure DevOps (ADO). While requirement-level traceability supports validation of business intent, the absence of explicit linkage between test cases and User Stories would limit visibility into whether all implemented stories are directly validated through testing. Addressing this linkage would further strengthen end-to-end traceability across requirements, User Stories, and test cases.

IV&V Findings and Recommendations

M Requirements Management

Update(s)

IV&V will monitor implementation of this process and provide ongoing feedback.

11/30/2025 -

Test case traceability 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.

IV&V Findings and Recommendations

M Requirements Management

Update(s)

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	**Risk –** 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, increases the risk that delivered functionality will not meet stakeholder expectations, and reduces transparency, leading to 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.	Closed

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.	Closed

IV&V Findings and Recommendations

M Software Development

Update(s)

4/30/2026 -

During this reporting period, the project conducted sessions focused on Benefits and Appeals requirements review and testing. IV&V observed that these sessions include limited demonstration of functionality at the outset, followed by SME-led testing of requirements.

While these sessions provide opportunities for stakeholder engagement and early feedback, IV&V notes that they are not aligned with traditional sprint demonstration practices, which emphasize demonstration of completed user stories as part of sprint reviews. The project has indicated that it does not intend to demonstrate user stories included in a sprint, and the State has acknowledged and accepted the associated risks.

Accordingly, IV&V has **closed** this finding. IV&V will continue to monitor the effectiveness of these sessions in supporting stakeholder engagement and alignment with business expectations.

3/31/2026 -

During this reporting period, the project conducted six (6) demonstrations of working software focused on the Tax and Benefits functional areas. There were no demonstrations (only testing) of Appeals functionality.

Although these sessions reflect continued execution of the established demonstration approach and provide opportunities for early stakeholder review and feedback, IV&V continues to observe opportunities to strengthen session planning and clarify expectations for SMEs during demonstrations, including validation of business requirements, confirmation of acceptance criteria, identification of usability concerns, and provision of timely, actionable feedback. IV&V also emphasizes the importance of consistent adherence to defined demonstration and review processes.

IV&V will continue to monitor the effectiveness of demonstrations, including stakeholder participation, the quality and timeliness of feedback, and the extent to which sessions validate alignment with sprint objectives and stakeholder expectations.

IV&V Findings and Recommendations

M Software Development

Update(s)

2/28/2026 -

During this reporting period, the project conducted four (4) demonstrations of working software focused on the Benefits functional area. In addition, the Solution Provider demonstrated Appeal Creation functionality on 2/4/2026.

These sessions reflect continued execution of the established demonstration approach and provide structured opportunities for early stakeholder review and feedback on delivered functionality. IV&V, however, observes opportunities to strengthen session planning and clarify expectations of SMEs during demonstrations, including validation of business requirements, confirmation of acceptance criteria, identification of usability concerns, and provision of timely, actionable feedback. IV&V also notes the importance of consistent adherence to defined demonstration and review processes.

IV&V will continue to monitor the effectiveness of demonstrations, including stakeholder participation, quality and timeliness of feedback, and the extent to which sessions validate alignment with defined sprint objectives and stakeholder expectations.

1/31/2026 -

During this reporting period, the project conducted four (4) demonstrations of working software focused on the Benefits area. These sessions represent continued implementation of the defined demo approach and provide opportunities for early stakeholder review and feedback on delivered functionality.

IV&V will continue to monitor the conduct of sprint demos, stakeholder participation, and the effectiveness of these sessions in validating alignment with sprint objectives and stakeholder expectations.

12/31/2025 -

The project has begun implementing a new, structured testing and review approach (as described in Finding #42), which includes increased SME engagement and more frequent review of working functionality.

IV&V Findings and Recommendations

M Software Development

Update(s)

As part of this approach, the project has introduced weekly demos of working software to Subject Matter Experts (SMEs). The first demo, covering twelve (12) Claimant Management requirements, was conducted on Friday, 12/26/2025.

