

## Report Title: IT Strategic Plan Summary

Agency: 999 Department of Alcoholic Beverage Control

### Current Operational IT Investments

***In this section, describe the high-level strategy the agency will use to manage existing operational IT investments over the next year to 5 years. This section should align with identified Business Requirements for Existing Technology (BReTs). At minimum, please address the following questions in your description of your agency's strategy for managing existing operational IT investments:***

***Are there existing IT investments that will require additional funding over the next year to 5 years, such as license renewals, re-competition of current IT contracts, or system enhancements required by the Agency Strategic Plan?***

***If there are systems that will no longer support the agency's business needs, either through poor performance or excessive cost, how does IT leadership in the agency plan to address the issues?***

***If the agency does not have the staff or funding to meet increasing demand for IT services, how will IT leadership fulfill the requests?***

During calendar 2018, Virginia ABC will be transitioning from a state Agency to a state Authority. This Authority transition, pursuant to legislation adopted by the 2015 Session of the General Assembly and modified in the 2017 session, occurs between January and December 2018 and will drive much of our technology agenda. The Virginia ABC Authority transition is accompanied by exemptions from the legal requirements of certain portions of the Code of Virginia. For instance, Virginia ABC will no longer be bound by Virginia Personnel Act or the Virginia Public Procurement Act and allows off-boarding from the VITA partnership beginning October 2018. Beyond Virginia ABC's transition to an authority, for the next 5 years the agency will be focusing on replacing its in-house developed, mission critical legacy systems with Commercial Off the Shelf (COTS) applications. End of life systems included and needing to be modernized include: Licensing (In progress) Customer facing web applications (Phase 2 near complete, further development required) Replacement Financial Management System (COTS – end of life - ERP) in progress POS and Sales Audit replacement (COTS end of life – in progress) Business Intelligence (retire multiple end of life products) Warehouse Management (MIPS) – will be rolled into new facility acquisition. The following systems are also end of life but will likely not be replaced within the timeframe of the current plan New Web Tax / Wine Tax system (Powerbuilder) after 2020 New HR System (built in house - legacy) after 2020. Additionally, with the Authority transition, ABC will initiate projects to better align portfolio solutions with ABC needs, as opposed to the wider goals of the Commonwealth. This includes: Adopting Office 365 for Licensing, Email, Collaboration and video conferencing Taking a greater role and responsibility in managing the retail store network Taking ownership of managing ABC employee identity. Currently more than half of ABC's employees, and all of ABC's licensees and customers are not serviced by VITA identity services Other ancillary and oversight services such as ECOS, and ticketing (customer / user support) for which ABC will take over or expand its responsibility. ABC is also pursuing acquisition of a new building and will, as part of this plan, acquire turnkey solutions for warehouse management and telephony, integrating this with the previously implemented Office 365 solutions. This will likely not be complete until 2021 or later. These investments in the new, highly integrated systems will position the agency very favorably as we close in on being a \$1 Billion business enterprise. In addition, several of these investments will significantly lower our operational risks and costs by allowing us to replace unsupported or end of life software. Many of ABC's maintenance and compliance monitoring systems have been neglected. This has contributed to ABC's current portfolio of end of life and non-compliant systems. ABC is refreshing its approach to security, exceptions and risk management with a more proactive and transparent approach. This year the agency has made significant progress in retiring multiple end of life technologies such as windows XP, Windows server 2003, HP UX operating systems and end of life applications. We have increased the level of scrutiny on projects, system deployments and support and are weekly reporting out status and agency wide metrics on our levels of compliance with Commonwealth security standards. The agency has gone through the

process by way of our Portfolio Management Steering Committee to identify and prioritize these investments. This committee includes, the ABC Board, as well as the agency's Executive Leadership team. A roadmap is in place to identify when these projects will start and end. An appropriations package was developed and approved by the Governor's Office and General Assembly that addresses many projects' funding and resources.

### **Factors Impacting the Current IT**

***In this section, the agency will describe the changes in their business environment that will require or mandate changes to the agency's current IT investments. These are requirements and mandates from external sources, such as other agencies or business partners, the agency's customer base, product and service providers, or new federal or state legislation or regulations. The agency must identify the business value of the change, any important deadlines that must be met, and the consequences if the deadlines are not met. In your discussion, be sure to note whether the proposed enhancements are funded or not. If the agency's existing current IT investments will not need enhancement due to requirements or mandates from external sources in the foreseeable future, the agency should enter the following text rather than leave the Factors Impacting the Current IT section blank***

***For each mandated change, summarize your agency's response from your Agency Strategic Plan, and is it the opinion of agency IT leadership that the IT portion of the response is adequately funded?***

***Do the mandated changes affect IT in other Commonwealth agencies, or in other states? If so, how?***

There are also external agencies (i.e. VITA, DOA) that have mandates with which the agency must comply, either because they provide secondary support services or because they themselves have modernization or change projects in progress. These mandates are driving several of the agency's large investments. They include:

SEC 501 / 525 / PCI standards compliance. The standards are all evolving, adding burden and costs to existing systems, as well as increasing costs on new acquisitions.

