



CAL-ACCESS Replacement System Project

California Secretary of State

Risk Management Plan

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1 Introduction

In 1974, California voters approved Proposition 9, the Political Reform Act of 1974 (PRA). The PRA requires, among other things, the disclosure of campaign contributions and expenditures, and state lobbying activity, so that receipts and expenditures in election campaigns are fully disclosed, so that voters may be fully informed, improper practices may be inhibited, activities of lobbyists are regulated and their finances disclosed in order that improper influences will not be directed at public officials.

In 1997, the PRA was amended to include the Online Disclosure Act, a measure that paved the way for electronic and online submission of campaign and lobbying disclosure information over the Internet. This Act had the following two primary objectives:

- Providing greater public access to vitally important information
- The gradual elimination of paper filings of campaign finance and lobbying activity statements and reports.

The Online Disclosure Act led the Secretary of State (SOS) to develop and deploy a public website called the California Automated Lobby Activity and Campaign Contribution and Expenditure Search System (CAL-ACCESS), which is the public's window into California's campaign disclosure and lobbying financial activity.

To assure the highest standards of data integrity and timeliness, the Political Reform Division (PRD) was established within the SOS to administer state filing requirements set forth in the PRA. To interpret and enforce the requirements of the PRA, the Fair Political Practices Commission (FPPC) was established. The FPPC has primary responsibility for the impartial administration, implementation and enforcement of the PRA. The Franchise Tax Board (FTB) is responsible for carrying out mandatory and random audits of filers and the disclosure data filed with the SOS. All three agencies rely heavily on CAL-ACCESS, and work cooperatively and collaboratively to fulfill mandated duties.

CAL-ACCESS, which is mission critical for the SOS administration of the program, is an amalgamation of component applications that were developed at different times using multiple, now obsolete, coding languages, platforms and technologies. CAL-ACCESS users and stakeholder groups have identified the following business problems:

- Program business operations are negatively affected by the current system design.
- Program business operations are at risk due to an old, unsupported information technology platform.
- PRD and stakeholders have limited information access and reporting capabilities.

The SOS has undertaken the CAL-ACCESS Replacement System (CARS) Project to implement a new system to replace CAL-ACCESS. In September of 2016, the Governor approved Senate Bill (SB) 1349. The bill directs the SOS to develop an online, data-driven filing and disclosure system for use no later than February 1, 2019. The legislation also directs the SOS to consult

with stakeholders and hold a public hearing to receive input about developing the online filing and disclosure system.

1.1 Risk Management Plan Purpose

The CARS project will employ a systematic approach to risk identification, analysis, tracking, mitigation, escalation, and closure. This document describes the processes related to that approach. The objectives of the process are to ensure that:

- Risks, including positive risks (opportunities) as well as risks with potential negative impact, are clearly defined and impacts understood.
- Risks and associated actions and their status are formally documented and regularly reviewed.
- The correct participants are involved in the risk analysis and mitigation process.
- Each risk has a defined Owner who tracks actions and resolutions to completion. Escalation to a higher level of management is available and is pursued when effective mitigation or intervention cannot be secured or achieved at the project level.
- Communication among project stakeholders is appropriate and timely to facilitate an understanding of risk impact and to develop quality responses. Effective risk response strategies are identified and executed to minimize impact or likelihood of the risk and attendant impact actually being realized.

Risk Management is an iterative process that occurs throughout the project's lifecycle, and it is a critical component of the CARS Project's monitoring and control activities.

1.2 Risk Management Plan Scope

This document identifies the standard process followed to identify, document, analyze, log, mitigate and monitor project risks, and to manage risk-related action items and escalation throughout the project life cycle. The Risk Management Plan is a living document and may be amended or modified as needed throughout the life of the project if roles are added or revised, additional entities or responsibilities are formally assigned, or processes are revised to better fit the needs of the project.