IV&V notes this new process as a positive step toward strengthening feedback loops and validating functionality earlier in the development lifecycle. However, IV&V has not yet been invited to attend these demos, which limits IV&V's ability to independently observe stakeholder feedback, assess alignment with sprint objectives, and evaluate the effectiveness of demo practices.

IV&V will continue to monitor the implementation of demo activities and stakeholder participation and provide ongoing feedback.

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

Software Development

#	Key Findings	Criticality Rating
75	**Issue** – User Story Count-Based Velocity Does Not Reliably Reflect Sprint Throughput **Initial Observations:** • Sprint velocity is currently measured using user story counts, which does not provide a reliable measure of sprint throughput or delivery effort. User stories are not consistently estimated using story points or another effort-based estimation method. As a result, all user stories are treated equally in velocity calculations, regardless of differences in size, complexity, or effort. **Analysis:** • User stories vary in complexity and effort; therefore, using story counts as a proxy for velocity does not accurately represent actual sprint throughput or productivity. Larger or more complex user stories may require significantly more effort than smaller ones yet are counted equally in reported metrics. • As a result, reported velocity may not provide a dependable basis for assessing delivery performance, comparing sprint outcomes, or informing planning and forecasting activities. This may reduce visibility into workload variability and limit the effectiveness of performance monitoring and decision-making.	Medium

Recommendations	Status
The IV&V team recommends: • IV&V recommends adopting an effort-based estimation approach, such as user story points, or implementing an alternative method to normalize effort across user stories (e.g., size categorization or weighted metrics) to more accurately reflect delivery effort and capacity and improve the accuracy of velocity measurement and forecasting.	Open

IV&V Findings and Recommendations

Software Development

Recommendations	Status
This would help ensure that velocity metrics more accurately reflect delivery effort and support more reliable planning, forecasting, and performance assessment.	Open

Update(s)
N/A

IV&V Findings and Recommendations

Software Development

#	Key Findings	Criticality Rating
76	**Preliminary Concern** – No Soft or Hard Code Freeze Indicated in Project Schedule or Documentation **Initial Observations:** • IV&V review of the project schedule and available planning documentation did not identify a defined soft or hard code freeze milestone prior to go-live. The absence of a documented code freeze creates a potential gap in release and deployment planning, particularly during the critical period leading up to go-live. Without an established point at which code changes are restricted or tightly controlled, development efforts may continue in parallel with stabilization, testing, and cutover preparation activities. • IV&V reviewed the Project Schedule, Implementation Strategy, and Project Management Plan and did not identify references to a defined code freeze or equivalent control mechanism. These documents do not describe a governance strategy, stabilization period, or enforcement controls intended to restrict code changes in advance of go-live. • A code freeze is a commonly used control to promote system stability, support focused defect resolution, and ensure alignment between finalized code, test results, and deployment artifacts. The lack of a planned code freeze increases the likelihood of late or uncoordinated changes to the codebase, reducing confidence in system readiness and increasing reliance on last-minute fixes or workarounds. **Analysis:** • As a result of the absence of a documented soft or hard code freeze prior to go-live, unapproved or unforeseen changes are likely, resulting in reduced system stability, increased rework during readiness activities, and potential delays to go-live.	N/A

IV&V Findings and Recommendations

Software Development

Recommendations	Status
The IV&V team recommends: • Establish and document both a soft code freeze and a hard code freeze milestone in the integrated project schedule and relevant planning artifacts. • Define and communicate clear entry and exit criteria for each code freeze, including allowable exceptions and approval authorities. • Align code freeze milestones with testing completion, defect remediation, cutover rehearsal, and deployment readiness activities. • Reinforce milestone adherence through change control and release management processes to limit late-stage changes and support system stabilization prior to go-live.of validation activities, including documentation of outcomes and corrective actions.	Open

Update(s)

4/30/2026 -

The UI Solution Vendor has agreed to a code freeze, but this decision has not been documented, or an associated go-live plan or dates have been developed or officialized. The IV&V team will continue to monitor.

