Agency: Washington State Liquor and Cannabis Board (WSLCB)

Project: Marijuana Traceability Project

Description: In 2017, WSLCB procured a replacement system that is a web-based seed-to-sale Traceability System (System), named Leaf. The system enables the WSLCB to gather and track data related to inventory, marijuana harvesting, marijuana transfer, marijuana transport, marijuana disposal, quality assurance, retail sales transaction data, and tax information from all marijuana licensees operating in Washington State. It is used by the WSLCB to track marijuana and marijuana products through the supply chain. Washington State licensed marijuana producers, processors, and retailers, research licensees, testing labs, and transporters (marijuana licensees) are required to submit specific information to the WSLCB via this system. The traceability system will provide functionality to assist with analysis of the data, auditing operations, and enforcement.

The former, expired system that ended Oct. 31, 2017, did not provide for requirements such as volume of data, QA lab data, research licenses, sub-lotting, compliance with state system security policy, accessibility, mobility, etc. Although a re-bid was required, the state was unable to extend its existing contract - leaving the state only a few months to implement a replacement system. After four months of intense work on configuration and conversion, the replacement system was not sufficiently ready and go-live was postponed to Feb. 1, 2018.

The Leaf system was implemented Feb. 1, 2018, and is scheduled to be fully implemented by Dec. 31, 2018. As it operates today, the system has known defects that are being addressed in releases scheduled for November and December. Since July, vendor management has improved significantly. The new six-month contract has incentives for producing releases earlier than scheduled and liquidated damages for missed milestones. The independent QA consultant noted the across-the-board improvements in its August report by reducing all "high risk" areas to "moderate risk" or "low risk."

Purpose of attending the 10/11/2018 TSB:

Provide project status and report on IV&V and key lessons learned.

Project Schedule
Release 1.1: 11/06/2018
Release 1.2: 12/20/2018
Leaf Fully Implemented: 12/31/2018
Planned Project Closure: 02/28/2019
Current Assessments
OCIO = Red
Quality Assurance = Yellow

Budget	
MJ Freeway	$856,655
Internal Staff	$1,332,550
Contractors	$612,049
Project QA	$195,760
Total Project Cost	$3,063,751

Timeline	Key Event/Action
08/2016	LCB determines that Traceability system contract must be competitively bid
07/11/2017	Contract with MJ Freeway executed; implementation work begins
10/31/2017	Baseline go-live; old system vendor contract expired; contingency reporting begins
02/01/2018	Leaf Data System went-live
12/31/2018	Final release of Leaf Data system implemented