VIRGINIA
IT AGENCY

Commonwealth of Virginia Project Initiation Approval Overview (PIA)/Cost Benefit Analysis (CBA)

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PMD Consultants

January 2024

Administrative

Logistics:

Timing:

Breaks:

Materials/Slides: Will be distributed after class.

For additional questions, check with your PMD consultant

Administrative

Welcome

Name

Agency

Commonwealth level project experience

Bonus question of the day

Agenda

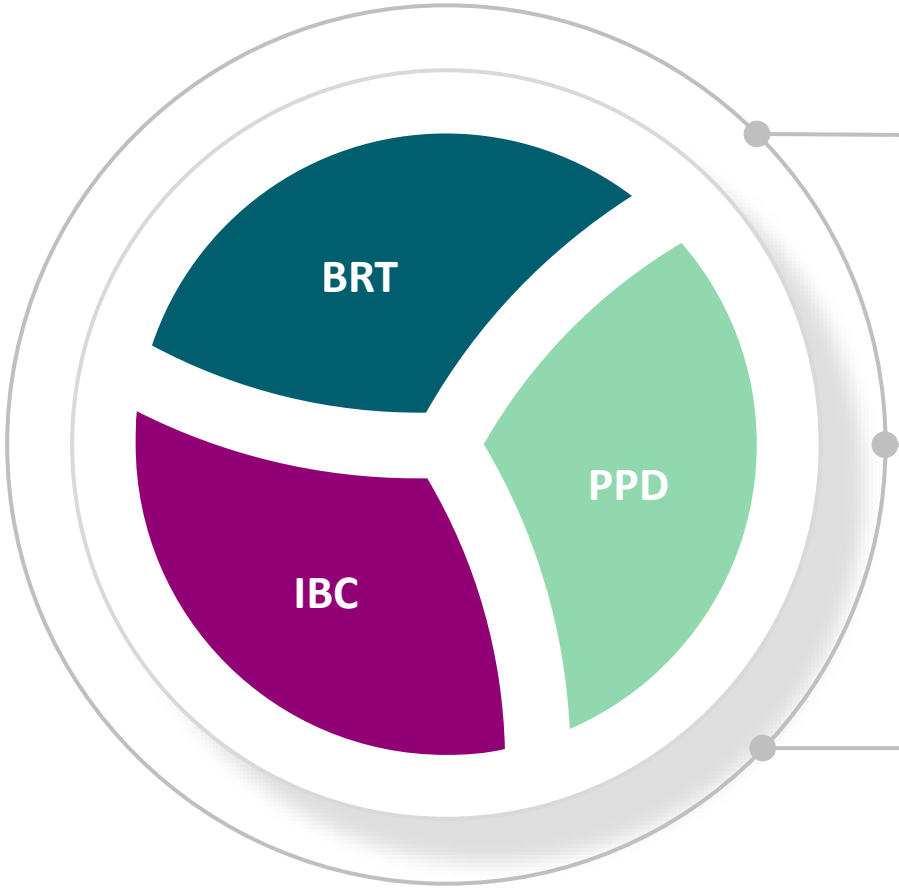
- Overview/Review
  - What, Why, How, Tools
- Cost Benefit Analysis (CBA)
  - Anatomy of a CBA
  - Exercise
- Business Case and Alternatives Analysis (BCAA)
  - Exercise
- Business Case and Alternatives Analysis Summary
- Project Charter
  - Exercise(s)
- Risk & Complexity Assessment
- Approvals

Terms

- BRT- Business Requirement for Technology
  - Existing
  - New
- PPD – Project/Procurement Determination
- IBC – Investment Business Case

- CBA – Cost Benefit Analysis
- BCAA- Business Case Alternatives Analysis
- ROI – Return on Investment
- TCO – Total Cost of Ownership
- ITSP- IT Strategic Plan

BRT/PPD/IBC



Business Requirement for Technology

High level information on agency technology need

Project Procurement Determination

Determines if the investment will be a stand-alone procurement, project, or both

Investment Business Case

A justification for a potential IT project used to determine investment priority.

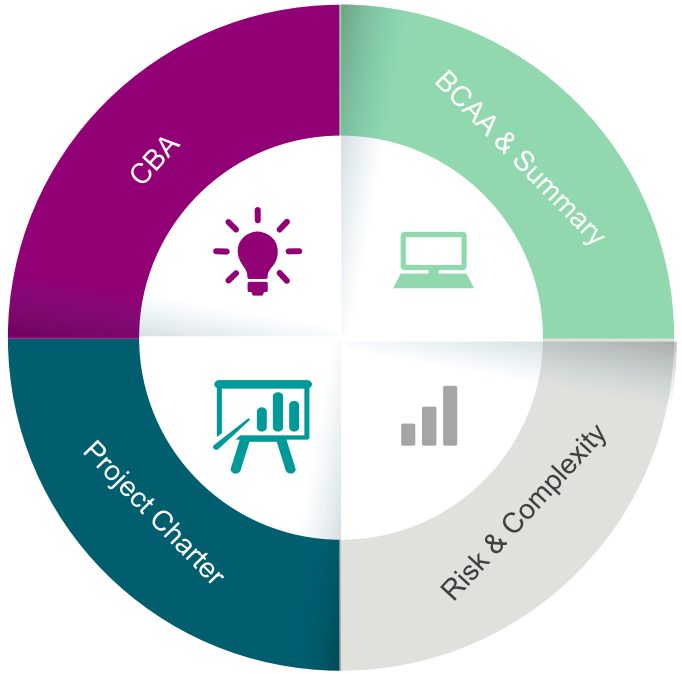
Project Initiation Approval (PIA) Requirements

CBA

An evaluation of the costs and benefits of alternative approaches to a proposed activity to determine the best alternative.
Not required for Category 4- Highly Recommended

Initiation Risk & Complexity

Primary driver of the level of Governance and Oversight needed for a project.



BCAA & Summary

Identifies and performs a comparison of various solutions for the business problem
Summary: A high-level side by side comparison of the considered solutions showing how they measured up against each other

Project Charter

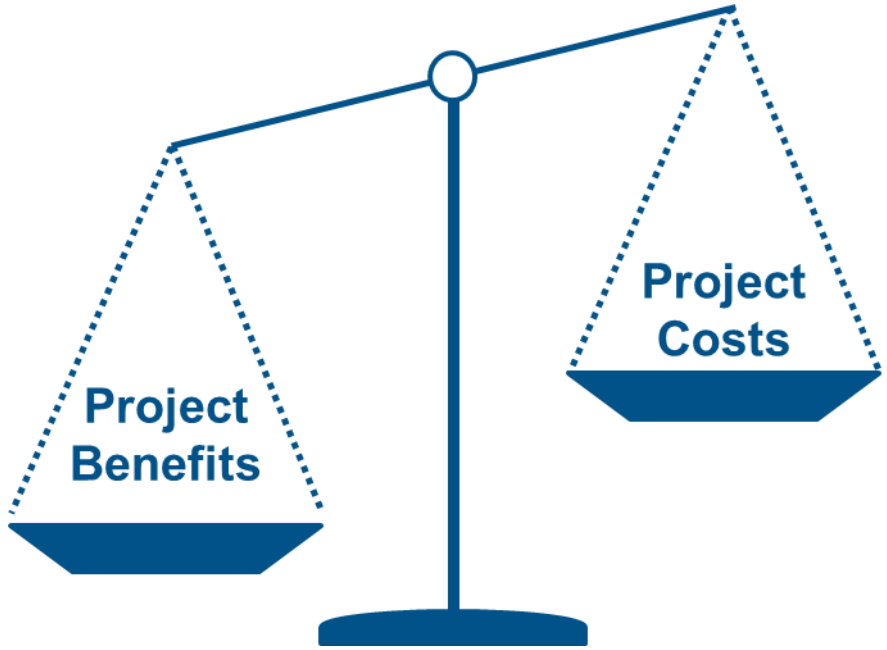
A document issued by the project initiator or sponsor that formally authorizes the existence of a project, and provides the project manager with the authority to apply organizational resources to project activities

Course Description

The purpose of the Cost Benefit Analysis (CBA) course is to provide a systemic way of thinking about the measurement of benefits and costs when evaluating investments. Given the requirement of cost-benefit analysis in COV ITRM Project Management Standard Project Initiation process, this course will develop critical appraisal skills needed to evaluate investments based on cost, benefits and return on investment, or value of potential solutions.