IV&V Findings and Recommendations

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 it is unclear where the bug originated and whether it's related to the test case failure (logged a month after the most recent test case failure). 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: Due to ambiguous defect-tracking guidance and inconsistent bug-logging practices, a recurrence of untracked test failures is likely, leading to 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)

4/30/2026 -
The TMP v3.3 was delivered in early April, and State comments were returned for UI Solution vendor updates. The plan was sent to IV&V for feedback and review on May 1, 2026.

3/31/2026 –
The Test Plan was expected to be delivered to the State on 03/30/2026; however, it has not yet been provided and remains unavailable for review or approval. As a result, IV&V has not been able to assess whether defect management roles, workflows, and expectations are clearly defined.
Defect triage and bug management practices have been described to IV&V at a high level; however, these practices have not yet been substantiated through approved documentation or consistently observable artifacts. IV&V will continue to monitor this risk and validate reported practices once the Test Plan is delivered and available for review.

2/28/2026 –

The most recent version of the Test Master Plan remains unapproved, and defect lifecycle processes continue to lack definition and documentation. While the project created a bug-triage guide to support SME validation efforts, the guidance is limited to meeting-level expectations and does not define a defect lifecycle, triage workflow, handoffs, retest criteria, or tester competencies.
The IV&V team also noted inconsistencies in SME validation where the requirement-level pass/fail field did not align with underlying ADO test case results (e.g., Requirement 28283 – Fail Result on Requirement, recent pass result on test case. #31090 has no SME Tester Result but Passed run in a linked Test), creating uncertainty regarding whether retesting occurred or whether field values were not updated.

1/29/2026 –

The most recent version of the test plan remains unapproved, and the defect management lifecycle, procedures, and documentation are not yet fully defined or documented.

Continued updates on next slide.

IV&V Findings and Recommendations

H Testing

Update(s)

12/26/2025 –

A meeting during this reporting period was held to discuss ADO test coverage and answer IV&V questions. Prior to this meeting, it was acknowledged that SME requirements testing only occurred for a short trial period, and the failures logged during that time were invalid. This has been cleaned up in an ongoing effort to refine their testing approach. During this meeting, the UI solution vendor clarified:
- Bugs will be linked to Requirements, not test cases.
- The test runner in ADO supports logging bugs during test execution, but there is no enforced process ensuring linkage to failed test cases
- Internal (UI Solution vendor testing) at the story level is not maintained in ADO; only RTM level test scenarios will be tracked.
- The UI Solution vendor acknowledged that it would take approximately two months to catch up with test coverage and linking of existing requirements ready for SME testing.

The Test Master plan has not been updated to reflect the testing and defect management processes discussed.

IV&V Findings and Recommendations

H Testing

#	Key Findings	Criticality Rating
70	**Issue** – Testing Initiated Without Approved Test Plans or Adequate Tester Training Observations: The IV&V team identified that the project has initiated multiple testing activities, including Requirements Testing, SME Validation for Benefits, Tax, and Appeals, and vendor internal QA, without approved or stable test plans in place. The Test Master Plan (TMP) remains unapproved at version 3.1 and continues to undergo extensive revisions more than eighteen months after initial delivery. The document is explicitly described as a "living document that may be modified at the discretion of the DLIR UI Project Management Office" which does not provide stability for downstream testing activities. The TMP contains numerous internal inconsistencies, missing references, undefined processes, and contradictory content. Examples include missing figures and undefined terminology. The TMP also references training and UAT documentation that does not yet exist, leaving required testing processes unsupported by finalized governance materials. State SMEs were instructed to begin validation testing without receiving foundational tester training. SMEs received only a high-level kickoff, weekly demonstrations, and an evolving SME Validation Testing Guide that focuses on mechanics of Azure DevOps but does not clearly define expectations, testing standards, or triage processes. The SME Validation Guide states that it "is an evolving document and will be updated over time to reflect changes to existing processes and additions of new testing processes." Testing has proceeded while documentation conflicts persist and key processes are undefined. SMEs have expressed confusion about expectations, roles, execution standards, and defect handling. Failed test cases remained in ADO for more than sixty days before being deleted and restarted. Requirements testing is significantly behind schedule at 2 percent actual versus 27 percent planned as of 2/2/26. The project has not created a UAT Plan, even though several upstream test activities have begun. *Continued on next slide*	Medium