1.3 References: Risk Log

The current list and status of project risks are maintained in the Risk Management folder located in the CARS Project Library. At the time of publication of this Risk Management Plan, this folder is located at the following location:

[REDACTED](#)

Table 1: Risk Management Plan Terms and Acronyms

TERM/ACRONYM	DEFINITION
Risk	An event or condition that, if it occurs, has a positive or negative effect on at least one project constraint, such as scope, schedule, quality or resources (cost). A risk may have one or more cause and, if it occurs, one or more impact. A risk may be within or beyond the control or influence of the project team.
Avoidance	A response category for actions that, if executed sufficiently in advance, are anticipated to prevent a risk from occurring.
Contingency	A response category for actions to address the situation once the risk has occurred.
Escalation	The process of elevating a risk to a higher level of authority. Also, a defined process for moving a risk to a higher level of authority for resolution.
Mitigation	A response category for actions that will lessen a risk's likelihood of occurrence or reduce its impact on the project.
Accepted Risk	A risk for which no action is feasible within the influence or control of the project team. Responses may not realistically be anticipated or planned in advance for some of these risks.
Acceptance	A category of actions reflecting an informed decision that there are no preventative actions available and no actions can be anticipated to lessen the impact on the project.
Follow-up Item	A task assigned to a person that can be completed and has a defined deadline for completion/resolution. A follow-up item may be a subset of risk analysis or risk response or may be a stand-alone item (e.g., an assignment as a follow-up to a meeting discussion).

1.4 Risk Management Plan Document Maintenance

Risk management is a dynamic process that occurs throughout a project's life cycle. Accordingly, at a minimum, the risk management process is reviewed at the end of each project phase, and the Risk Management Plan is updated as needed. This document contains a revision history log. When changes occur, the version number is updated to the next increment, and the date, person making the change, and change description is recorded in the revision history log of the document.

2 Roles and Responsibilities

The following roles and responsibilities have been identified for the CARS risk management process.

2.1 CARS Project Management Team

The CARS Project Management Team (PM Team) will support the CARS project in ensuring that the risks are managed within the context of the project (scope, schedule, quality or resources/cost). The PM Team also ensures that risk-related responses are resourced and implemented as scheduled, and risks are escalated for senior management involvement, if necessary, according to the process outlined in this plan.

2.2 Risk Manager

The Risk Manager's responsibility is to maintain Risk Management processes for the CARS project. This person leads and works with the CARS Project Team as appropriate to mitigate risks that could impact the project. The Risk Manager is the initial point of contact for risk management and escalation. The Risk Manager's responsibilities also include activities such as:

- Generating the agenda and documentation needed for scheduled Risk meetings and facilitating these meetings
- Receiving and logging risks submitted by project stakeholders
- Leading discussion and selection of risk responses
- Assigning risk ownership and risk related action items (analysis, response actions, etc.) to the project team members
- Ensuring risks are appropriately documented
- Leading and participating in initial evaluation as well as update/re-reviews of risks' level and priority designations
- Monitoring risk status
- Updating the Risk Log with risk details
- Generating risk reports
- Ensuring action items related to Risk Management processes are completed on time
- Extracting risk data prior to the meeting and reviewing for completeness, following-up as required and preparing the meeting agenda and materials.

Additionally, the Risk Manager is responsible for developing, presenting, and maintaining the Risk Management Plan and associated documentation and procedures. The Risk Manager will serve as point of contact for questions regarding Risk Management processes.

2.3 CARS Project Team

The CARS Project Team is responsible for submitting and reviewing potential risks to the project. The team is also responsible for evaluating risk impact, probability and timeframe, prioritizing risks, discussing and selecting risk responses and assigning/tracking/completing the respective risk response action items. The CARS Project Team is responsible for recommending when a risk should be escalated for additional management insight or direction. The team may be supplemented with other contractors (e.g., System Integration (SI), Test Lead, etc.) as deemed necessary.

The Project Team members are also responsible for sharing insights and concerns that may represent risks to the project. Any project staff member may identify a potential risk and bring it to the attention of the Risk Manager. Project team members may be assigned by the Risk Manager to document a potential risk, evaluate a risks' impact, or to develop response recommendations related to mitigation strategies and contingency actions. Project team members may also be assigned by the Risk Manager to implement risk response actions.

2.4 Risk Owner

A Risk Owner is a member of the CARS Project Team who has been assigned ownership of a risk. The Risk Owner identifies risk responses, executes risk response actions identified, monitors the risks and reports status updates to the Risk Manager. Responsibilities of the Risk Owner are:

- Recommending changes in risk level
- Identifying appropriate risk responses
- Assigning and coordinating tasks related to execution of risk responses
- Executing and managing the execution of risk responses
- Communicating status of risk response actions during Risk and Project Team meetings as appropriate
- Reporting on any developments impacting the priority of the risk
- Participating in risk escalation as necessary

Risk Owners will update the status of their risks and the respective Risk Response Plans as information becomes available throughout the month. If the nature of the update could potentially have an immediate impact on project activities, the Risk Owner should not wait for monthly meeting extract but should instead share the update immediately with the Risk Manager who, if needed, will schedule an ad-hoc Risk meeting to discuss risk updates.