Course Objective

- Conduct a cost benefit analysis utilizing the Cost Benefit Analysis (CBA) Worksheet
- Monetize costs and benefits related to a specific investment
- Understand the economic feasibility of the solutions being considered, the expected Return on Investment (ROI) and anticipated payback period



Why Cost Benefit Analysis (CBA) ?

- Decision makers must make the most of scarce resources and at the same time respond to ever increasing demands for improved performance and new technology. The importance of investment management in information technology continues to increase.

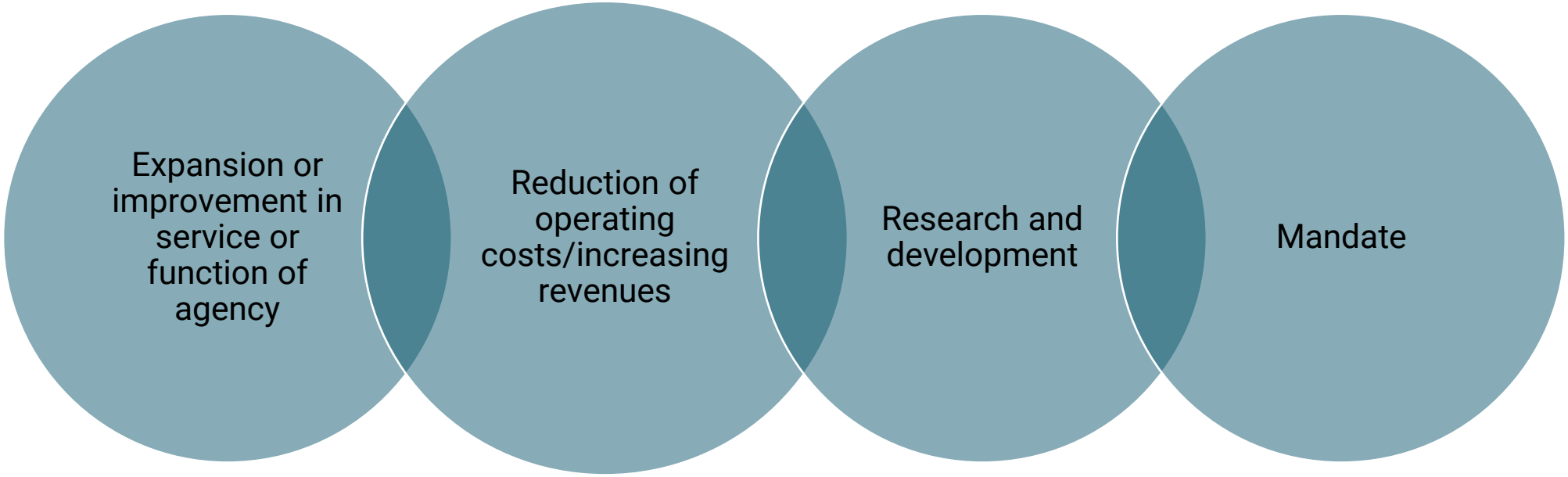
Why Cost Benefit Analysis (CBA) ?

Cost Benefit Analysis (CBA) is the process of quantifying the advantages (benefits) of an action and comparing it to its drawbacks (costs).

Cost/Benefit Analysis is a systematic approach to estimating the strengths and weaknesses of technology alternatives that satisfy agency business requirements.

Successful IT Investment Management decision-making begins with the identification of benefits and costs. These two factors are essential items regardless of the nature of the investment, metrics applied, or approach used to value them.

Investments in the public sector



Benefits

Every proposed IT project for an agency should have identifiable benefits for both the agency and its customers.

Identifying these benefits will usually require an understanding of the business processes of the agency and its customer.

Benefits

Consider the potential impact of a new or modified system in terms of:

Accuracy – the degree of conformity of a measured or calculated value to its actual or specified value.

Availability – the degree to which a system, subsystem, or equipment is operable and in a committable state of a mission.

Compatibility – capability of two or more items or components of equipment or material to exist or function in the same system or environment without mutual interference.

Efficiency – measure of speed and cost.

Cont. Benefits

Maintainability – the ease with which a software system or component can be modified to correct faults, improve performance, or other attributes, or adapt to a changed environment.

Modularity – the extent to which a system is made up of pieces independent, which makes for the easy assembly of simple autonomous parts into complex structures, is a hallmark of new software; software that's built for networking.

Reliability – the probability that a functional unit will perform its required function for a specified interval under stated conditions.

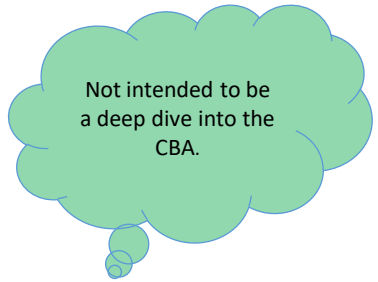
Security – a condition that results from the establishment and maintenance of protective measures that ensure a state of inviolability from hostile acts or influences.

Brainstorming Project Benefits

- If you know the product, does another state use it? If so, research to see if they have done a CBA for the product.
- If you know the product, look at the vendor marketing material; it can give you ideas on how it can benefit your organization.
- Look at other projects in CTP / Plainview for ideas: talk to your PMD consultant for ideas.
- Interview stakeholders, users, customers.

Practical Application

Cost Benefit Analysis



What:

- An analysis tool that defines the cost, benefits, ROI, TCO, and breakeven point for a project

Why:

- Supports the financial justification for choosing a given alternative IT investment
- Provides visibility into O&M cost and benefits for pursuing change

