COMMONWEALTH OF VIRGINIA

Office of the Governor

George C. Newstrom
Secretary of Technology

(804) 786-9579
Fax: (804) 786-9584

September 3, 2003

MEMORANDUM

TO: Cabinet Secretaries
                   Heads of State Agencies and Institutions of Higher Education
                   Agency Information Technology Resources (AITR)
                   Agency/Institution Purchasing Officers

FROM: George C. Newstrom
                   Chief Information Officer

SUBJECT: Interim Procedures for the Initiation and Approval of Major and
                   Non-major Information Technology (IT) Projects

The Chief Information Officer of the Commonwealth of Virginia is authorized by the *Code of Virginia* to direct the development of policies and procedures for review and approval of information technology projects with a value equal to or exceeding $100,000. The attached instructions are effective immediately and supersede that part of the April 12, 2002 Memorandum "Procedures for the Review and Approval of Information Technology and Telecommunications Procurements (and Projects)" pertaining to major and non-major IT projects.

The Commonwealth Information Technology Management Policy (COV ITRM Policy GOV 2003-02.1) describes the lifecycle phases for projects within the Commonwealth. The Commonwealth Project Management Guideline (COV ITRM Guideline GOV 2003-02.2), provides specific information and document templates that support the initiation, planning, execution, control, and closeout of IT projects. A new Project Management (PM) Standard is presently under development. The PM standard will establish the required agency processes and documentation for major and non-major IT projects across the entire project management lifecycle. In the interim, the attached procedures identify the requirements for agencies to initiate IT projects.

Questions regarding the attached procedures should be addressed to George Williams (804-371-2771, george.williams@vita.virginia.gov) or Michael Sandridge (804-371-2762, michael.sandridge@vita.virginia.gov) in the VITA Project Management Division.

Attachment

C: The Honorable William H. Leighty, Jr.
    Members of the Commonwealth IT Investment Board

Instructions for Initiation of Commonwealth Information Technology Projects with a Value Equal to or Exceeding $100,000

A. Major IT Project Initiation

The following procedures apply to all Major IT Projects, which are defined in the *Code of Virginia* as information technology projects that are: mission critical; have statewide application; or, have a total estimated cost of more than $1 million.

1. Project Planning Approval (*Code of Virginia, § 2.2-2018*)
   a. Major IT projects are approved as part of the Agency IT Strategic Plan (ITSP). If a project is not part of the Agency ITSP, the agency will submit an Agency IT Strategic Plan Amendment Request Form (expandable Word template attached) to the VITA Project Management Division (PMD). The amendment must: outline the business need; identify the solution, if known (Part C - Description); and, explain how the project supports the agency business objective and Commonwealth technology plan (Parts D, E, and F).
   b. PMD reviews the ITSP amendment request and recommends approval or rejection to the CIO.

2. Project Development Approval (*Code of Virginia, § 2.2-2019*)
   a. After approval of the Agency ITSP or ITSP amendment by the CIO, the agency will conduct an analysis of the project solutions as described in the Commonwealth Project Management Guideline (COV ITRM Guideline 2003-02.2), Section 2 – Project Initiation.
   b. The agency will prepare a detailed project proposal and project charter using the templates found in Section 2 – Project Initiation, of the Commonwealth Project Management Guideline. In the Charter, the agency will propose the membership of an Agency Internal Oversight Committee for CIO approval (*Code of Virginia, § 2.2-2021. Project Oversight*). The Oversight Committee organization must include a representative from the PMD of VITA.
   c. The agency forwards to the PMD the completed project proposal and a project charter signed by all of the following:
      i. Agency Head
      ii. Project Sponsor
      iii. Project Manager (Designee)
   d. PMD will coordinate a Proponent Secretariat Oversight Committee meeting to review the project proposal and charter. The committee recommends approval or rejection of the project to the PMD and the CIO. If the committee recommends approval, the proponent secretary or deputy secretary signs the charter.
   e. PMD completes a final review the project proposal and project charter and recommends approval or rejection of the project to the CIO.

f. When the CIO determines that a project should be approved, the CIO will sign the charter and forward the proposal and charter to the IT Investment Board (ITIB).

g. Upon approval of the ITIB, the Chair of the ITIB will sign the charter.