State systems gradually migrating to Cardinal (Peoplesoft) Replacement of the CIPPS Payroll system (With Cardinal / Peoplesoft)

NG and VITA Disentanglement Requirements for the new premises for VABC

Establishing ABC as an Authority, transitioning from a State Agency

Regarding funding, the majority of Virginia ABC's initiatives were funded by the Governor and General Assembly, although ABC funding is usually provided for as an allocation of generated profits. This includes costs ABC has to fund itself to cover mandated projects such as the CIPPS payroll migration. We do not have any projects that we are mandating to other agencies, however, we do foresee a gradual reduction in the service catalogue provided by the VITA Partnership. Although email and messaging is targeted for early 2018 (Includes licensing for Microsoft products with Office365), few other services will migrate to ABC responsibility before October 2018.

### **Proposed IT Solutions**

***In this section, describe the high-level strategy the agency will use to initiate new IT investments over the next year to 5 years in support of the agency strategic objectives documented in your Agency Strategic Plan. The agency does not need to consider specific technologies at this time, however, the strategy should identify how the IT implementation will provide business value to the organization. This section should align with identified Business Requirements for New Technology (BRnTs). At minimum, please address the following questions in your description of your agency's strategy for initiating new IT investments:***

***What are the most important solutions, based on the priority assigned to the requirements by the business sponsors in your agency, and what is the approach to achieving these priority solutions?***

***If any new IT initiatives will be started in the upcoming budget biennium, is it the opinion of agency IT leadership that it is adequately funded?***

***Does the agency's current IT staff have the appropriate skill set needed to support future agency technologies? If not, what skill sets need to be acquired?***

***If the agency will be engaged in multiple new IT initiatives, how will agency IT staff and agency subject matter experts be used across the initiatives?***

ABC will focus its investment strategy in projects on delivering value to the Commonwealth. Due to the aging state of much of the infrastructure, early projects are more focused on mitigation of operational risk and creating a secure foundation for further growth, than revenue generation or cost savings. These large foundational systems: Licensing ERP Point of Sale and Sales Audit Warehouse Management Tax management Business Intelligence Human Capital Management Each of these large systems paves the way for cost savings or revenue generation in delivering new capabilities to the business. They are foundational and have cross-dependencies that will improve the ability of the organization to deliver: ERP is the foundation for inventory valuation and the product master files required for POS and Warehouse management, allows efficiencies in procurement and accounts payable to be realized through integration POS and Sales Audit, opens better price and inventory management, and supports better customer interactions and experience with loyalty and integrated digital commerce. Together, they will improve loss prevention and support predictive analytics on retail sales data. Licensing will fully enable digital support for our licensees, moving away from paper forms and office-based interaction. Warehouse management replacement will allow ABC to support the continued expansion of the retail fleet and volume of product required. BI provides more accurate and timely integration for all these data sources to improve management decision making and transparency for ABC operations. As a strategic intent, ABC will move away from 'custom built applications and move into COTS applications built with a bias towards supporting retail businesses. This will allow us to focus our development capabilities into integration and adding capabilities specific to ABC's business model, such as Wine and Beverage taxes. It will also standardize the software acquisition and development lifecycles to create a sustainable and supportable business model for the medium and long term needs of ABC as a business.

# Report Title: Strategic Plan

Agency: Department of Alcoholic Beverage Control

## Current IT Services

Category	Costs Year 1		Costs Year 2	
	GF	NGF	GF	NGF
Projected Service Fees	\$0	\$9,668,703	\$0	\$9,958,765
VITA Infrastructure Changes	\$0	\$(1,718,303)	\$0	\$0
Estimated VITA Infrastructure	\$0	\$7,950,400	\$0	\$9,958,765
Specialized Infrastructure	\$0	\$168,392	\$0	\$0
Agency IT Staff	\$0	\$9,037,361	\$0	\$0
Non-agency IT Staff	\$0	\$1,822,495	\$0	\$0
Cloud Computing Service	\$0	\$0	\$0	\$0
Other Application Costs	\$0	\$4,044,460	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$23,023,108</b>	<b>\$0</b>	<b>\$9,958,765</b>

## Proposed IT Investments

Category	Costs Year 1		Costs Year 2	
	GF	NGF	GF	NGF
Major IT Projects	\$0	\$19,727,906	\$0	\$10,179,906
Non-Major IT Projects	\$0	\$0	\$0	\$0
Agency-Level IT Projects	\$0	\$0	\$0	\$0
Major Stand Alone IT Procurements	\$0	\$1,000,000	\$0	\$0
Non-Major Stand Alone IT Procurements	\$0	\$100,000	\$0	\$100,000
Agency-Level Stand Alone IT Procurements	\$0	\$0	\$0	\$0
Procurement Adjustment for Staffing	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$20,827,906</b>	<b>\$0</b>	<b>\$10,279,906</b>