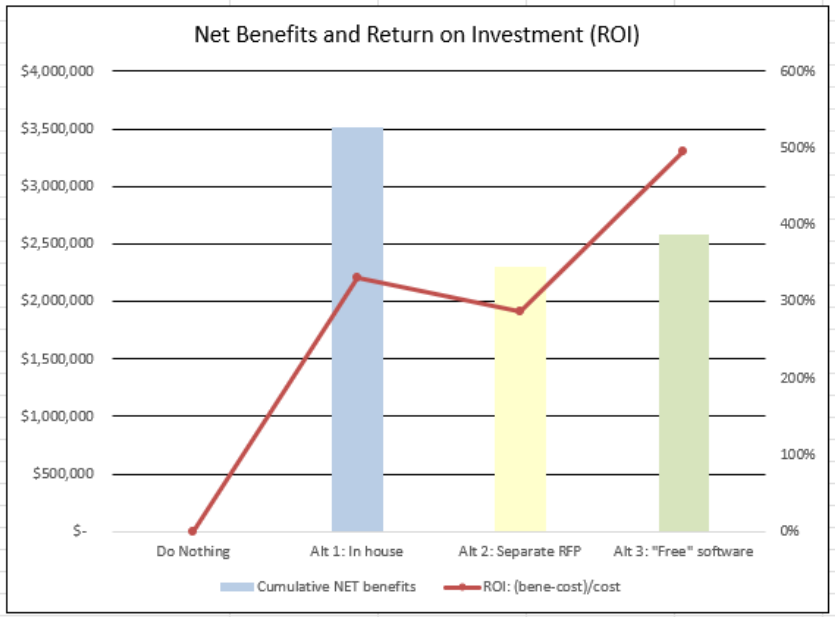
Where: Download from the VITA PMD site: Templates and Training

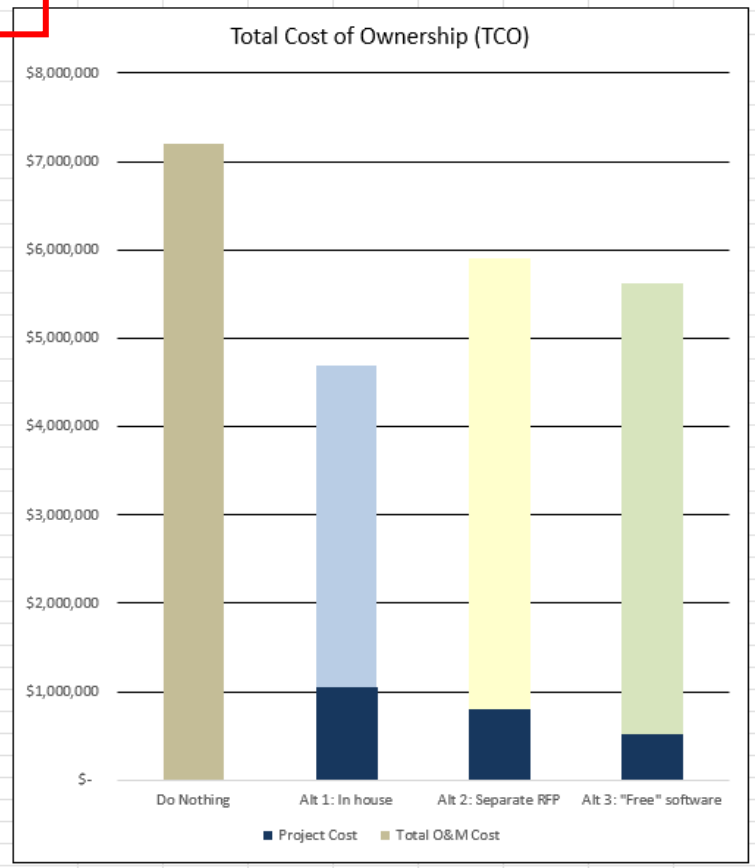
Cost Benefit Analysis

Cost Benefit Analysis: **VITA PMD Example Project**

Period of Analysis = __8__ years

	Do Nothing	Alt 1: In house	Alt 2: Separate RFP	Alt 3: "Free" software
Project Cost	$ -	$ 1,060,000	$ 800,000	$ 520,000
Total O&M Cost	$ 7,200,000	$ 3,630,000	$ 5,100,000	$ 5,100,000
TCO: Project + O&M	$ 7,200,000	$ 4,690,000	$ 5,900,000	$ 5,620,000
Cumulative benefits	$ -	$ 4,570,000	$ 3,100,000	$ 3,100,000
Cumulative NET benefits	$ -	$ 3,510,000	$ 2,300,000	$ 2,580,000
ROI: (bene-cost)/cost	0%	331%	288%	496%
Breakeven:	n/a	Year 2	Year 2	Year 1





Summary | Do Nothing | Alt 1. | Alt 2. | Alt 3. | Notes | Instructions | +

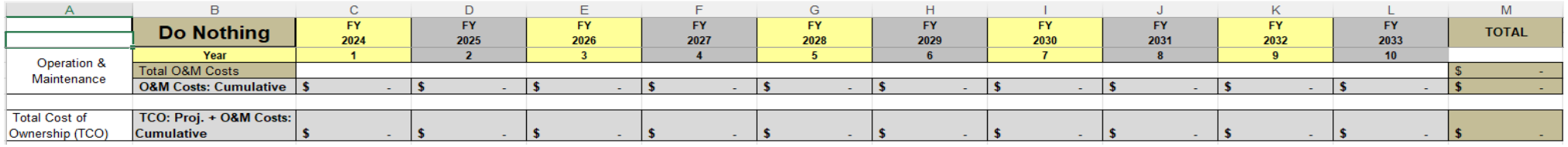
Summary Tab

- Pull information from other tabs to provide the ROI, breakeven and graphical visualizations of results

PMD Reviews

- Is the period of analysis filled in?

Anatomy of a Cost Benefit Analysis



	A	B	C	D	E	F	G	H	I	J	K	L	M
		Do Nothing	**FY 2024**	**FY 2025**	**FY 2026**	**FY 2027**	**FY 2028**	**FY 2029**	**FY 2030**	**FY 2031**	**FY 2032**	**FY 2033**	**TOTAL**
	Operation & Maintenance	**Year**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	
		Total O&M Costs											$ -
		O&M Costs: Cumulative	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Total Cost of Ownership (TCO)	**TCO: Proj. + O&M Costs: Cumulative**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Do Nothing Tab

- What the cost is to maintain the current system or process
- Creates a baseline for costs
- Remember to account for the O&M needed during the project