IV&V Findings and Recommendations

Testing

#	Key Findings	Criticality Rating
70	Collectively, these conditions indicate that testing activities were initiated without essential readiness components, including approved plans, training, and stable supporting documentation. These gaps are already affecting testing quality, coordination, and the project schedule. Analysis: Due to ambiguous defect-tracking guidance and inconsistent bug-logging practices, a recurrence of untracked test failures is likely, leading to reduced traceability, delayed issue resolution, and diminished confidence in testing outcomes.	Medium

Recommendations	Status
The IV&V team recommends: 1. The project should develop and deliver a formal tester training program before further SME or UAT testing occurs. Training should address system navigation, execution standards, acceptance criteria, defect lifecycle definitions, triage roles, SLAs, and consistent use of Azure DevOps. 2. The project should align all testing documentation, including the TMP, SME Validation Guide, and future UAT Plan, to remove conflicting information and establish a clear authoritative source. 3. The project should publish and enforce a Testing Readiness Checklist for entry into Requirements Testing, SME Validation, and UAT. 4. The project should enhance governance and change control over testing documentation to ensure stability, version control, and reliable communication of process changes. 5. The project should expand transparency into UI Solution Vendor QA testing and internal test results to support SME preparedness and improve consistency across testing activities.	**Closed 4/30/2026**

IV&V Findings and Recommendations

H Testing

Update(s)

4/30/2026 -
Project representatives communicated that testers understand the current testing approach and have the tools needed to perform their roles. Based on the State's position, the IV&V team is closing this finding at this time. IV&V will continue to monitor testing activities and will reassess if evidence emerges of recurring gaps in tester readiness, training, or supporting test documentation.

3/31/2026 -
Project representatives stated that testers have a solid understanding of current testing processes and walked the IV&V team through a high-level testing and defect-logging approach. This understanding has not yet been substantiated through approved training materials, documented processes, or consistent observable execution. The IV&V team will continue to monitor tester readiness and training effectiveness and will assess whether evidence emerges indicating gaps in training or testing preparedness. The IV&V team will also review whether the updated Master Test Plan aligns with available testing documentation.

IV&V Findings and Recommendations

H Testing

#	Key Findings	Criticality Rating
73	**Risk** – Insufficient SME Requirements Testing Throughput Observations: As of 02/28/2026, the project has released 63 of 1,506 requirements for SME testing. Only 53 of these have an SME Tester Result, 25 have passed, and 0% have completed SME Lead verification or reached a "Testing Complete Date." No requirement has completed the full acceptance workflow. SME Tester throughput over the last two months shows 53 requirements tested (~26.5 per month). At this pace, testing all 1,506 requirements once would take approximately 56.7 months, while only ~8.9 months remain before the 11/30/2026 testing completion milestone. This estimate does not include retesting for failures, which currently occur at about a 53% requirement-level fail rate. Defect retesting throughput also appears constrained: 51 bugs are in "retest" status, which exceeds the number of open defects (48), and a sample indicates substantial aging in retest (e.g., ~30 days with no movement for some items). Slow retest turnaround further delays acceptance of requirements. At the current pace, not only will requirements testing surpass the 11/30/2026 milestone, but projections indicate it will also extend past the 3/12/2027 go-live date, threatening overall project completion, as system acceptance depends on requirements acceptance and validation. Analysis: As a result of insufficient SME requirements testing throughput and no requirements progressing to full acceptance, a failure to complete requirements validation by 11/30/2026 is likely, resulting in schedule compression, increased rework, reduced readiness for subsequent test phases, and potential jeopardy to the 3/12/2027 go-live date.	High

IV&V Findings and Recommendations

Testing

Recommendations	Status
The IV&V team recommends: 1) Establish a throughput plan defining required weekly and monthly volumes for SME testing, SME Lead verification, and Testing Complete progression to meet the 11/30/2026 milestone. 2) Increase SME and SME Lead capacity and streamline workflow handoffs to accelerate requirement acceptance. 3) Monitor and report aging across the SME Tester Result, SME Lead Result, and Testing Complete fields to identify bottlenecks. 4) Implement targets/SLAs and monitor for defect retest cycle time to reduce backlog aging and unblock requirement acceptance. 5) Prioritize the release and validation of requirements in a sequence that enables measurable, achievable increases in throughput.	Open

Update(s)
Updates found on following slide.

