

DAVIS WRIGHT TREMAINE LLP

MEMORANDUM

To: WA Senate Investigation File
From: Monty Gray
Date: February 16, 2016
Subject: Interview with Doug Hoffer

I conducted an interview with Mr. Doug Hoffer today by telephone, as he is leaving tomorrow on a brief family vacation, returning on February 23. The following summarizes Mr. Hoffer's statements in the interview:

I told Mr. Hoffer that I work for Davis Wright Tremaine, which has been engaged by the Washington State Senate to assist in its investigation of the prisoner release problem. I explained that we had been hired to determine what happened and why the problem was not identified or fixed earlier than it was, but also to seek information on contributing conditions at DOC and on possible corrective measures that might be considered.

Mr. Hoffer is a graduate of Central Washington University, where he studied accounting. He began his career with the State Auditor's office, where he worked for seven years, then moved to DOC in the budget office. He moved into the IT department in the early 2000s, with a budgetary focus. He began working on the OMNI project in 2006, and became more involved in the IT side of things, although he was never a coder. He became deputy CIO under Kit Bail starting in 2008, and CIO when Ms. Bail left. He continued as CIO until 2014, when he left to work for what was then Consolidated Technical Services. He is now Assistant Director for Telecommunications Services. At one time he was a certified public accountant, but he has allowed his license to lapse.

When asked why he left DOC, Mr. Hoffer said that over the last year to 18 months of his tenure, he was very much focused on what was clearly Secretary Warner's main priority, then known as STRONG-R, which focused on reducing recidivism and related issues. (When asked whether this was the same project later known as "Advance Corrections," Mr. Hoffer said that he thought so but wasn't sure.) Mr. Hoffer said he found the initiative extremely difficult and frustrating. He said, "It was clear that the initiative wasn't going to be successful. It was time for me to leave." In addition, Mr. Hoffer clarified after the interview, he had been at DOC for a long time, and it was time for a change. It was mostly the STRONG-R initiative, but there was more to the story than just that.

Mr. Hoffer began looking at other options during the last year or so of his tenure at DOC, and eventually chose what became WaTech. A lot of other people left the DOC IT department during this period; some of them followed him to CTS.

Secretary Warner assigned Mr. Hoffer to facilitate the STRONG-R initiative within the Department. This effort was primarily focused outside the IT department, although not exclusively so because any solution would ultimately result in an automated IT solution. Mr. Hoffer noted that there are a lot of different theories about how to reduce recidivism by offenders. The Department issued a Request for Information, and Mr. Hoffer and other IT staff participated in a lot of meetings to evaluate responses, and otherwise to move the STRONG-R initiative forward.

The STRONG-R effort consumed a lot of resources, and Mr. Hoffer brought in other people from IT to assist him. This reduced the resources available for the ordinary business of the department, but it did not greatly affect the developers and testers. Mr. Hoffer believes that Secretary Warner chose him for the role because the IT department had a strong project-management discipline and a track record of successful projects.

I asked Mr. Hoffer about Assessments.com. He said that at the same time that OMNI deployed in 2008, a separate application called OSPS was deployed with it. This did risk assessments of offenders, and the output of OSPS fed into OMNI, requiring interfaces between the two pieces of software. OSPS was developed by Assessments.com, which had a maintenance contract to support it.

The owner and CEO of Assessments.com, Sean Hosman, developed a drug and alcohol problem, and his company appeared to go into difficult fiscal times, not meeting payroll, etc. When maintenance work was needed, oftentimes "they were nowhere to be found."

During the STRONG-R project, DOC issued Requests for Information with many players in the industry for a new product to replace OSPS. At some point, Sean Hosman reappeared, said that he had cleaned up, and wanted to resurrect his company and resume supporting the code. Assessments.com became involved in the STRONG-R project generally, not just in the IT aspect. "A lot of it was related to the business side of corrections."

Mr. Hoffer felt that DOC could build the STRONG-R processes into its existing OMNI system. He was concerned that using separate applications would require new interfaces, and interfaces are a frequent source of problems and failure of IT systems. Secretary Warner did not agree that building the functionality into OMNI was the correct approach. The rationale for the Secretary's decision was never explained. "I felt I wasn't being listened to." "It was a tough time; it was difficult to facilitate decisions and conversations regarding this initiative."

I asked Mr. Hoffer about the process for prioritizing changes to OMNI while he was at DOC. He said that at DOC they had talked a lot about how to get the business side involved. He said that there were "two levels of governance," one for bigger changes such as major new functionality or other projects, and one for smaller items, such as routine day-to-day maintenance. Even on the larger projects, however, it was difficult to get business decisions.

For smaller items, such as routine defects and enhancements, Mr. Hoffer said that they tried various ways to set priorities. They created a "Technology Review Board," but found it very difficult to get the right people at the table to make decisions. He noted that there were

typically 1000 defects and enhancements in the database, affecting many different aspects of the various IT systems, and that no one person could go through and identify the implications of each one. They tried to identify the business owners of the functionality; but they found that it was not easy to get engagement in all areas. Prior to the deployment of the OMNI software, the Department created the "Business Unit" within IT; these people came from the business of corrections, to be the interface between IT and the various business components.