## Projected Total IT Budget

Category	Costs Year 1		Costs Year 2		Total Costs
	GF	NGF	GF	NGF	
Current IT Services	\$0	\$23,023,108	\$0	\$9,958,765	\$32,981,873
Proposed IT Investments	\$0	\$20,827,906	\$0	\$10,279,906	\$31,107,813
<b>Total</b>	<b>\$0</b>	<b>\$43,851,014</b>	<b>\$0</b>	<b>\$20,238,671</b>	<b>\$64,089,686</b>



**Report Title: Business Requirements For Technology****Agency:** Department of Alcoholic Beverage Control (ABC)**999 ABC BRnT Commonwealth Security Requirements****BRT Type:** Business Requirement for New Technology**Date Submitted:** 4/17/2017**Mandate:****Mission Critical:****Description:**

It is ABC's intent to become, and remain compliant, with the Commonwealth security requirements, recognizing that our current state is not compliant, and has not been compliant, for many years. ABC is prioritizing projects to improve our compliance with Commonwealth security standards but do not anticipate becoming compliant for several years due to the size of the technology deficit accumulated over the last 12 years under VITA governance. Timely compliance is further jeopardized by the new budget restrictions placed on this agency.

**999 ABC BRnT IT Sourcing****BRT Type:** Business Requirement for Existing Technology**Date Submitted:** 9/23/2016**Mandate:** No**Mission Critical:** Yes**Description:****Messaging:**

VITA is initiating disentanglement from NG messaging services in 2016. Messaging Services for email, enterprise collaboration services, and mobile device management are required for 959 users in our agency. We also have 6 applications that have hooks into messaging services which will need to be tested. Workplace Collaboration Services (VITA provided SharePoint) 754 WCS SharePoint. We have 0 applications serviced via AirWatch which will need remediation.

**IBM Mainframe:**

VITA is initiating disentanglement from NG IBM Mainframe services in 2016. ABC has 0 applications on the IBM which will need to be migrated and tested during this transition.

**Server/storage (including housing of equipment):**

VITA is initiating disentanglement from NG servers and storage. ABC has 99 servers which will need to be migrated and tested during this transition. This represents approximately 50 TB of storage. 13 systems, 40 applications running multiple instances on servers for 150 installations will be affected by this move and will need to be tested.

**Authentication/directory services:**

ABC has approximately 6 applications which will need to be migrated and tested during the authentication/directory services transition. Number of users (internal and external) are about 1300 internal and 0 external.

**End user computing :**

ABC has 541 desktops and 404 laptops and 40 network printers which will need to be migrated.

**Data networks:**

ABC currently has 325 network nodes likely to increase to 365 that are not mpls which will need to be migrated.

**Voice Networks:**

ABC has 550 UCaaS phone lines and 700 other POTS phone lines which will need to be migrated.

**Cloud Computing:**

ABC is investigating moving 6 applications to a Cloud services vendor. The business reason for the move is to reduce costs; increase efficiencies; reduce IT agency footprint; etc. Applications are not cloud ready. Agency will need to bring in outside consulting to assess what needs to be done to the applications and supporting infrastructure in order to become cloud ready.

**Security Services:**

To meet Commonwealth Security requirements, ABC will procure security services from an outside vendor utilizing DPB funds.

**Internet Usage:**

ABC projects that internet usage will increase by 20% due to moving more and more applications to become web based. Some examples of why internet usage might increase are as follows: an increase use of video streaming, an increase in user access to the internet, etc.

**Bert ABC HP/UX ORI**

<b>BRT Type:</b>	Business Requirement for Existing Technology
<b>Date Submitted:</b>	
<b>Mandate:</b>	
<b>Mission Critical:</b>	

**Description:**  
To decommission or upgrade 5 HP/UX servers by 7/1/2015.

**BeRT ABC SQL Server 2005 ORI**

<b>BRT Type:</b>	Business Requirement for Existing Technology
<b>Date Submitted:</b>	
<b>Mandate:</b>	
<b>Mission Critical:</b>	

**Description:**  
To decommission and/or update SQL Server 2005 to address ORI concerns.

**BRet ABC XP ORI**

<b>BRT Type:</b>	Business Requirement for Existing Technology
<b>Date Submitted:</b>	
<b>Mandate:</b>	No