PMD Reviews

- Do O&M cost reflect 6 years?
- Are benefits populated

Anatomy of a Cost Benefit Analysis

	Alternative 1	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	TOTAL
Project Costs:	Hardware		$ 75,000	$ 75,000								$ 150,000
	Maintenance											$ -
	Facilities											$ -
	Telecommunications											$ -
	Training											$ -
	IV&V		$ 15,000	$ 15,000								$ 30,000
	Contingency (Risk)		$ 40,000	$ 40,000								$ 80,000
	Pre-Project Init. Costs											$ -
	Other											$ -
	Annual Project Cost	$ -	$ 530,000	$ 530,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
	Proj. Cost: Cumulative	$ -	$ 530,000	$ 1,060,000	$ 1,060,000	$ 1,060,000	$ 1,060,000	$ 1,060,000	$ 1,060,000	$ 1,060,000	$ 1,060,000	$ 1,060,000
	Implementation Year:	Today's O&M	Today's O&M	1	2	3	4	5	6			
O&M Costs:	FTE IT staff #	0	0	1	1	1	1	1	1			
	FTE IT staff			$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000			$ 600,000
	FTE operations staff #	0	0	1	1	1	1	1	1			
	FTE operations staff			$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000			$ 600,000
	Ops Contractors #	0	0	0	0	0	0	0	0			
	Ops Contractors											$ -
	Total Staff #	0	0	2	2	2	2	2	2	0	0	
	SubTotal: Staff Costs	$ -	$ -	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ -	$ -	$ 1,200,000
	IT Vendor Svcs.	$ 900,000	$ 900,000									$ 1,800,000
	SW & Licenses			$ 40,000	$ 40,000	$ 40,000	$ 40,000	$ 40,000	$ 40,000			$ 240,000
	HW			$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000			$ 150,000
	Maintenance											$ -
	Facilities											$ -
	Telecomm											$ -
	Training											$ -
	Op Contingncy			$ 40,000	$ 40,000	$ 40,000	$ 40,000	$ 40,000	$ 40,000			$ 240,000
	Misc Ops											$ -
	Annual O & M Cost	$ 900,000	$ 900,000	$ 305,000	$ 305,000	$ 305,000	$ 305,000	$ 305,000	$ 305,000	$ -	$ -	
	O&M Costs: Cumulativ	$ 900,000	$ 1,800,000	$ 2,105,000	$ 2,410,000	$ 2,715,000	$ 3,020,000	$ 3,325,000	$ 3,630,000	$ 3,630,000	$ 3,630,000	$ 3,630,000
Total Cost of Ownership (TCO)	**TCO: Proj. + O&M Costs: Cumulative**	$ 900,000	$ 2,330,000	$ 3,165,000	$ 3,470,000	$ 3,775,000	$ 4,080,000	$ 4,385,000	$ 4,690,000	$ 4,690,000	$ 4,690,000	$ 4,690,000
Cost Savings, Cost Avoidance, Increased Revenue & Other financial Benefits to the Organization:				1	2	3	4	5	6			
Benefits	Benefit 1. (Note 1.)	$ -	$ -	$ 595,000	$ 595,000	$ 595,000	$ 595,000	$ 595,000	$ 595,000	$ -	$ -	$ 3,570,000
	Benefit 2. (Note 2.)	$ -	$ 100,000	$ -	$ 100,000	$ -	$ 100,000	$ -	$ 100,000			$ 400,000
	Benefit 3. (Note 3.)	$ -	$ -	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000			$ 600,000
	Benefit 4. (Note 4.)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			$ -
	Benefit 5. (Note 5.)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			$ -
	SubTotal:Annual Benefits	$ -	$ 100,000	$ 695,000	$ 795,000	$ 695,000	$ 795,000	$ 695,000	$ 795,000	$ -	$ -	
	Cumulative Benefits	$ -	$ 100,000	$ 795,000	$ 1,590,000	$ 2,285,000	$ 3,080,000	$ 3,775,000	$ 4,570,000	$ 4,570,000	$ 4,570,000	$ 4,570,000
	Note 1.	Cost Savings: O&M savings compared to "Do Nothing" alternative ("Do Nothing" row 35 - row 35)										
	Note 2.	Cost Avoidance: If we select this alternative, we will NOT have to purchase _____ in the "Do Nothing" scenario.										
	Note 3.	Increased Revenues: If we select this alternative, our organization will collect additional revenues.										
	Note 4.	Other cost savings, cost avoidance or increased revenues.										
	Note 5.	Other cost savings, cost avoidance or increased revenues.										

Alternatives Tabs

Demonstrates costs and benefits for alternative products or solutions

PMD reviews

Do O&M cost reflect 6 years?
Are there benefits listed and are they quantified?
Is M&O reflected for duration

Cost Benefit Analysis

ROI

- net profit (or loss) from an investment by its cost
- ROI is not always positive
- Mandates are important and may trump negative ROI
- Payback Period (If applicable)
- Technology Upgrades
- Intangibles are important

PMD Reviews

- Is the period of analysis filled in on the summary page
- Do the options cover the same amount of time
- If the ROI is negative, are there comments to justify
- Math
- Are there O&M expenses recorded

Exercise & Break

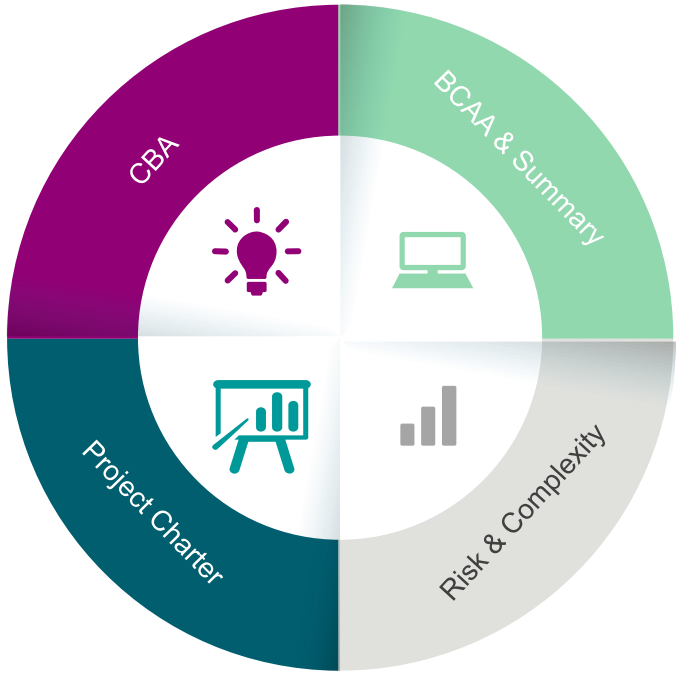
Project Initiation Approval (PIA) Requirements

CBA

An evaluation of the costs and benefits of alternative approaches to a proposed activity to determine the best alternative.
Not required for Category 4- Highly Recommended

Project Charter

A document issued by the project initiator or sponsor that formally authorizes the existence of a project, and provides the project manager with the authority to apply organizational resources to project activities



BCAA & Summary

Identifies and performs a comparison of various solutions for the business problem
Summary: A high-level side by side comparison of the considered solutions showing how they measured up against each other

Initiation Risk & Complexity

Primary driver of the level of Governance and Oversight needed for a project.

Business Case and Alternatives Analysis (BCAA)

Congratulations!

You are the new PMO manager for the DXYZ agency. PM Paul has come to you with his CBA information and needs assistance filling it in to support his CTP documentation.
Working in your team, use the example scenario to complete your tab in the CBA workbook.

Business Case and Alternatives Analysis (BCAA)

What: Identify and perform a comparison of various solutions for the business problem

Why:

- Determine the best solution for our problem
- Judge the different alternatives on an even basis
- Demonstrate due diligence that we are selecting the best solution for the business problem

Business Case and Alternatives Analysis (BCAA)

Business Problem
The Business Problem is a question, issue, or situation, pertaining to the business, which needs to be answered or resolved. State in specific terms the problem or issue this project will resolve. Often, the Business Problem is reflected as a critical business issue or initiative in the Agency's Strategic Plan or Information Technology Strategic Plan.

Scope
The Project Scope defines all the products and services provided by a project and identifies the limits of the project. The Project Scope establishes the boundaries of a project and addresses the who, what, where, when, and why of a project.

Constraints
Constraints are items that by their nature restrict choice. Identify Constraints that will influence the selection of a solution to resolve the Business Problem. Constraints can include but are not limited to time, funding, personnel, facilities, and management limitations.

Description of Solution
Provide an identifier and a brief title of the potential solution. The description should include enough detail to provide a clear understanding of the solution and should differentiate it from the other potential solutions. Also, describe how the solution will resolve the Business Problem.

Business Case and Alternatives Analysis (BCAA)

Intangibles
List of intangible benefits.

Project Description
Provide a description of the project approach, the customer(s) served, and expected benefits. The approach is the overall strategy for solving the business problem. (This description establishes the framework for identifying potential solutions.)

Business Process Impact
Describe how the potential solution will impact current Business Processes and the degree of organizational change and stakeholder resistance anticipated.