2.5 SOS CARS Project Director

The Project Director (PD) is responsible for representing project concerns and recommendations before the Project Sponsor and the CARS Executive Steering Committee (ESC). The PD is the principal point of contact for the SI and other CARS contractor organizations in matters requiring risk escalation beyond the Risk Manager and the CARS Project Manager (CARS PM). If necessary, the PD makes the final decision on concerns regarding risk analysis, prioritization and response planning.

2.6 SOS CARS Project Sponsor

The Project Sponsor is responsible for providing the project with the Agency operational and policy priorities, receiving escalated risks from the PD, and working with the PD to determine the response to escalated risks. This includes risk escalation to the ESC.

2.7 Executive Steering Committee

The ESC is responsible for reviewing and responding to escalated project risks. The ESC may also be asked to provide supplemental resources to the project in order to determine the appropriate resolution for a risk or to implement a mitigation or contingency action. The ESC comprises SOS senior management and is chaired by the Project Sponsor.

2.8 CARS Contractors and Leads

CARS contractors are responsible for identifying potential project risks and participating in the CARS risk process. The contractor staff may be invited to attend the Risk meetings and are accountable for reporting on mitigation and resolution activities assigned to them.

2.9 Independent Project Oversight Consultant

The Independent Project Oversight Consultant (IPOC) reviews the CARS Risk Management Plan and provides independent observations about the CARS Risk Management process. The IPOC is invited to attend recurring Risk meetings. The IPOC may include recommendations related to risk mitigation and risk management in monthly oversight reports.

2.10 Independent Verification & Validation Consultant

The Independent Verification & Validation (IV&V) Consultant is responsible for helping to identify, analyze, and assess the impact of risks to the CARS system development and implementation effort. The IV&V Consultant's findings and recommendations are provided to the PD, the CARS PM, and the Risk Manager. The IV&V Consultant attends Risk meetings and any other meetings at the request of the PD.

2.11 Other Stakeholders

Other stakeholders (e.g., California Legislature, FPPC and SOS staff) may raise concerns that are addressed within the risk management process.

3 Risk Identification and Management Process

This section describes processes used to identify, classify, document, and track risks during implementation of CARS. The risk management process consists of seven steps:

1. Identification (includes intake process)
2. Analysis and quantification
3. Prioritization
4. Response action analysis
5. Escalation (if needed)
6. Tracking and reporting
7. Resolution and retirement

3.1 Risk Identification

Risk Identification is an on-going process that is based upon the SEI Taxonomy Based Risk Identification® process. This process is executed and repeated as needed throughout the project life cycle.

As potential risks are identified during the life of the project, they are analyzed and, based on the output of that analysis, they may be entered as a New Potential Risk in the Risk Log. The Risk Manager convenes a Risk meeting at least monthly to discuss newly identified risks and ongoing risk management efforts. This meeting may be held jointly with the SI's Project Manager, consultants and key staff when appropriate.

Any project team member or stakeholder can identify and submit a potential risk. To submit a potential risk the team member completes the Potential Risk and Issue Intake Form (Appendix A) and sends it via e-mail to the CARS Risk Manager. The team member may also submit potential risks by sending risk information to the CARS Risk Manager by email.

Each potential risk is assigned a unique number and the name(s) of the stakeholder(s) who identified the risk is recorded. This approach ensures the following:

- Mitigation approaches are assigned to specific entities.
- Tracking can occur without duplicate risks being input into the Risk Log.
- Coordination among the stakeholders can occur.

Written analyses, recommendations, senior management directives, and policy papers related to risks are archived in the project library. The risk management data is accumulated to document risks the project is monitoring (open risks) and risks that are no longer being monitored (closed risks). The Risk Log is maintained by the Risk Manager and is stored in the project library. Table 2 provides the examples of the type of information collected.

Table 2: Risk Attribute Definitions

TERM	DEFINITION
Risk Identifier (ID)	A unique identification number. Risks are numbered sequentially; numbers are not reassigned once issued.
Avoidance Actions and Due Date	(As appropriate) List of action items intended to prevent the risk from occurring. The due date is the date by which the action item must be implemented.
Contingency Actions and Due Dates	List of action items intended to minimize adverse consequences of the risk once it has occurred. The due date is the date of expected completion of action.
Impact	1-5 ranking of the degree of the risk's effect on the project if the risk occurs.