<b>Mission Critical:</b>	
<b>Description:</b>	
Migration form Windows XP to Windows 7	
<b>BReT POS Hardware Maintenance and Support</b>	
<b>BRT Type:</b>	Business Requirement for Existing Technology
<b>Date Submitted:</b>	3/25/2015
<b>Mandate:</b>	No
<b>Mission Critical:</b>	Yes
<b>Description:</b>	
This will be a procurement to provide services to all 360 ABC stores to install, move, service, maintain and inventory all ABC store POS Hardware as needed. The vendor will be dispatched to the stores as directed by the ABC Client Services department. This procurement will be replacing a contract that is expiring 8/31/2015.	
<b>BReT ABC 2003 Server Upgrade</b>	
<b>BRT Type:</b>	Business Requirement for Existing Technology
<b>Date Submitted:</b>	7/30/2014
<b>Mandate:</b>	No
<b>Mission Critical:</b>	
<b>Description:</b>	
Upgrade Windows 2003 Servers. We are following our plan to decommission all 2003 servers.	
<b>BReT End of Life 2008 Server ABC</b>	
<b>BRT Type:</b>	Business Requirement for Existing Technology
<b>Date Submitted:</b>	8/30/2017
<b>Mandate:</b>	
<b>Mission Critical:</b>	
<b>Description:</b>	
Agency will create a mitigation plan to address End of Life 2008 servers.	
<b>BRet Licensing System</b>	
<b>BRT Type:</b>	Business Requirement for New Technology
<b>Date Submitted:</b>	6/1/2017
<b>Mandate:</b>	No

<b>Mission Critical:</b>	Yes
<b>Description:</b>	
<p>This project is for the procurement and implementation of a software application to store and maintain all information related to the licensee applications, licensee records, and license compliance records. This system will replace the existing Core, Webcore, MBAR, Licensee Search, WebInvize, Invize, eBanquet, and CMS (Regulatory function only) applications.</p>	
<b>BReT Next Gen POS</b>	
<b>BRT Type:</b>	Business Requirement for Existing Technology
<b>Date Submitted:</b>	9/27/2017
<b>Mandate:</b>	No
<b>Mission Critical:</b>	Yes
<b>Description:</b>	
<p>Business Requirement: Accept and record payment tendered by customers in over 360 retail locations to allow for the sale of distilled spirits in the Commonwealth.</p> <p>Technology Requirement: The Virginia ABC needs compliant Point of Sale cash registers using manufacturer supported software to maintain compliance with numerous regulations.</p> <p>There are 2 parts to this effort; standing up a new POS application with new POS infrastructure at each ABC retail store and replacing the existing sales audit system at ABC that supports the retail store activities. The sales audit system will be a separate project from POS. There was some thought given to combining these efforts however sales audit now requires a separate system than the POS, 2 different vendors.</p>	
<b>BRnT - Body Worn Cameras</b>	
<b>BRT Type:</b>	Business Requirement for New Technology
<b>Date Submitted:</b>	9/29/2017
<b>Mandate:</b>	Yes
<b>Mission Critical:</b>	No
<b>Description:</b>	
<p>In accordance with the recommendations prescribed in Governor Terry McAuliffe's Executive Order 40, and pursuant to the guidelines established by the ABC Bureau of Law Enforcement General Order 228, it is the intention of the Virginia Department of Alcoholic Beverage Control to acquire body-worn cameras (BWCs) for use by sworn members of the bureau while conducting enforcement activities. The purpose of this project will be to 1) develop the agency and division policies &amp; procedures surrounding the use of body-worn cameras as well as 2) purchasing the necessary equipment, hardware and software required for their use, maintenance, and data retrieval, and 3) provide extensive training on when and how to use them.</p> <p>Beyond complying with the mandated implementation of body-worn cameras, other benefits can also be derived including, but not limited to a reduction in the number of complaints made against special agents and lawsuits against the agency, the number of complaints regarding excessive force by special agents and in the number of complaints regarding improper agent conduct. Overall, the aforementioned benefits should increase the safety of both the citizens of the Commonwealth and the law enforcement agents in</p>	

the field.

While a specific implementation deadline was not provided by the Governor or the expert review panel, it is imperative that the agency begin the project to implement body-worn cameras as soon as possible to demonstrate our intent and willingness to comply with the order and have made progress in doing so.

**BRnT - Business Intelligence II**

**BRT Type:** Business Requirement for New Technology

**Date Submitted:** 8/1/2014

**Mandate:**

**Mission Critical:**

**Description:**

Detail description to be developed

**BRnT - CIPPS Replacement System**

**BRT Type:** Business Requirement for New Technology

**Date Submitted:** 8/1/2014

**Mandate:**

**Mission Critical:**

**Description:**

The Department of Accounts (DOA) informed ABC in July that it will be replacing CIPPS with a new payroll system in the next few years. The new system will not contain a leave-subsystem and ABC will need to evaluate whether to build a complete leave system or use DHRM's TAL system. Current budget impact and timelines are undefined; ABC requires additional information from DOA to proceed.