Technical Feasibility
Describe any special technical considerations that would be required to implement the potential solution, such as technical experience required for project team members. Also, describe the level of technical complexity of the solution.

Business Case and Alternatives Analysis (BCAA)

Maturity of Solution
Describe the level of technical maturity for the potential solution. The description should address questions such as "Is the potential solution technically proven or a recent innovation? Has the technology solution being proposed fully matured? Is it nearing obsolescence? Are services and expertise required to support the potential technical solution readily available?

Constraints
Constraints are items that by their nature restrict choice. Identify constraints that will influence the selection. Describe how the solution fits within the constraints identified in the solution analysis. Specifically address any time or schedule constraints.

ROI
Return on investment is a simple ratio that divides the net profit (or loss) from an investment by its cost- derived from CBA

Business Case and Alternatives Analysis (BCAA)

Resource Estimate (includes ROI)

- Estimate all the resources required to implement the solution.
- Resources include funding, personnel, facilities, customer support, equipment, and any other resources needed to implement the solution.

PMD Reviews

- Is it complete
- Are there at least two alternatives identified
- Does it clearly state why the option was chosen
- Intangibles (especially with Negative ROI)

Project Resource Estimate 2

Internal Staff Resources - Cost $140,000
- IT Project Manager
- IT Business Analyst
- Architect
- IT Developer
- Security Staff
- Operations Staff
- Organizational Development SMEs
- Business Representatives (state and local)

Professional Services from Mythics, Inc. - Cost $1,388,130
IV&V - Cost $15,000
Ecos Assessment $1,230
Software Subscription (Oracle HCM) - Cost $568,687.50
VITA Enterprise Cloud Oversight Services (ECOS) Subscription - Cost $26,867
Risk Contigency - Cost $213,992

Project has been fully funded at $2,353,906.50

Cost Benefit Analysis Summary Solution 2

Summarize the results of the Cost Benefit Analysis for this solution. Use the Cost Benefit An

Project Cost Benefit Analysis Summary 2

Project Cost is 2,353,906
Total O&M is 6,476,814 after 10 years
TCO is 8,830,720 after 10 years
Cummulative benefits after 10 years $5,016,905
Cumulative net benefits after 10 years is 2,662,999
Breakeven year is 2026.

Return on Investment (ROI) Summary Solution 2

Summarize the estimated return achieved as a result of the investment made and explain th
Project Initiation (Section 2) of the Commonwealth Project Management Guideline for instru

Project Return on Investment (ROI) Summary 2

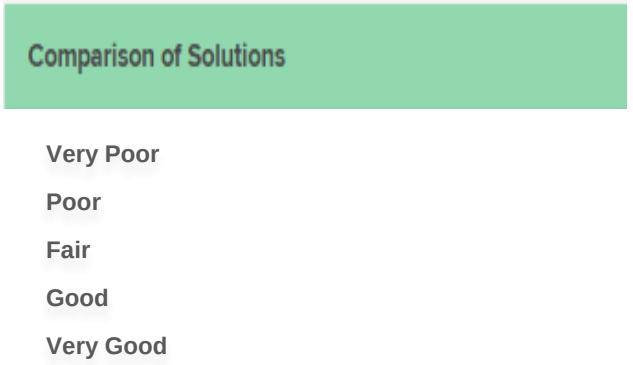
ROI is 113% after 10 years.
Method used is ROI=(ben-cost)/cost

Exercise & Break

Business Case and Alternatives Summary

A high-level side by side comparison of the considered solutions showing how they measured up against each other.

- Solution Chosen (ex. Solution1)
- Cost Benefit Analysis upload
- Comparison of Solutions
  - Business Process Impact
  - Technical Feasibility
  - Maturity of Solution
  - Resources Required/ Constraints
  - Cost Benefit Analysis
  - Return on Investment



Business Case Alternatives Exercise

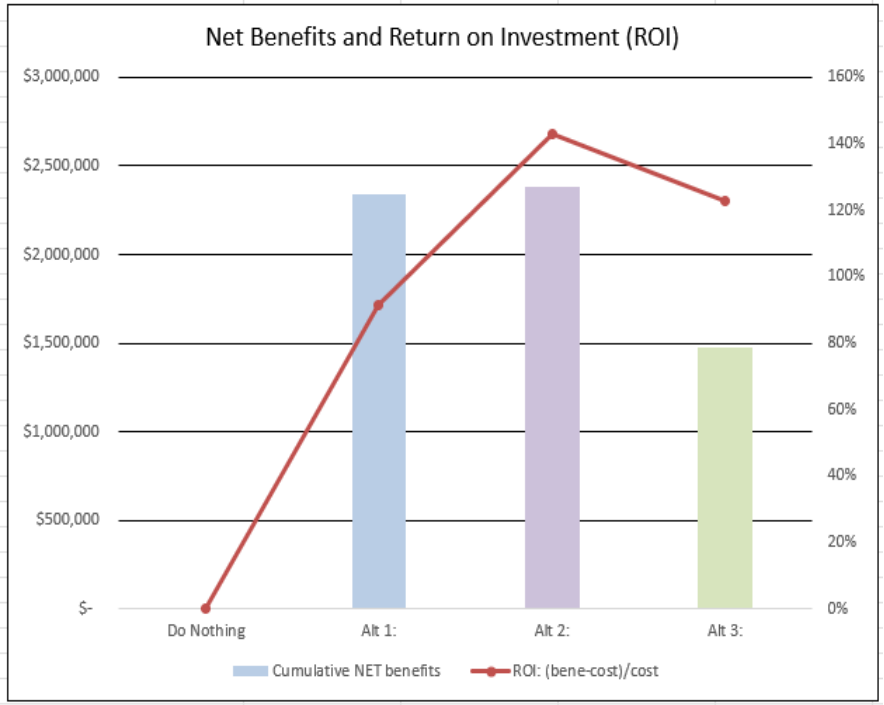
Using the CBA worksheet- Complete the BCAA for your solution

As a group we will select an option and complete the ROI

Cost Benefit Analysis: **Example Project**

(Note: Fill out YELLOW fields.)

		Period of Analysis =	9	years
	Do Nothing	Alt 1:	Alt 2:	Alt 3:
Project Cost	n/a	$ 2,560,000	$ 1,666,000	$ 1,200,000
Total O&M Cost	$ 8,100,000	$ 3,900,000	$ 5,250,000	$ 6,228,000
TCO: Project + O&M	$ 8,100,000	$ 6,460,000	$ 6,916,000	$ 7,428,000
Cumulative benefits	n/a	$ 4,900,000	$ 4,050,000	$ 2,672,000
Cumulative NET benefits	n/a	$ 2,340,000	$ 2,384,000	$ 1,472,000
ROI: (bene-cost)/cost	0%	91%	143%	123%
Breakeven Year:	n/a	2029	2029	2028



Business Case Alternatives Analysis Summary

Recommended Solution & Justification

- Intangible Weighting Justification of Solution
- Specify the Recommended Solution selected
- Explain why the Recommended Solution was chosen
- Project - Cost Benefit Summary Chosen Solution
- Project - Cost Benefit ROI Summary Chosen Solution

Recommended Solution & Justification

Intangible Weighting Justification of Solution

Oracle HCM SaaS will unify, automate and simplify the HR services in various HR functions where it is needed: Talent Acquisition & Onboarding; Compensation, Performance Management, Personnel Files and Core HR and Administrative functions. The ITD Annual Productivity and Direct Savings are over $12M over 9 years. This solution will provide increased flexibility for growth; Improved Employee Engagement, Increased hiring effectiveness, and sensitive system compliance for multiple systems.