TERM	DEFINITION
Mitigation Actions and Due Dates	List of action items intended to lessen the risk's likelihood of occurrence or impact on the project. The due date is the date of expected completion of action.
Next Review Date	The next review date is a date in which the project team agrees to re-review the given risk and its response actions. Each risk will have specific events that may affect the risk's likelihood, impact, timeframe, etc. The next review date can be set to occur following such an event so that the team can then re-assess the risk on or around this date.
Probability	1-5 ranking of the likelihood that the risk will occur.
Risk Owner	Person assigned to develop risk response plans, monitor, and report on status of a risk to the Risk Manager.
Risk Response Actions	Activities decisively taken to anticipate or react to risks during the course of the project. Risk responses fall into one or more of the following categories: acceptance, avoidance, mitigation, or contingency.
Risk Description	Brief narrative describing the risk as specifically as possible. Includes project library location for supplemental analyses.
Level	High/medium/low ranking determined by the assigned ratings for probability, impact, and time frame.
Time Frame	Short/medium/long ranking of the time period within which action must be taken to successfully mitigate the risk.

3.2 Risk Analysis and Quantification

New potential and existing confirmed Project Risks are analyzed based on the type of risk, the probability of the risk occurring, the ability to mitigate the risk, and the potential effect of the risk. Preliminary risk analysis is initiated by the Risk Manager and is a collaborative effort, involving the risk initiator, submitter, PM Team, PRD and Information Technology Division (ITD) Leads, as needed. During a Risk Management meeting, new Potential Risks are discussed and evaluated by the Project Team. If the proposed potential risk does not qualify to be a project level risk but is only something that needs planning consideration, then the Potential Risk is rejected. If the team accepts that the proposed risk qualifies to be a Project Level risk then further evaluation is performed.

This section describes the relevant factors that are evaluated in order to determine the level to be assigned to each risk.

1. Assign an Impact Rating

The impact of a risk is the degree of its effect on the project if it does occur. Impact is assessed in four areas: scope, resources (cost), schedule, and technical performance/quality.

Impact Scale

1. Less 10% change to schedule, scope, budget or quality
 2. 11 –24% change to schedule, scope, budget or quality
 3. 25% or greater change to schedule, scope, budget or quality
2. Assign a Probability Rating

The probability rating identifies the likelihood the risk will occur during the project. The probability assessment is based on assumptions, data, experiences, and dependencies (e.g. risk context), which are documented and tracked.

Probability Scale

1. 1. <33%
 2. 2. 33 – 66%
 3. 3. >66%
3. Assign Time Frame

The timing scale is used to assess the impact of the urgency with which risk management activities must be undertaken. The following timing scale is based on the need to begin risk management work. The risk level is adjusted by the factor shown in the table below.

Table 3: Risk Timing

TIMING
Within the next six months = 1
Six months to a year from now = .66
Over a year from now = 0.33

3.3 Risk Prioritization

Based on the risk analysis, each risk is prioritized and ranked. Since risk level, relative priorities, and response options may change as the project progresses, the project team reviews and update risk ranking during regularly scheduled Risk meetings.

Risk prioritization is based on risk level (low/medium/high), defined as follows:

- **Low:** Risk assessment and management will generally be handled by the Risk Manager and/or SI Project Manager.
- **Medium:** Risks whose mitigation strategies require additional resources or are such that the PM or Risk Manager does not have authority to implement.

- **High:** Risks whose mitigation strategies involve an evaluation and/or change to policy, contracts, statutes, or regulations.

3.4 Risk Response Action Analysis

As the project proceeds and potential risk events emerge, appropriate risk response actions are defined, planned, and implemented. Risks with high and medium levels may require development of a risk response plan. A risk response plan generally may not be developed for risks that fall into the low level category (although the assigned Risk Owner will continue to monitor for changes in these risks).

If there is nothing that can be done to avoid or mitigate a high-level risk at either the project or senior management level, the risk is accepted and a contingency plan may be developed with appropriate actions posted into the project schedule. The Risk Manager reviews risks that fall into the medium risk category on a case-by-case basis. The Risk Manager decides whether to defer potential action at the present time and direct the Risk Owner to simply monitor and report on the risk or to expend the resources to develop a Risk Response Plan. As appropriate, the Risk Manager adds response actions to the project schedule. Additional adjustments may be made to the project budget, resourcing, or communications strategy. The CARS PM, Risk Manager or PD may determine that a contingency plan is needed to effectively manage a medium risk. Such determination is referred to the project team for action.