**BRnT - Financial Replacement - ERP**

**BRT Type:** Business Requirement for New Technology

**Date Submitted:** 8/1/2014

**Mandate:**

**Mission Critical:**

**Description:**

This project will replace the Performance by purchasing an Commercial Off-The-Shelf (COTS) system (Peoplesoft) from a vendor. This solution will integrate the multiple internal and external systems that collect data, with the new system collecting that data and integrating it into financial statements.

**BRnT - Online Conference Enrollment System**

**BRT Type:** Business Requirement for New Technology

<b>Date Submitted:</b>	8/1/2014
<b>Mandate:</b>	
<b>Mission Critical:</b>	
<b>Description:</b>	
<p>ABC has developed 2 separate online enrollment systems for external customers to sign up for an ABC training/conference/meeting. One system is currently used for RSVP/MART enrollment and one was used for YADAPP 2014 enrollment. These systems need to be combined in order to create an evergreen enrollment system that can be used by Education and Prevention for all trainings/conferences/meetings. As they are now, the RSVP/MART system has not deployed all developments and the YADAPP 2014 system was only developed to be operational for 2014. Once this system is finalized, a component will need to be added in order to accept electronic payment for conference fees.</p>	
<b>BRnT - Tax Collection Systems</b>	
<b>BRT Type:</b>	Business Requirement for New Technology
<b>Date Submitted:</b>	8/1/2014
<b>Mandate:</b>	
<b>Mission Critical:</b>	
<b>Description:</b>	
<p>Wine and Beer excise taxes contribute approximately \$80M annually directly to the General Fund. Currently, reporting is a heavy administrative process where purchases are entered into a system and then taxes are calculated. No online payment option exists currently, and the process is cumbersome to industry as well as the agency. The current system is 16 years old.</p> <p>The new system will allow ABC customers to upload their own data (or attest that the information previously provided is correct) and submit their taxes and payments online.</p>	
<b>BRnT - Web Redesign II</b>	
<b>BRT Type:</b>	Business Requirement for New Technology
<b>Date Submitted:</b>	8/1/2014
<b>Mandate:</b>	
<b>Mission Critical:</b>	
<b>Description:</b>	
Detail description to be developed	
<b>VABC Enterprise Reporting and BI</b>	
<b>BRT Type:</b>	Business Requirement for Existing Technology
<b>Date Submitted:</b>	9/21/2017
<b>Mandate:</b>	No
<b>Mission Critical:</b>	No

**Description:**

The scope of ABC Enterprise Reporting and BI Project includes the planning, design and development of the Data Warehouse, Business Intelligence Repository element, producing the Presentation Functionality, transitioning all converted Windward and Crystal reports into the BI Publisher and installing new software and hardware. This software and hardware addition will meet or exceed organizational system standards and additional requirements established in the project charter. Project completion will occur when all aspects of the Data Warehouse components and sub task have been successfully executed and transitioned to VABC Data Warehouse group for everyday procedures and maintenance.

ABC Enterprise Reporting and BI Project work will be performed internally. The scope of this project includes changes in requirements to standard operating systems to run the software and hardware.

Report Title: Appendix A 18 - 20 Report

Agency: Department of Alcoholic Beverage Control (ABC)

Agency Head Approval: No

<b>Budget Category: Major Projects</b>				
Licensing System Project				
<b>Appropriation Act/Funding Status</b>			<b>Project Initiation Approval - Fully Funded NGF 100%</b>	
<p>This project is for the procurement and implementation of a software application to store and maintain all information related to the licensee applications, licensee records, and license compliance records. This system will replace the existing Core, Webcore, eLFI (MBAR), Licensee Search, WebInvize, Invize, eBanquet, and CMS (Regulatory function) applications. Initial due diligence was performed to see if there are potential COTS applications that would meet the agency's needs. This was completed and it was determined that this type of solution exists in the open market. An RFP was released that contains system and business requirements for the agency. An evaluation team will review and score the responses. Vendors will be selected for demos; rescoring may be performed. Site visits may occur after the rescoring and references will be checked. A final round of scoring will then occur at which time estimated costs will be reviewed for each company by the evaluation team. Finalists will be selected, contract negotiations will be entered into, and a solution will be chosen. Once a contract has been executed with the chosen provider, the formal project implementation effort will begin. The provider will evaluate the current system, functionality of that system will be mapped and understood, a business requirements document will be created and vetted for approvals. A new environment will be stood up at CESC to host the new application - or, if a SaaS model is selected, the vendor will provide the environment. Subsequently, configuration efforts will begin for the new system. Once each system module/section is configured, it will be tested and verified with the enforcement and LRM business teams. Once the configuration is complete, it will be tested in a UAT environment. Once UAT is approved by business units, the team will perform a pilot roll-out of the new application to one of the ten regions across the state. Defects and issues will be resolved in this first region before the rest of the regions are rolled out. The current licensing system will remain active during the pilot and state rollout. Post a successful state rollout of the application, we will perform any identified day 2 activities. This will enable the agency to sunset the legacy systems.</p>				
Planned project start date:	9/5/2017	Planned project end date:	10/30/2020	
PPEA Involvement:	No			
<b>Estimated Costs:</b>	<b>Total</b>	<b>General Fund</b>	<b>Nongeneral Fund</b>	<b>Nongeneral Funding Source</b>
Project Cost (estimate at completion):	\$8,743,786			
Estimated project expenditures first year of biennium:	\$2,369,000	\$0	\$2,369,000	
Estimated project expenditures second year of biennium:	\$0	\$0	\$1,906,000	