The solution allows VDOT to avoidance $1M of replatform costs to move the ancillary HR applications that VDOT had planned to include in the HCM application. From a cost perspective, this solution is most cost effective.

Specify the Recommended Solution selected

Solution #2: The Oracle HCM Solution implemented by a Supplier provides the necessary HR functionality and meets the budget and time constraints for this effort.

Explain why the Recommended Solution was chosen

Oracle HCM Solution meets HR needs and meets the budget and time constraints for this effort. Additionally, Oracle services can be purchased off of an existing statewide contract.

Project - Cost Benefit Summary Chosen Solution

Project Cost - $5,725,737.81
Total O&M Cost - $5,420,737
TCO: Project plus O&M: $11,146,474
ROI: 292% with breakeven per VITA CBA in FY23

Project - Cost Benefit ROI Summary Chosen Solution

ROI Method: VITA's CBA (benefits-cost)/cost: 292%
Per VITA CBA calculations, breakeven to occur in FY23

Business Case Alternatives Analysis Summary

Exercise

Summarizes the results of the BCAA

Demonstrate:

- Project - Cost Benefit Summary Chosen Solution
- Project - Cost Benefit ROI Summary Chosen Solution

Exercise & Break

Charter

What:

A document issued by the project initiator or sponsor that formally authorizes the existence of a project and provides the project manager with the authority to apply organizational resources to project activities.

Why:

A project charter is a short document that explains the project in clear, concise wording for high-level management. Project charters outline the entirety of projects to help teams quickly understand the goals, tasks, timelines, and stakeholders. It is an essential deliverable in any project and one of the first deliverables as prescribed by the PMBOK Guide and other best practice standards. The document provides key information about a project and provides approval to start the project. Therefore, it serves as a formal announcement that a newly approved project is about to commence.

A project charter is a document issued by the project initiator or sponsor that formally authorizes the existence of a project and provides the project manager with authority to apply organizational resources to project activities

Several Bidirectional fields

Charter Components

General Information – Basic information that identifies the project. The Tab is bidirectional

Life Cycle Roles/ Contact Information
List those individuals who may be contacted for information regarding the project. The information is bidirectional with the Project Plan form.

Executive Summary and Project Purpose
In two or three paragraphs, provide a brief overview of this project and the contents of this document. An Executive Summary is necessary if Project Purpose through Project Authority tab information is excessively long.

Business Purpose
The purpose of the project is to solve a business problem. Explain the business reason(s) for doing this project.

Business Objectives
Critical Issues: problems that occur in a project that require certain management actions and strategies for resolution
Business Objectives: A Business Objective is a desired result produced by a project that answers or resolves a business problem.
Assumptions: Factors that, for planning purposes, are considered to be true, real, or certain without proof or demonstration

Charter Components

PROJECT DESCRIPTION & SCOPE

This section defines the project and sets management expectations through a description of the project solution and a defined scope for the project.

Description

Project Description - Describe the project approach, specific solution, customer(s), and benefits.

Stakeholder Requirements

Stakeholder Requirements for Disaster Recovery - State whether or not the IT solution for the project is required to recover an agency essential function. If yes, describe how the IT solution will meet the recovery time requirements.

Scope of the Project

Project Scope defines all the products and services delivered by a project and identify the limits of the project. In other words, the scope establishes the boundaries of a project. The Project Scope addresses the who, what, where, when, and why of a project. Describe the sum of the products and services provided and identify the limits of the project. The information is bidirectional (displayed on both forms) with the Business Case Alternative Analysis (BCAA) form.

Charter Components

Project Schedule and Major Milestones

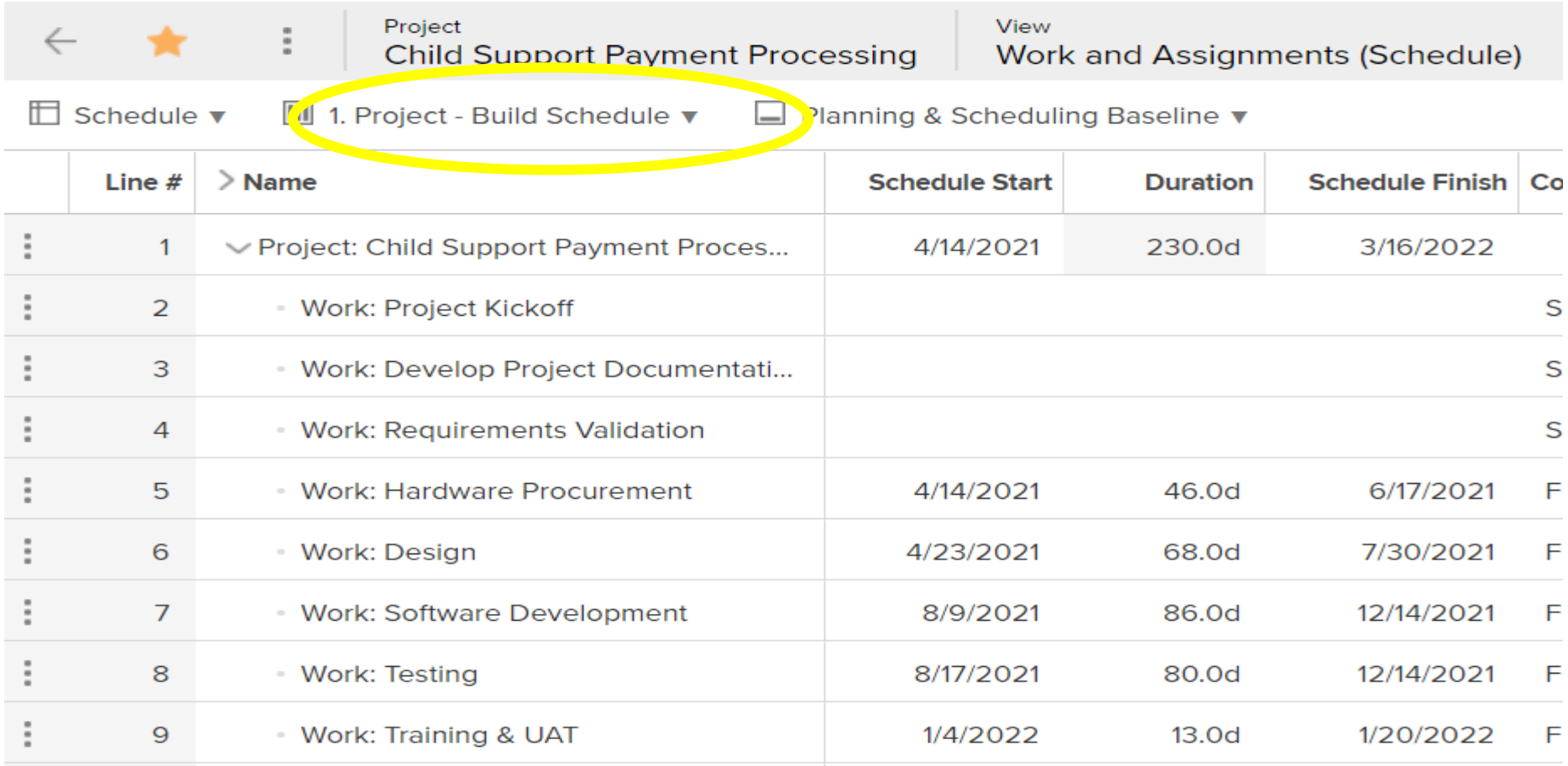
Next Steps/Milestones
This section helps to establish management expectations through definition of the project management milestones and deliverables.