Risks may present opportunities as well as threats. Opportunities need careful consideration since they may represent scope expansion, resource reallocation, schedule extension, and increased costs in exchange for the emergent business value. Consequently, the risk response categories below apply equally to threats and opportunities. During risk evaluation, the team discusses the nature of the risk, its potential impact on the project, and the response options available to the project. Based on this determination, actions may be identified, resourced, scheduled, and implemented, and outcomes are monitored.

The following are potential response options:

- **Acceptance:** Risks for which no action is within the influence or control of the project and for which responses may not be anticipated or planned in advance.
- **Avoidance:** Action that if executed enough in advance prevents the risk from occurring.
- **Mitigation:** Action that lessens the risk's likelihood of occurrence or impact on the project.

3.4.1 Risk Acceptance

Risk acceptance is an informed decision. The Risk Owner analyzes the risk and determines that:

- There are no preventative actions available to decrease the likelihood the risk will occur.
- Should the risk condition emerge, no actions can be anticipated to lessen the impact on the project.

If the risk is accepted, the Risk Manager documents the acceptance and monitors the risk. Acceptance retains the risk within the risk management monitoring process for change in risk status.

3.4.2 Avoidance Actions

When appropriate, avoidance actions are taken to eliminate the chances of a risk occurring. Examples of avoidance actions include:

- Clarifying or changing requirements
- Improving communication
- Acquiring expertise
- Reduction of project scope to eliminate risk areas

3.4.3 Mitigation Actions

For risks that cannot be avoided, additional mitigating actions may be implemented to lessen the likelihood the risk will occur and/or lessen the impact of the risk's occurrence on the project. Examples of mitigating measures typically include:

- Supplemental planning or monitoring activities
- Introduction of new tasks or changes in dependency relationships among tasks
- Changes to number or skills of task participants
- Changes to the type, frequency or reporting of status data
- Purchase of additional hardware or software
- Addition of external resources or consultants

The project has already employed the following important risk mitigation strategies:

1. Contracting for external project management, IV&V and IPOC services
2. Establishing an ESC to sustain senior management sponsorship and involvement
3. Establishing a regular, formal risk management process

Mitigation activities may become scheduled, resourced, and managed project tasks. The level of the risk will determine the sophistication level of the planned mitigation activities. Mitigated risks receive continued monitoring until the risk ceases to impact the project and is closed.

3.5 Contingency Actions

As the Risk Owner develops a Risk Response Plan for a specific risk they may determine that it is appropriate to not only define actions that may lessen the impact or occurrence of a particular risk but also to plan for contingencies for high level risks.

Once a risk occurs and becomes an issue, those contingency actions are implemented to manage the situation and, if possible, minimize adverse consequences. Contingency actions are identified when the risk is identified so that response is not delayed by planning activities and so that any needed resources are already negotiated. If the required actions cannot be