<b>Service Area</b>		<b>Weight</b>
999 ABC 30403 Enforcement and Regulation of Alcoholic Beverage Control Laws		Primary
BRet Licensing System		Primary
<b>Project Related Procurements</b>		
ABC Licensing and Compliance System - Procurement		
Procurement Description:	This project is for the procurement and implementation of a software application to store and maintain all information related to licensee applications, licensee records, and licensee compliance. This system will replace the the following legacy applications: CORE, Webcore, eLFI (MBAR), Licensee Search, WebInVize, Invize, eBanquet, and CMS (Regulatory function only) applications.	
Planned Delivery Date:	6/30/2017	
<b>VA ABC Financial System Replacement</b>		
<b>Appropriation Act/Funding Status</b>		<b>Project Initiation Approval -</b>
<p>Virginia ABC is currently using a financial management system (FMS) that is out of date, out of support, has passed end of life which does not fully satisfy business requirements. These application support Virginia ABC's mission-critical processes for general ledger, accounting, accounts payable, accounts receivable, etc. Virginia ABC is seeking Supplier Services to assist with the replacement of the current FMS and potentially future FMS functionalities. This change will allow Virginia ABC to operate its mission critical business processes on a modern, scalable, and supported platform that integrates well with the broader Commonwealth applications (i.e., Cardinal, eVA, PMIS and VRS, etc). Most Virginians probably know the Department of Alcoholic Beverage Control by the red and blue logo prominently displayed of each of its 350+ stores across the commonwealth. Since its inception in 1934, profit from sales at those stores has allowed Virginia ABC to contribute more than \$8.6 billion to the Commonwealth. However, Virginia ABC is much more than a retail organization. In addition to offering a wide selection of more than 2,800 distilled spirits, mixers and Virginia wines in its stores, the agency has licensing, compliance, education and administrative functions. Virginia ABC issues and monitors more than 18,000 alcohol licenses annually, thereby enhancing public safety by regulating the distribution of alcoholic beverages and promoting responsible consumption and distribution of distilled spirits to those of age. The agency advocates a zero tolerance for underage consumption. More than 100 special agents in its Bureau of Law Enforcement carry out compliance checks and conduct investigations regarding underage sales, fake IDs and other alcohol crimes. The bureau also partners with other law enforcement entities to monitor and obstruct narcotics and tobacco trafficking, tax fraud and counterfeiting. The agency's education and prevention efforts educate citizens, particularly young people, about reducing underage and high-risk drinking. Virginia ABC utilizes many outreach channels including visits to college campuses and high school and middle school programs. Its Youth Alcohol &amp; Drug Awareness Prevention Project (YADAPP) summer leadership conference for teens has positively impacted more than 10,000 high schoolers since its inception more than 30 years ago. The agency's mini-grant program assists community partners to develop and enhance initiatives related to alcohol education and prevention. Virginia ABC administrative law judges travel throughout the state to conduct hearings on objections for license applications, disciplinary proceedings and franchise cases. The agency's Hearings and Appeals Division oversees more than 850 cases, resulting in more than \$900,000 in revenue from fines and penalties annually. Virginia ABC is committed to continuous progress, innovation and success. The agency functions with the support of nearly 3,400 employees across varied areas including procurement, IT, communications, human resources, warehouse, logistics, finance and policy and planning. Virginia ABC as a State Authority is supported by, and responsible for providing information to numerous State level applications, these include "Cardinal" the Commonwealth of Virginia's Financial and future Payroll system (PeopleSoft 9.2), LMS the</p>		

Commonwealth's Training system (Meridian) and PMIS the Commonwealth's HR system. Although as part of the ERP Strategy ABC will be replacing much of the functionality from its internal Financial applications, there are, and will continue to be some functions that ABC performs directly using State maintained applications. For Procurement, ABC performs all procurement activity in "eVA" a State hosted version of Ariba Buyer v9 r2. This includes all procurement activities from initial requisition request through receiving. While procurement functionality is not being replaced, all Accounts Payable requirements must be fulfilled, so the solution will need to account for retrieval and population of any procurement related data necessary for supporting the solutions fulfillment of the AP requirements from external sources. Additionally, ABC uses a Point of Sale system for its Cashiering so the solution will need to account for retrieval and population of any receivables related data necessary for supporting the solutions fulfillment of the Accounts Receivable requirements from that source." The new system will be cloud hosted and Accenture will be the implementer.