The prisons side of the business unit was led by Dave Dunnington. I asked Mr. Hoffer for his assessment of Mr. Dunnington's abilities. He said that he was logical and disciplined, and a good communicator who could bridge the gap between the IT people and the business people.

Mr. Hoffer said that larger projects were supposed to go through the "Project Review Board," or PRB. He thought that this was what his predecessor had referred to as the "governance team," or "governance committee" in our interview with her. This was designed to get upper-level executives to look at competing proposals and decide which should go forward and in which order. Toward the end of Mr. Hoffer's tenure, however, Secretary Warner became "very focused" on the STRONG-R effort, and PRB meetings became much more about STRONG-R than about what other initiatives the IT department should be working on. It was difficult to get the senior management in the department to focus on these projects.

Mr. Hoffer noted that some of the larger projects did draw resources away from routine maintenance. He stated that whenever possible they tried to get money from the project sponsors to support the needed resources, such as another developer, because IT didn't have the money in its budget. This wasn't easy, but IT tried to do the best they could to meet the varied needs of the Department. He observed that DOC was a very demanding place, with limited resources, and that it was a lot easier for people to get excited about new things rather than to focus on existing stuff. He noted that the Department as a whole is resource-starved. It is in competition with many other agencies for dollars from the General Fund. He said it was a good place to work, but a difficult place to work.

Mr. Hoffer agreed that in hindsight, the "severity" codes in ClearQuest did not fully work as a prioritizing device. He noted that any prioritizing system needs to be based on objective criteria. He has heard that the department is looking at new scoring software, and he applauds that effort.

I asked Mr. Hoffer about the technical analysts, such as Steve Collins. He said that during the early implementation of OMNI, they had people like Collins who had grown up in the OBTS world but also were part of the development of OMNI. They helped with transition, and thereafter. They had years and years of knowledge and background that was very difficult, if not impossible, to replace when time came for them to retire. He said that the loss of the technical analysts was mostly a function of retirement.

Mr. Hoffer was asked about keeping the design documentation for OMNI updated with the various changes that were made. He said that the IT Department had debates about this topic, and that there is disagreement within the IT community generally as to whether the

benefits of doing so justify the cost and effort involved. He believes that they did update the design documentation for a period of time, and then, after some discussion and debate, decided to discontinue the effort. He believed that the ClearQuest software would enable one to identify to a degree what changes had been made to a particular module.

Mr. Hoffer was asked what changes he would make, or at least explore, if he were the current CIO. He said that he had thought a lot about the issue since the news hit in December.

He applauds the recent Governor's directive to make sure that there is clear business ownership for IT systems (including SSTA), with a specific person identified as responsible that offenders serve the right amount of time. He noted that this could be set out either in a policy statement or in a job description.

He thought that there ought to be some process requiring the owner of SSTA to certify that the computer calculations comply with applicable law and regulations. If the owner is unable to make such a certification, for instance because of known defects, then there should be a requirement that sentences be manually calculated. He observed that from the time a defect in calculations is identified, you know that you're not keeping offenders for the right period of time unless manual calculations occur.

It doesn't surprise Mr. Hoffer that the work to develop specifications and requirements and implement a fix in this case took a while; but 3 years is "obviously not acceptable." Given that set of circumstances, however, there should be some process for certifying that the system works, except for identified items, which will be hand-calculated. One benefit of this, Mr. Hoffer thought, was that hand calculations would take time and consume resources, highlighting the degree to which the fix would create efficiencies and reduce costs.

Mr. Hoffer has some concerns about "hot fixes" in this situation. He noted that the SSTA code is "very, very, very complicated," and he is concerned that speeding up development would create additional defects. He said that the IT department had longer release cycles by design, in order to allow for seven full days of regression testing. He observed that there is currently a movement toward "agile" processes, which shorten up the time for development and fixes. He views this as part of the ebbs and flows of management theory, and would be concerned about adopting it for something as complicated as SSTA.

Mr. Hoffer said that when OMNI was first put into production, IT sometimes had various problems, and hot fixes were unavoidable. However, he said, before agreeing to implementing a hot fix outside of a scheduled release, the IT department would ask whether there was an acceptable manual workaround. After the initial bugs were worked out, the IT department used "hot fixes" much less often, although they normally would do a hot-fix if a release broke something.

Mr. Hoffer said that if he were CIO, he would be interested in learning how other organizations (perhaps big companies such as Amazon or Google) handle some of these issues, such as prioritization of changes.

I explained to Mr. Hoffer that I would be preparing a memorandum of our interview for his review and correction or signature. I also alerted him to the fact that the Senate was likely to hold hearings on this matter beginning as early as next week, and that I would be recommend that he be a witness at these hearings. I told him that as far as I knew, the schedule had not yet been firmly set, nor did I know exactly what the format would be.

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I have reviewed this memorandum, have been given the opportunity to revise it for accuracy, and agree that it correctly summarizes my statements to investigators.

Signature: Doug Hoffer
Name: DOUG HOFFER
Date: 2-22-10