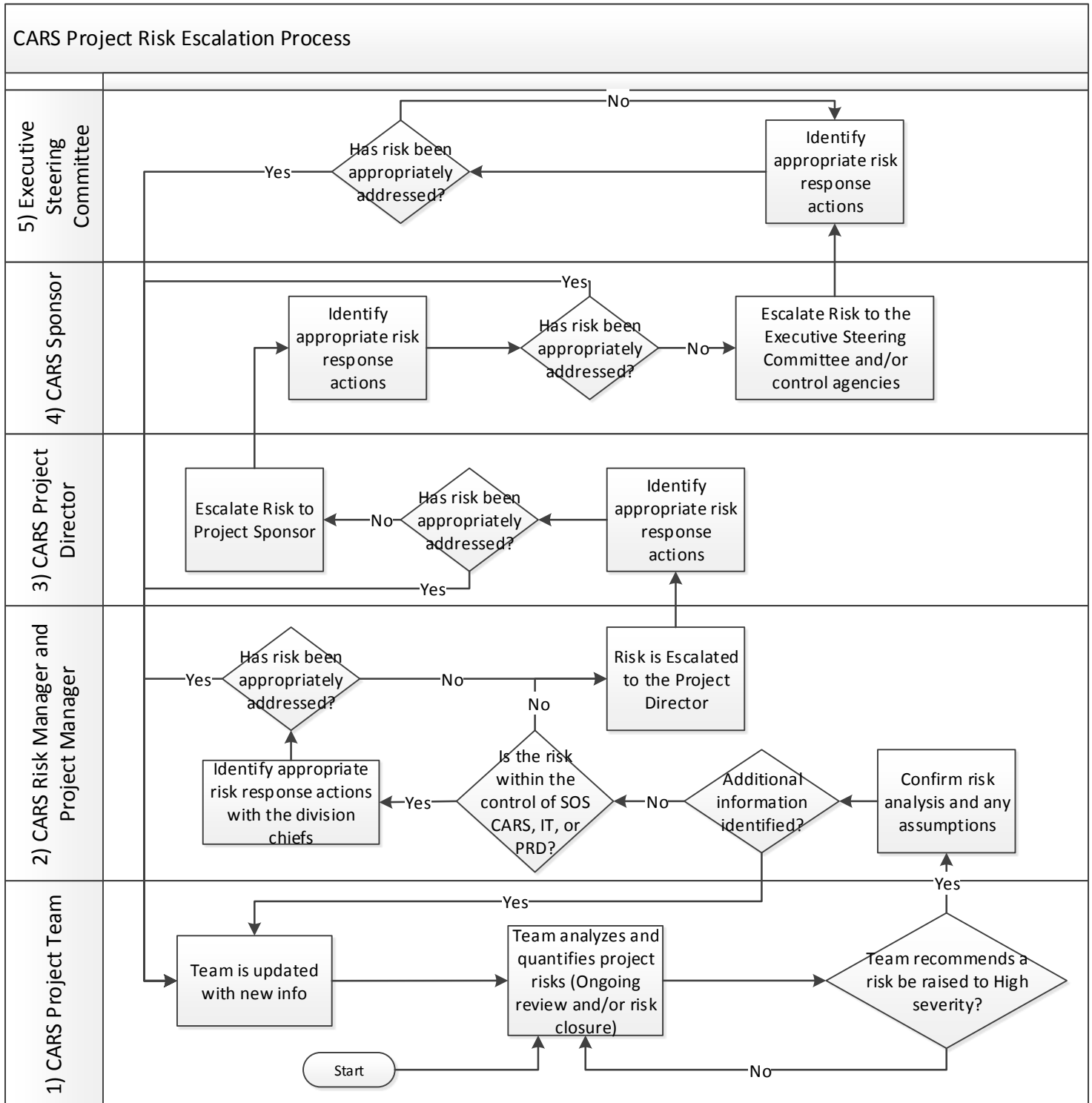
preplanned, the CARS PM, Risk Manager, PD, and appropriate staff will rapidly assemble and develop intervention strategies to respond to the situation.

3.6 Risk Escalation

The overall goal of risk management is to encourage open communication about potential barriers to project success and to provide a systematic process for documenting, evaluating and resolving such concerns. The PM Team, Core Leads and the PD shall always strive to make decisions and address risks at the staff level with the authority to make relevant decisions. In addition, appropriate Managers or Division Chiefs who are able to influence a risk and/or its risk responses are also asked to evaluate risks being considered for escalation.

From time to time, however, risks require higher management involvement in assessing impact, choosing from among alternative responses or successfully implementing resolution strategies. The process to move risks up into senior management-level discussion is called the *escalation process*.

The escalation process has been established to ensure specified risks are elevated as soon as the Risk Manager and CARS PM determine that the day-to-day management process is unable to mitigate the risk or when decision-making regarding response options is at an impasse. The below process flow diagram illustrates the high-level process in which risks recommended for escalation by the team can ultimately get escalated to the Project Sponsor and potentially the ESC.

Flow Diagram: CARS Risk Escalation Process

The Risk Owner and CARS Project Team, as illustrated above, analyze and quantify risks determining their level in regular monthly risk management meetings. If a risk is determined to be of high level in a risk management meeting, the risk is then recommended for escalation by

the team. The Risk Manager then confirms that the risk analysis was completed by the team and verifies any assumptions underlying the determination of high-level. The Risk Manager, the CARS PM and Core Leads work with the SOS ITD Chief and the SOS PRD Chief as needed to identify additional risk response actions that address and lower the level of the risk. If new information is identified it is shared with the team and the risk is re-analyzed.

Risks that are outside the control of the PM Team and the project team and that have been recommended for escalation are escalated to the PD within two business days of completing all analysis (including required coordination with SOS stakeholders as described above for internal risks). Should the PD not be able to identify an appropriate mitigation strategy, the PD elevates the risk to the Project Sponsor within five additional business days. Risks that have been escalated to the Project Sponsor are escalated to the ESC at the discretion of the Project Sponsor within an additional 5 business days.