IV&V Findings and Recommendations

H Testing

Update(s)

4/30/2026 –
As of 4/27/2026, 91 of 1,506 requirements have been released to SME testing. 81 requirements have a SME tester result, with 41 passing. This is currently a 50% fail rate. An additional 12 requirements were tested by SMEs this reporting period, for an average monthly throughput of ~20 requirements, trending down.
24 requirements have a SME lead result (8 Failed, 3 Returned, and 13 SME Test Case Verified). No Requirements have a Testing Complete date populated.

Due to the lack of completion data, the IV&V team cannot reliably forecast a scheduled completion timeline. Based on the current SME testing throughput, it would greatly exceed the planned timelines without a material increase.

3/31/2026 –
As of 03/31/2026, 73 of 1,506 requirements have been released to SME testing. 69 requirements have a SME Tester Result, with 36 passing. Across three months, SME tester throughput averages approximately 23 requirements per month, with only 16 additional requirements progressing this period.
Limited downstream movement was observed: 14 requirements now have an SME Lead Result (6 Failed, 7 SME Test Case Verified, 1 Returned); however, 0 requirements have reached Testing Complete, and none have completed the full acceptance workflow. 35 defects remain in Retest, including 7 that have been inactive for over 3 weeks. No throughput plans, capacity adjustments, or acceptance targets have been communicated to the IV&V team.

At the current average throughput of approximately 23 requirements per month, IV&V observes that requirements validation would exceed the planned testing completion milestone absent a material increase in capacity or throughput. This is being escalated from a concern to a risk.

IV&V Findings and Recommendations

H Testing

#	Key Findings	Criticality Rating
78	**Preliminary Concern** – Undefined Acceptance Method for Requirements Marked Testable = False **Observations**: The project or documentation has not documented or approved the meaning of the testable=false designation for Requirement items. There is no documented approach for how these requirements will be validated, evidenced, or accepted. Explanations from project stakeholders to the IV&V team have been contradictory, suggesting either that requirements are "not yet available for state testing" or "not testable by the state". An analysis on 4/27/2026 identified 711 of the approximately 1500 requirements in the RTM are currently marked as testable = false. That population includes a large portion of Configuration and Customization requirements across multiple areas, including DevOps, Reporting, Security, Benefits, and Tax. Because the project has not documented the validation and acceptance method for this requirement population, it is not clear how all in-scope requirements assigned testable = false will be supported by objective evidence prior to go-live. **Analysis**: As a result of the absence of an approved definition, documented validation method, and documented acceptance criteria for requirements marked testable = false, inconsistent and incomplete requirement acceptance is likely, resulting in reduced assurance that all in-scope requirements have been validated and formally accepted prior to go-live.	N/A

IV&V Findings and Recommendations

Testing

Recommendations	Status
The IV&V team recommends: 1. Formally define the meaning and use of the testable = false designation in an approved project artifact. 2. Establish and document an acceptance method for every requirement marked testable = false, including the required evidence, responsible party, reviewer, approval authority, and required trace links in Azure DevOps or the RTM. 3. Create a requirement-type decision framework that distinguishes how Adoption, Configuration, Customization, Security, Performance, Reporting, and other requirement classes will be validated and accepted when the State does not directly execute a test. 4. Reconcile and correct contradictory project statements regarding whether testable = false means "not yet available for State testing" or "not testable by the State." 5. Review the current population of requirements marked testable = false, with specific attention to Customization and Configuration items, and either reclassify them or document the alternate validation and acceptance path for each class. 6. Define go-live entry and exit criteria that require all in-scope requirements to show either completed State validation or approved alternate evidence of satisfaction before release approval. 7. Require documented successful testing results for all vendor-executed sub-process or non-State-executed testing activities and link those results to the corresponding requirements and acceptance decision.	Open

