**Subject: Project Alpha - Q2 Status Update & Key Risks**

**Date:** May 4, 2025 **Prepared For:** Steering Committee **Prepared By:** Project Lead

**1. Executive Summary:** Project Alpha remains on track for core deliverable deployment in Q3. Phase 1 user testing feedback is positive, with minor UI adjustments planned. Budget variance is currently +3% due to increased licensing costs, mitigation plan under review. Key personnel dependencies remain a critical risk.

**2. Key Milestones Achieved (Q2):**

* Module A Integration Testing Complete
* User Acceptance Testing (UAT) - Phase 1 Signed Off
* Vendor Contract V-Alpha Finalized

**3. Upcoming Milestones (Q3):**

* UAT Phase 2 Commencement (Target: June 15)
* Security Audit & Penetration Testing (Target: July 1-15)
* Go-Live Readiness Assessment (Target: Aug 1)
* Deployment Window (Target: Aug 15-30)

**4. Budget Overview:**

* Original Budget: $500,000
* Actual Spend to Date: $315,000
* Forecasted Spend (End Q3): $515,000 (+3% variance)
  + *Variance Driver:* Unforeseen increase in software license costs for component X.
  + *Mitigation:* Exploring alternative licensing model with Vendor B, potential savings of $8,000. Decision by May 15.

**5. Key Risks & Issues:**

* **Risk 1 (High):** Key personnel (Lead Dev - J. Smith) departure. Mitigation: Knowledge transfer sessions initiated, backup resource identified (R. Jones). Impact: Potential 2-week schedule slip if risk materializes.
* **Risk 2 (Medium):** Integration dependency on Project Beta delayed. Mitigation: Weekly sync meetings with Project Beta team. Impact: Minor feature limitations at launch if delay exceeds 4 weeks.
* **Issue 1 (Open):** Performance degradation noted during peak load testing in UAT Phase 1. Action: Performance tuning underway by Dev Team. Resolution Target: May 20.

**6. Next Steps:**

* Steering Committee review of budget variance and mitigation plan.
* Finalize UAT Phase 2 scope.
* Confirm security testing resources.