Escalation may be triggered by the need for:

- Clarification or direction regarding agency policy
- Legal interpretations of PRA Code or other applicable state or federal laws
- Need for additional staff resources to effect a response
- Project involvement with FPCC Officials
- Potentially significant changes to scope, schedule or budget
- Potential changes that could impact control agency authorization or delegation

Should both a named responsible party in this escalation chain and his/her designated backup be expected to be out of the office for more than one working day during a risk escalation, the risk is escalated to the next higher level by the person who would otherwise be reporting the risk to the absent responsible person.

3.6.1 Escalation to the Project Director

Once a risk has been identified as a high level and escalated to the PD accordingly, the Risk Manager has the authority and responsibility to coordinate mitigation strategies with the Risk Owner. At times, the Risk Manager needs to involve the CARS PM and/or PD to develop the mitigation strategy. For example, if the risk affects, or its mitigation strategy requires, an adjustment to policy, contracts, changes to scope, schedule, or resources (cost), or if the mitigation strategy involves stakeholders such as FPCC Officials, the CARS PM and PD must be involved. High level risks shall be elevated to the PD within five business days of identification. Should the PD not be able to identify an appropriate mitigation strategy, the PD elevates to the Project Sponsor. The PD plays two pivotal roles: 1) making decisions the CARS PM and/or Risk Manager cannot; and 2) escalating to the Project Sponsor as appropriate and securing commitments for decisions and actions.

3.6.2 Escalation to the Project Sponsor

For high-level risks, the PD escalates the risk to the Project Sponsor within 10 business days of notification in order to jointly identify a mitigation strategy.

In the event that the PD and Project Sponsor are unable to determine appropriate actions to address the risk, the Project Sponsor determines the urgency of the risk and decides whether to escalate to the ESC. The following are examples of types of risks that might require escalation to the ESC:

- Policy or legislative concerns
- Politically sensitive anticipated actions
- Major milestone, schedule and scope impacts
- Significant line of business impacts
- Adverse stakeholder actions
- Funding reductions or discontinuance
- Audit or external oversight concerns that threaten the project scope

3.6.3 Escalation to the Executive Steering Committee

When an item is escalated to the ESC, the ESC members and other appropriate entities are notified of the need for a meeting and are provided with the following information about the risks:

- A summary description of the risk including potential impact
- Risk response options considered
- Consequences of continued delay in enacting intervention (mitigation or contingency actions)

Risk items for ESC attention must be scheduled for discussion within five business days of the Project Sponsor's receipt of the notice of escalation from the PD. If the risk action can wait until the next scheduled ESC meeting, it is posted to that agenda. If a resolution cannot be delayed until the next scheduled meeting, the Project Sponsor, as chair of the ESC, may call an ad hoc meeting to address the risk.

If the ESC determines actions are required in order to make a decision or respond to a project information or resource need, the Project Sponsor ensures the action items are well defined, due dates are established, and responsible parties have taken ownership.

If project work is delayed pending the PD or Project Sponsor's decisions, the CARS PM or Risk Manager must notify affected project staff. The Risk Manager updates the Risk Log to reflect the timeframes provided and schedule appropriate monitoring and follow-up activities.

3.6.4 Contractor Staff

All CARS Contractor staff must agree to resolve risks at the lowest practical level of project management. On those occasions, when the team is at an impasse or is not authorized to enact mitigation or contingency measures and the Contractor believes escalation is necessary, the Contractor will first discuss the risk with the CARS PM. If the CARS PM cannot resolve the matter, the Contractor may escalate to the PD.

3.7 Tracking and Reporting

During the life of the project, risks and associated actions need to be monitored. During the Risk meetings, the assigned Risk Owner provides the status of risk-related activities and the Risk Manager updates the log as appropriate. The Risk Log is the principal repository of the risk escalation history. The Risk Manager is also responsible for obtaining the update/status information from escalation meetings and recording it into the database.

The PM Team, with the support of the Risk Manager, report risk description, rating and status for high-level risks via the project status reporting. Risk-related information may also be used by the PD to brief the Project Sponsor and/or ESC. Any risk activities (monitoring, analysis, plan development, mitigation or contingency actions, status reporting) that consume significant staff resources or require coordination will be placed on the project schedule. The Risk Manager, in consultation with the PM Team and SI Project Manager, will determine what constitutes significant resources or coordination effort. Status monitoring and reporting activities that are inclusive to Risk Management meetings and do not result in significant redirection of staff resources are absorbed by the project staff. At the PM Team's discretion, critical due dates and risk-related milestones may be added to the overall project schedule.