Update(s)
N/A

IV&V Findings and Recommendations

Interfaces

#	Key Findings	Criticality Rating
71	Risk – Inadequate Interface/Integration Management and Traceability **Initial Observations:** The project is managing and tracking interfaces in an external spreadsheet rather than using Azure DevOps (ADO). This practice introduces a parallel source of record that undermines traceability, change control, auditability, and timely reporting of interfaces and integration. 17% of interfaces listed in the spreadsheet are not populated in ADO (Ex, DLIR_DS_1019 - 1022, 1035 - 1040, 1083 – 1088, 1099 – 1100). 72% of interfaces listed in the spreadsheet do not contain statuses (Ex, DLIR_DS_1023 – 1030, 1032, 1034 – 1041, 1043 – 1103). 4% of interfaces listed in the spreadsheet do not contain data in Columns C - AC (e.g., DLIR_DS_1101 – 1103). 3 interfaces are marked as "Ready to Test" in the spreadsheet but do not contain any test cases in ADO (Ex, DLIR_DS_1016-1018). **Analysis:** Managing interfaces outside of ADO creates systemic risks across delivery, operations, and compliance. Without ADO linkage to requirements, design artifacts, test cases, and releases, end-to-end traceability is incomplete. A spreadsheet detached from ADO backlogs and boards obscures project metrics and dependencies, leading to late discovery of blockers and environment issues. A lack of real-time visibility impairs capacity planning and sprint commitment accuracy. Manual spreadsheets do not enforce validation, policy checks, and approvals. Missing links to automated tests and deployment pipelines increase the probability of integration defects escaping to later stages.	High

IV&V Findings and Recommendations

Interfaces

Recommendations	Status
IV&V recommends the following actions: 1. Establish ADO as the source of truth for interfaces. 2. Link interface work items to epics, features, stories, test cases, bugs, etc. 3. Define mapping from spreadsheet columns to ADO fields. 4. Build an ADO dashboard for interfaces that outline statuses, test coverage, defect density, etc. 5. Review the approved Interface/Integration Management Plan.	Open

Update(s)

04/27/2026 –
During the month of April, only one interface meeting was held. The Integration Matrix is still the source of truth for all interface/integration updates. ADO is updated sparingly. The Integration Management Plan was submitted to the UI PMO during the reporting period and once approved, the IV&V team will review and provide feedback.

04/02/2026 –
Finding was escalated to a Risk.

04/01/2026 –
The Data Station Integration Plan (Due 03/30/26 according to the 03/12/26 Change Request) has not yet been delivered. It is important to note that the Project Schedule dated 03/09/26 no longer includes the Data Station Integration Plan deliverable.

03/26/2026 –
The external Interface Matrix is still being used to track progress on the interface workstream. The ADO requirements have been hyperlinked to the corresponding interfaces within the spreadsheet. Weekly updates are tracked in the Update/Comments column but not incorporated into ADO. The External Request Plan has been sent to the IV&V team for review. The Data Station Integration Plan is scheduled for delivery on 3/30/26, per the 3/12/26 Change Request.

IV&V Findings and Recommendations

Scope and Schedule Management

#	Key Findings	Criticality Rating
79	Preliminary Concern – Project schedule quality and governance deficiencies. **Initial Observations:** The schedule exhibits multiple document quality and governance deficiencies that limit its usefulness as a management control, independent of any specific delivery dates. Internal versioning is inconsistent (e.g., "as of" dating that conflicts with the stated version), basic data hygiene errors exist (including invalid/impossible dates), baseline fields are missing or appear to have been overwritten, and numerous items that represent substantive work are modeled as zero-duration deliverables or placeholder activities (including weekend-heavy scheduling), obscuring real effort, dependencies, and true progress. **Analysis:** Document quality deficiencies reduce confidence that the schedule can function as a reliable management control or a credible basis for objective status assessment. As a result, IV&V cannot independently confirm baseline variance, critical path drivers, or forecasted completion with sufficient rigor, and schedule pressure may be understated or overstated. These conditions increase the likelihood of late discovery of missing work and unplanned effort near go-live, elevating execution and integration risk.	Medium