Planned project start date:	6/15/2018	Planned project end date:	10/1/2019
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PPEA Involvement:	No
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Estimated Costs:	Total	General Fund	Nongeneral Fund	Nongeneral Funding Source
Project Cost (estimate at completion):	\$23,700,000			
Estimated project expenditures first year of biennium:	\$10,250,000	\$0	\$10,250,000	
Estimated project expenditures second year of biennium:	\$0	\$0	\$0	

Service Area	Weight
999 ABC 80101 Administrative Services	Primary
999 ABC 80102 Alcoholic Beverage Control Retail Store Operations	Secondary
999 ABC 80103 Alcoholic Beverage Purchasing, Warehousing and Distribution	Secondary

**Project Related Procurements**

ABC Finance Procurement

Procurement Description:	Virginia ABC is currently using a financial management system (FMS) that is out of date, out of support, has passed end of life which does not fully satisfy business requirements. These application support Virginia ABC's mission-critical processes for general ledger, accounting, accounts payable, accounts receivable, etc. Virginia ABC is seeking Supplier Services to assist with the replacement of the current FMS and potentially future FMS functionalities. This change will allow Virginia ABC to operate its mission critical business processes on a modern, scalable, and supported platform that integrates well with the broader Commonwealth applications (i.e., Cardinal, eVA, PMIS and VRS, etc). Most Virginians probably know the Department of Alcoholic Beverage Control by the red and blue logo prominently displayed of each of its 350+ stores across the commonwealth. Since its inception in 1934, profit from sales at those stores has allowed Virginia ABC to contribute more than \$8.6 billion to the Commonwealth. However, Virginia ABC is much more than a retail
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organization. In addition to offering a wide selection of more than 2,800 distilled spirits, mixers and Virginia wines in its stores, the agency has licensing, compliance, education and administrative functions. Virginia ABC issues and monitors more than 18,000 alcohol licenses annually, thereby enhancing public safety by regulating the distribution of alcoholic beverages and promoting responsible consumption and distribution of distilled spirits to those of age. The agency advocates a zero tolerance for underage consumption. More than 100 special agents in its Bureau of Law Enforcement carry out compliance checks and conduct investigations regarding underage sales, fake IDs and other alcohol crimes. The bureau also partners with other law enforcement entities to monitor and obstruct narcotics and tobacco trafficking, tax fraud and counterfeiting. The agency's education and prevention efforts educate citizens, particularly young people, about reducing underage and high-risk drinking. Virginia ABC utilizes many outreach channels including visits to college campuses and high school and middle school programs. Its Youth Alcohol & Drug Awareness Prevention Project (YADAPP) summer leadership conference for teens has positively impacted more than 10,000 high schoolers since its inception more than 30 years ago. The agency's mini-grant program assists community partners to develop and enhance initiatives related to alcohol education and prevention. Virginia ABC administrative law judges travel throughout the state to conduct hearings on objections for license applications, disciplinary proceedings and franchise cases. The agency's Hearings and Appeals Division oversees more than 850 cases, resulting in more than \$900,000 in revenue from fines and penalties annually. Virginia ABC is committed to continuous progress, innovation and success. The agency functions with the support of nearly 3,400 employees across varied areas including procurement, IT, communications, human resources, warehouse, logistics, finance and policy and planning. Virginia ABC as a State Authority is supported by, and responsible for providing information to numerous State level applications, these include "Cardinal" the Commonwealth of Virginia's Financial and future Payroll system (PeopleSoft 9.2), LMS the Commonwealth's Training system (Meridian) and PMIS the Commonwealth's HR system. Although as part of the ERP Strategy ABC will be replacing much of the functionality from its internal Financial applications, there are, and will continue to be some functions that ABC performs directly using State maintained applications. For Procurement, ABC performs all procurement activity in "eVA" a State hosted version of Ariba Buyer v9 r2. This includes all procurement activities from initial requisition request through receiving. While procurement functionality is not being replaced, all Accounts Payable requirements must be fulfilled, so the solution will need to account for retrieval and population of any procurement related data necessary for supporting the solutions fulfillment of the AP requirements from external sources. Additionally, ABC uses a Point of Sale system for its Cashiering so the solution will need to account for retrieval and population of any receivables related data necessary for supporting the solutions fulfillment of the Accounts Receivable requirements from that source."