Deliverables by Methodology Phase
Provide a list of project management milestones and deliverables. This list of deliverables is not the same as the products and services provided but is specific to management of the project. An example of a project management milestone is the Project Plan Completed.

Plan
High level deliverables that are baselined and tracked during the life of the project at status reporting

Charter Components

Plan



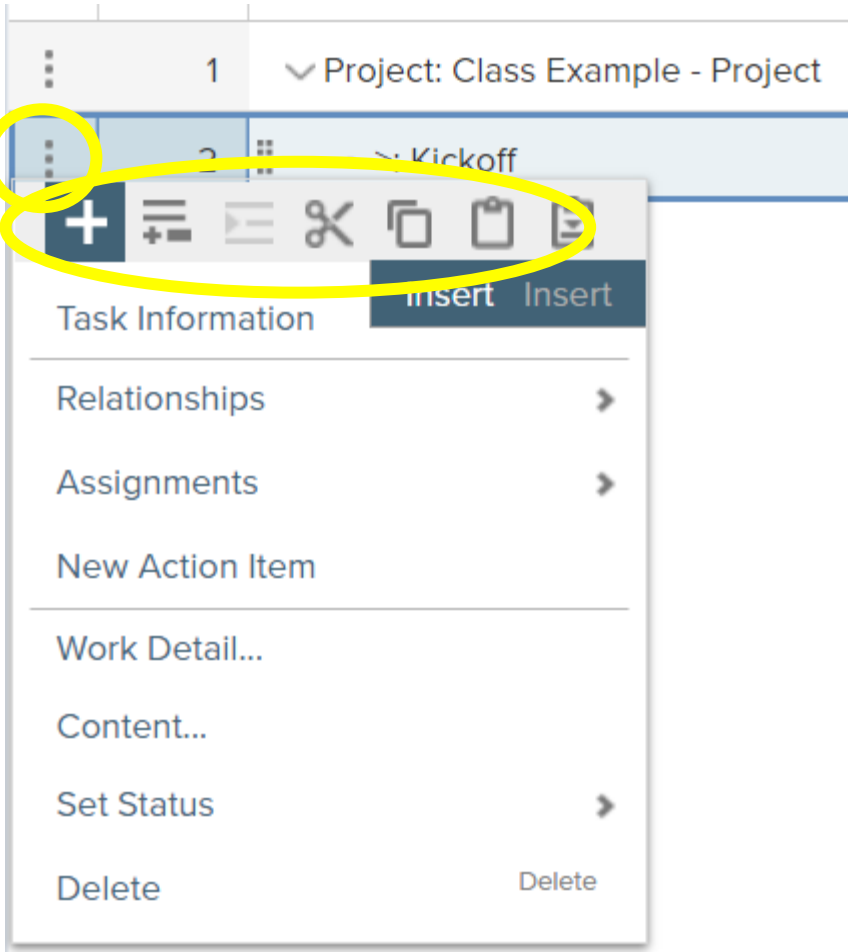
Line #	Name	Schedule Start	Duration	Schedule Finish	Co
1	Project: Child Support Payment Proces...	4/14/2021	230.0d	3/16/2022	
2	Work: Project Kickoff				S
3	Work: Develop Project Documentati...				S
4	Work: Requirements Validation				S
5	Work: Hardware Procurement	4/14/2021	46.0d	6/17/2021	F
6	Work: Design	4/23/2021	68.0d	7/30/2021	F
7	Work: Software Development	8/9/2021	86.0d	12/14/2021	F
8	Work: Testing	8/17/2021	80.0d	12/14/2021	F
9	Work: Training & UAT	1/4/2022	13.0d	1/20/2022	F

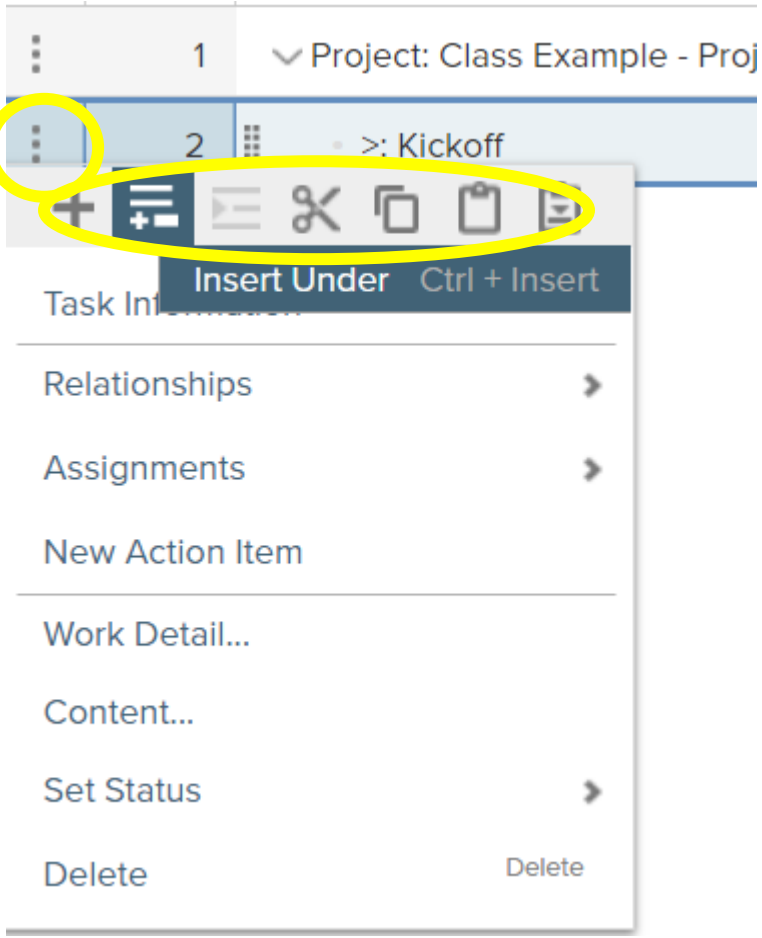
Tips:

- Reorder the columns
- Right click on column titles to select columns shown on screen
- This will be updated throughout the life of the project at Status Reporting
- Procurement Payment Milestones tracking

Charter Components

Plan





Exercise & Break

Charter Components

MEASURES OF SUCCESS

This section describes how performance for the project will be measured.
Provide a summary of the Measures of Success. List the following:

- Business Objectives – The Project Objectives are found in the Project Charter Business Objectives tab. List each of the Project Objectives as a separate objective.
- Performance Goal – Define success in relation to the Project Objective. Relate how the objective is met. The goal should not be an ambiguous statement but be clearly defined in terms of accomplishment. For example: 99% of users can log on to the site without error. Or system availability is 99%.
- Methodology – Describe how to measure the performance goal. This field should present the method used to measures success. Testing, surveys, and automated system measurements are just a few examples of the methodologies that can be used. The methodology must be specific and practical.