IV&V Findings and Recommendations

Scope and Schedule Management

Recommendations	Status
IV&V recommends the following actions: The Hawaii DLIR UI PMO needs to require the UI Solution Vendor to remediate the Integrated Master Schedule (IMS) and related governance artifacts by enforcing document control (consistent versioning, stable approved baseline, and change control) and correcting schedule data hygiene (valid dates, logic, and elimination of placeholder/zero-duration activities). The vendor should decompose and resource-load go-live readiness work (cutover, stabilization, operational readiness, deployment preparation) into measurable work packages with objective entry/exit criteria, enabling IV&V and project leadership to independently verify progress, critical path drivers, and forecasted completion. Finally, IV&V recommends that outstanding schedule-related change requests be reviewed and formally approved or rejected to re-establish a clear, authoritative schedule baseline for performance reporting and decision-making.	Open
Update(s)	

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:
April 2026 Project HUI Huaka'i Weekly Status Reports
Data Cleansing meetings and meeting notes for meetings
Weekly Benefits SME Side by Side Screen Data Validation meetings
Weekly Data Conversion Status Update meetings
Development (Appeals) Features Backlog - Boards (azure.com)
Development (Benefits) Team Epics Backlog - Boards (azure.com)
DLIR Traceability Matrix Team Epics Backlog - Boards
Weekly Appeals meeting
Weekly Appeals Requirements Release & Demo
Benefits Requirements Sessions agendas and Meeting Notes
Financial/Accounting Requirements agendas, meetings, and meeting notes
Benefits Requirements Testing Demos
Integration Workstream Meetings
Interfaces Matrix
Tax Requirements sessions
OCM agendas, meetings, and meeting notes
Epic 28163 System
Risk Management Meetings
Project Schedule
RAID Log
Power BI Project Reports
Master Test Plan V3.1

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.

Appendix D – Accepted Risks

Finding ID	Title	Description	Date Identified	Date Accepted by UI PMO	Date Closed
26	Sprint Retrospectives	The absence of a Sprint Retrospective in an agile IT project can have several negative impacts.	10/25/2024	05/31/2025	05/28/2025
31	Lack of Visibility in Backlog Management	Backlog grooming process is lacking transparency and key stakeholder involvement.	02/18/2025	07/15/2025	07/15/2025
43	Gaps in Project Reporting Structure	Project status reporting is not directly enforceable or verifiable within ADO.	04/28/2025	05/07/2025	05/27/2025
48	Misrepresented Velocity Forecasting in Project Dashboard	The project's Power BI reporting tool "UI PMO Metrics" presents a three month average velocity forecast assuming no future backlog growth.	08/26/2025	03/25/2026	03/31/2026
52	Working Software Demos	The absence of regular demos of working software increases the risk of misalignment between delivered functionality and stakeholder expectations.	09/25/2025	04/30/2026	04/30/2026

Appendix D – Accepted Risks

Finding ID	Title	Description	Date Identified	Date Accepted by UI PMO	Date Closed
67	Undocumented Schedule Changes and Governance Gap	Major schedule changes occurred without corresponding change requests or approvals.	02/18/2026	03/31/2026	03/31/2026
68	Traceability Loss Due to WBS and Unique ID Instability	Tasks were recreated across versions, breaking continuity and traceability.	02/18/2026	03/25/2026	03/31/2026
69	Milestone Integrity and Change Control Failure	Milestone dates changes significantly without governance or change requests.	02/18/2026	03/25/2026	03/31/2026
72	OCM Master Schedule is Separated from the Project's Master Schedule	OCM activities, milestones, and deliverables cannot be viewed holistically in relation to the overall project timeline and reporting metrics do not accurately represent the workload for organizational change management.	02/25/2026	03/31/2026	03/31/2026



Solutions that Matter