Planned Delivery Date:	4/9/2018		
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**VABC Enterprise Reporting and BI Project**

<b>Appropriation Act/Funding Status</b>	<b>Investment Business Case Approval -</b>
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The planning, design and development of the BI VABC Data Warehouse, BI Repository element, producing the presentation functionality, transitioning all converted Winward and Crystal Reports into BI Publisher and installing new hardware and software.

Planned project start date:	5/30/2018	Planned project end date:	8/31/2021	
PPEA Involvement:				
<b>Estimated Costs:</b>	<b>Total</b>	<b>General Fund</b>	<b>Nongeneral Fund</b>	<b>Nongeneral Funding Source</b>
Project Cost (estimate at completion):	\$2,736,051	\$0	\$2,736,051	
Estimated project expenditures first year of biennium:	\$673,906	\$0	\$673,906	Non-general - State
Estimated project expenditures second year of biennium:	\$673,906	\$0	\$673,906	
<b>Funding Required:</b>	<b>Total</b>	<b>General</b>	<b>Nongeneral</b>	
Funding required for first year of biennium:	\$0	\$0	\$0	
Funding required for second year of biennium:	\$0	\$0	\$0	
<b>Service Area</b>			<b>Weight</b>	
There are no service areas for this project.				
There are no procurements for this project.				
<b>Budget Category: Non-Major Projects</b>				
<b>Body Worn Cameras</b>				
<b>Appropriation Act/Funding Status</b>			<b>Investment Business Case Approval -</b>	
Development of agency and division specific policies and procedures that specify when and how body cameras are to be used. Purchase of hardware and related accessories that provide agents with the most reliable and effective method of capturing video while conducting enforcement activities Purchase of Software that will protect the privacy of uninvolved 3rd party citizens and provide the ability to classify, store, and retrieve video files for court, hearings, FOIA requests and training when and where appropriate. Acquisition of a new full time employee to administer the software. Development and execution of an extensive training program designed to educate and ensure compliance with all policies and procedures regarding the use of body-worn cameras.				
Planned project start date:	9/27/2017	Planned project end date:	8/31/2018	
PPEA Involvement:	No			
<b>Estimated Costs:</b>	<b>Total</b>	<b>General Fund</b>	<b>Nongeneral Fund</b>	<b>Nongeneral</b>

				Funding Source
Project Cost (estimate at completion):	\$370,000	\$0	\$370,000	
Estimated project expenditures first year of biennium:	\$0	\$0	\$0	
Estimated project expenditures second year of biennium:	\$0	\$0	\$0	
<b>Funding Required:</b>				
	<b>Total</b>	<b>General</b>	<b>Nongeneral</b>	
Funding required for first year of biennium:	\$0	\$0	\$0	
Funding required for second year of biennium	\$0	\$0	\$0	
<b>Service Area</b>			<b>Weight</b>	
999 ABC 30403 Enforcement and Regulation of Alcoholic Beverage Control Laws			Primary	
999 Department of Alcoholic Beverage Control (ABC)			Secondary	
There are no procurements for this project.				

Report Title: Appendix A 18 - 20 Report

Agency: Department of Alcoholic Beverage Control (ABC)

Agency Head Approval: No

### Stand Alone Major Procurements

<b>Procurement Name:</b>	<b>Store Security Camera Monitoring</b>		
Procurement Description:	Renew the monitoring of all VA ABC store security systems for a period of 2 years, To be procured as a sole source because all equipment currently installed belongs to Sonitrol and they are the only vendor that can monitor their equipment.		
Procurement Planned Start Date		Procurement Planned Completion Date	7/1/2017
		Appropriation Act Status	
<b>Service Area</b>			<b>Weight</b>
There are no service areas for this project.			

### Stand Alone Non-Major Procurements

<b>Procurement Name:</b>	<b>ABC Managed Print Services - Procurement</b>		
Procurement Description:	ABC would like to enter into a managed print services program with one of the vendors currently under contract with VITA		
Procurement Planned Start Date		Procurement Planned Completion Date	4/30/2016
		Appropriation Act Status	
<b>Service Area</b>			<b>Weight</b>
There are no service areas for this project.			
<b>Procurement Name:</b>	<b>POS Hardware Maintenance and Support</b>		
Procurement Description:	This will be a procurement to provide services to all 355 ABC stores to install, move, service, maintain and inventory all ABC store POS Hardware as needed. This includes all store POS registers, POS servers, and supporting equipment. The vendor will be dispatched to the stores as directed by the ABC Client Services department. This procurement will be replacing a contract that is expiring 2/29/2016.  This contract will be for an initial 2 year period with up to five 1 year renewals. Estimated cost \$460,000 per year		
Procurement Planned Start Date		Procurement Planned Completion Date	1/31/2016
		Appropriation Act Status	
<b>Service Area</b>			<b>Weight</b>
There are no service areas for this project.			