3.8 Resolution and Retirement

At each Risk meeting, the Risk Owner summarizes the status of the risk and the team determines whether the risk has been eliminated or whether additional monitoring or follow-up actions are required. If the risk has been eliminated, the Risk Manager marks the risk closed in the risk log. The Risk Owner ensures all materials related to the risk response have been provided to the Risk Manager for archiving in the project library. At the Risk Manager's discretion, a risk that has been closed may be reopened rather than enter a new but similar risk into the log. In the case of reemerging risks, analysis includes why the item was not fully resolved the first time and the likelihood interventions exist that permanently resolve the risk at this time. Risks of a cyclical nature (such as those dependent on legislative or budget cycles) may be closed and reopened on a cyclical basis if the nature of the risk is well understood. Otherwise, if a previously closed item has remained closed for six months, the recurring risk is opened as a new risk.

4 Risk and Issue: Transformation

During the course of the project, concerns and opportunities may increase or decrease in their potential impact on the project. The Risk Owner is responsible for monitoring and reporting these changes to the Risk Manager. A risk situation may occur and need to be treated and managed as an issue. Once an issue or risk is transformed, the notation is made in the Risk Log, and the monitoring and reporting practices for those tracking activities take over. See CARS Issue Management Plan for more information regarding the Issue Management Process.

5 Appendix A: Risk and Issue Intake Form

CARS PROPOSED RISK and ISSUE SUBMISSION FORM

GENERAL INFORMATION

Submitted by:	Click Here to enter name	Submitted Date:	Click here to enter a date
Originator (if different from the submitter):	Click Here to enter name		

☐ [Check here if you will be attaching or sending additional information separately](#)

CONCERN: RISK or ISSUE DESCRIPTION

An issue is a problem related to a project that is about to occur or is currently occurring.

A risk is an event that could occur and have an impact on the project. If not mitigated and it occurs, a risk can become an issue.

Concern Title:	Click here to enter a title for your concern.																																				
Statement:																																					
Cause (if):	<i>Based on your understanding, clearly describe the concern.</i> Click Here to enter name																																				
Impact (then):	<i>Based on your understanding, describe the impact on the project if the concern is not addressed timely. Impact in terms of project scope, schedule, budget, staffing, or SOS policy/politics.</i> Click Here to enter name																																				
Action Needed By:	<i>This indicates when the concern must be addressed by. Select the timeframe.</i> Time Frame: Choose a Timeframe Additional Info: Click Here to enter name																																				
Probability (1-5):	Choose the perceived probability.																																				
Potential Impact (1-5)	Choose the perceived impact																																				
Impacted Stakeholders:	<i>Provide a list of impacted stakeholders describe the impact.</i> Click Here to enter name																																				
Response Plan:	<i>If available, provide a list of perceived responses to the concern.</i> Click Here to enter name																																				
Risk Level is determined by ("Probability" * "Impact") * "Action Must Begin by"																																					
<table border="1"> <thead> <tr> <th colspan="3">Probability Scale</th> </tr> </thead> <tbody> <tr> <td>1</td> <td><20%</td> <td>Low</td> </tr> <tr> <td>2</td> <td>21 - 40%</td> <td>Low</td> </tr> <tr> <td>3</td> <td>41 - 60%</td> <td>Medium</td> </tr> <tr> <td>4</td> <td>61 - 80%</td> <td>Medium</td> </tr> <tr> <td>5</td> <td>>80%</td> <td>High</td> </tr> </tbody> </table>	Probability Scale			1	<20%	Low	2	21 - 40%	Low	3	41 - 60%	Medium	4	61 - 80%	Medium	5	>80%	High	<table border="1"> <thead> <tr> <th colspan="3">Impact Scale (to schedule, scope, budget or quality)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Less than a 5%</td> <td>Low</td> </tr> <tr> <td>2</td> <td>5 - 10% change</td> <td>Low</td> </tr> <tr> <td>3</td> <td>11 - 15% change</td> <td>Medium</td> </tr> <tr> <td>4</td> <td>16 - 24% change</td> <td>Medium</td> </tr> <tr> <td>5</td> <td>25% or greater change</td> <td>High</td> </tr> </tbody> </table>	Impact Scale (to schedule, scope, budget or quality)			1	Less than a 5%	Low	2	5 - 10% change	Low	3	11 - 15% change	Medium	4	16 - 24% change	Medium	5	25% or greater change	High
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Submit this completed form to the CARS Risk and Issue Manager or the Project Manager. A number will be assigned for tracking.

Page 1

Link to the folder containing the Risk and Issue Intake form:

REDACTED