- Objective: Reduce how long it takes a student to apply for services
- Performance: The application time should be reduced by 20%
- Methodology: Measure current application average time at project inception and again at project completion

Measures of Success Exercise

Business Objectives

- Feed more children lunch
- Reduce accidents on I29
- Improve business efficiency
- Implement fraud recovery and management system
- Provide case management to decrease processing time

Charter Components

Financials- Actual Forecast/forecast

Description	Measures	Line Notes	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
>> NGF Proposed IT Investments	USD												
>>> Major IT Projects	USD		27,272.75	2,163,120	1,835,920	624,620.0	624,620.0	624,620.0	624,620.0	624,620.0	624,620.0		7,774,032
>>> Non-Major IT Projects	USD												
>>> Agency-Level IT Projects	USD												
>>> Major IT Procurements	USD												
>>> Non-Major IT Procurements	USD												
>>> Agency-Level Stand Alone IT	USD												
>>> Procurement Adjustment for S	USD												
> Federal Funds	USD												
> Other	USD												

General
Non-General
Federal
Other

Major > $1M
Non-Major < $1M

Charter Components

Financials - Actual Forecast/forecast

Budget Costs
This is a forecast for spending

If spend is not anticipated to be the same month over month, enter data by month instead of year

Start in the first month of actual spend

Type: Budget Plan - Costs	USD		358,023.00	222,344.00	580,367.00
> Internal Staff Labor	USD		123,456.00	78,900.00	202,356.00
> Services	USD		234,567.00	123,444.00	358,011.00
> Software Tools	USD				
> Hardware	USD				
> Maintenance	USD				
> Facilities	USD				
> Telecommunications	USD				
> Training	USD				
> IV & V	USD			20,000.00	20,000.00
> Contingency (Risk)	USD				
> Pre-Project Initiation	USD				
> Other Costs	USD				

Charter Components

Financials - Actual Forecast/forecast

Description	Measures	Line Notes	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Project: Human Capital Management Cloud I	USD			3,078,357	1,104,368	676,256.9							4,858,983
Type: Project - Benefits	USD												
Type: Funding	USD												
Type: Funding Need	USD												
Type: Budget Plan - Costs	USD			3,078,357	1,104,368	676,256.9							4,858,983
Type: O&M	USD												
> General Fund	USD												
> Non General Fund	USD					624,620.0	624,620.0	624,620.0	624,620.0	624,620.0	624,620.0		3,747,720
> Federal Fund	USD												
> Other	USD												
Type: Labor	USD												

Break

Charter Components

Authorization

Name the project approval authority that is committing organization resources to the project. Identify the source of this authority. The source of the approval authority often resides in code or policy and is related to the authority of the individual's position or title.

Project Manager Appointment

Name the Project Manager and define his or her role and responsibility over the project. Depending on the project's complexities, include how the Project Manager will control matrixed organizations and employees.

Oversight

Describe the Commonwealth or Agency Oversight controls over the project.

Organization Description

Describe the type of organization used for the project team, its makeup, and the lines of authority.

Roles & Responsibilities

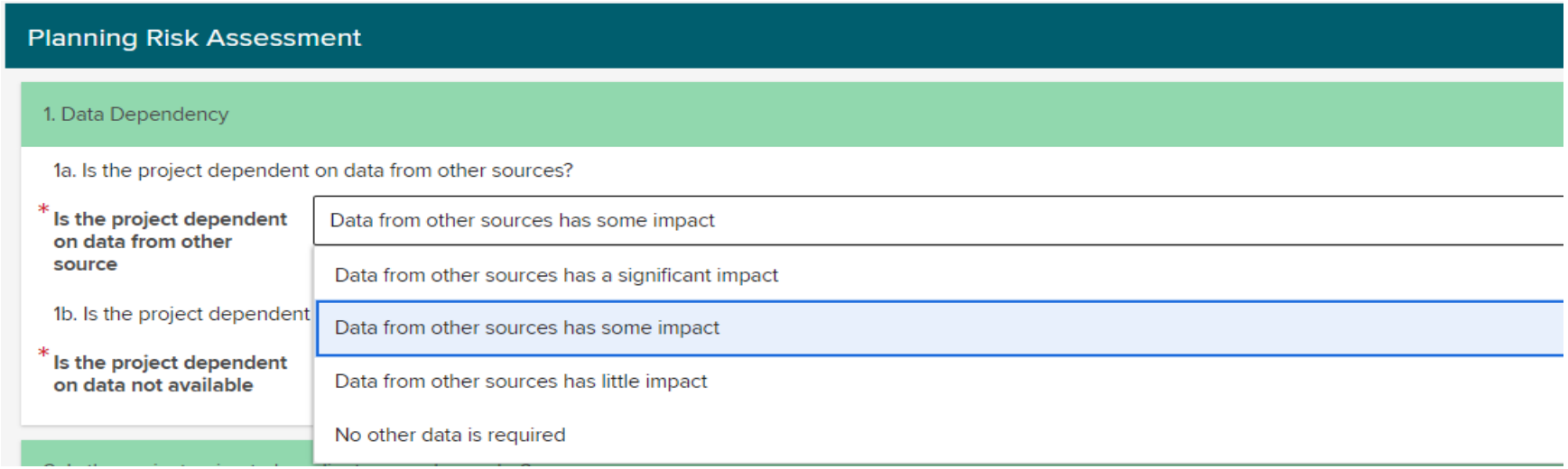
Describe, at a minimum, the Roles and Responsibilities of all stakeholders identified in the organizational diagram above. Some stakeholders may exist whom are not part of the formal project team but have roles and responsibilities related to the project. Include these stakeholders' roles and responsibilities also.

Risk and Complexity

- Iterative Process
- Each set of questions builds on previous set
- Questions Change between phases (26/25)
- Weighted

PMD Reviews

- Assigned Category
- Consistency in answers
- Complexity/risk of project



Risk and Complexity

Planning Risk and Complexity Summary Page

Total Risk Score Key:

Planning Risk Score 256.52

Planning Risk Indicator Medium

Key:

Red = High Risk (Score 260.01 - 499)

Yellow = Medium Risk (Score 180.01 - 260)

Green = Low Risk (Score 100 - 180)

Total Complexity Score Key

Planning Complexity Score

276.72

Planning Complexity Indicator

High

Key:

Red = High Risk (Score 260.01 - 499)

Yellow = Medium Risk (Score 180.01 - 260)

Green = Low Risk (Score 100 - 180)

Commonwealth Project Governance and Oversight Assessment

Commonwealth Project Governance and Oversight Assessment - Recommended

Item Classification System Planning Category 2

Item Classification Governance Category 2

Item Classification Comment

Risk and Complexity Ranges

High – 260.1- 499

Medium 180.1-260

Low 100-180

Risk and Complexity

- Category One Projects are High Risk/High Complexity projects. - All High Risk Projects are Category 1
- Category Two Projects are High Risk/Medium Complexity, High Risk/Low Complexity or Medium Risk/High Complexity.
- Category Three Projects are Medium Risk/Medium Complexity, Medium Risk/Low Complexity or Low Risk/High Complexity.
- Category Four Projects are Low Risk/Medium Complexity; Low Risk/Low Complexity

Project Categories 1 – 4				
		Complexity:		
		High	Med	Low
Risk:	High	1	2	2
	Med	2	3	3
	Low	3	4	4

Approvals

- Project Sponsor
- Agency Head
- SOC Category 1,2
- PMD Director
- Commonwealth CIO

If Sponsor/Agency head do not have CTP access, upload email approval.

Wrap Up

- Resources