3. Procurement Approval for Major Information Technology Projects. (*Code of Virginia, § 2.2-2020)*

a. The agency will submit to PMD a copy of any Request for Proposal (RFP), Invitation for Bid (IFB), or other procurement request exceeding $100,000.

b. PMD will review and recommend approval or rejection of the procurement document to the CIO.

c. The CIO has final authority to release an RFP or IFB, or to approve a procurement request.

d. After a contract has been prepared and prior to issuing an Intent to Award, the agency will submit the proposed contract to the CIO for approval through the PMD and VITA Supply Chain Management.

4. Timeline

a. Agencies should allow at least 15 workdays for review and approval of a strategic plan amendment. (A.1. Project Planning Approval)

b. The agency should allow sufficient time to conduct the technical and economic analysis of the project solutions and to develop the project proposal and charter.
Project proposals and charters to be considered by the ITIB must be submitted to the VITA Project Management Division no later than 30 workdays prior to the Board meeting. Proposals and charters received within 30 workdays of a scheduled Board meeting will be considered at the following meeting. The IT Investment Board meets quarterly. Specific meeting dates are posted on the ITIB Web site (http://www.vita.virginia.gov/ITIB/ITIB.cfm). (A.2. Project Development Approval)

c. Agencies should allow at least 10 workdays for review and approval of an RFP, IFB, or procurement request, and an additional 10 workdays for review and approval of a proposed contract. (A.3. Procurement Approval for Major Information Technology Projects)

B. Non-major IT Project Initiation

The *Code of Virginia, § 2.2-2007.A.9* directs the CIO to develop policies and procedures for review by VITA of projects equal to or exceeding $100,000. Based on the recommendation of the VITA PMD, the CIO approves or disapproves projects between $100,000 and $1,000,000. The following procedures apply to all Non-major IT Projects with a cost equal to or exceeding $100,000. (Institutions of higher education operating under the Commonwealth's

decentralization initiative, as listed in section A.3.d of the Procedures for Review and Approval of Information Technology and Telecommunications Procurements, effective April 12, 2002, should continue to follow the procedures outlined in that section for reporting procurements and Non-major projects between $100,000 and $ 1 million.)

1. Project Planning Approval
   a. Non-major IT projects are approved as part of the Agency IT Strategic Plan (ITSP). If a project is not part of the Agency ITSP, the agency will submit an Agency IT Strategic Plan Amendment Request Form (expandable Word template attached) to the VITA Project Management Division (PMD). The amendment must: outline the business need; identify the solution, if known (Part C - Description); and, explain how the project supports the agency business objective and Commonwealth technology plan (Parts D, E, and F).
   b. PMD reviews the ITSP amendment request and recommends approval or rejection to the CIO.

2. Project Development Approval
   a. After approval of the Agency ITSP or ITSP amendment by the CIO, the agency will conduct an analysis of the project solutions as described in the Commonwealth Project Management Guideline (COV ITRM Guideline 2003-02.2), Section 2 – Project Initiation.
   b. The agency will prepare a detailed project proposal and project charter using the templates found in Section 2 – Project Initiation, of the Commonwealth Project Management Guideline.
   c. The Agency forwards, to the PMD, the completed project proposal and a project charter singed by:
      i. Agency Head
      ii. Project Sponsor
      iii. Project Manager (Designee)
   d. PMD reviews the project proposal and charter and recommends approval or rejection of the project to the CIO.
   e. When the CIO determines a project should be approved, the CIO will sign the charter and return it to the agency through PMD.

3. Timeline
   a. Agencies should allow at least 15 workdays for review and approval of a strategic plan amendment. (B.1. Project Planning Approval)
   b. The agency should allow sufficient time to conduct the technical and economic analysis of the project solutions and to develop the project proposal and charter.
      Agencies should allow at least 15 workdays for review and approval of the project proposal and charter. (B.2. Project Development Approval)

AGENCY IT STRATEGIC PLAN AMENDMENT REQUEST FORM

AGENCY:_____AGENCY CODE:_____

A. IF THERE IS A CHANGE IN THE AGENCY MISSION OR IT VISION, DESCRIBE THE CHANGE IN THE BOX BELOW.	
B. IF THERE IS A CHANGE IN AGENCY CRITICAL ISSUES, DESCRIBE THE CRITICAL ISSUE CHANGE IN THE BOX BELOW. IF THIS IS AN ADDITIONAL CRITICAL ISSUE, PROVIDE A COMPLETE DESCRIPTION OF THE ISSUE.	

C. MAJOR AND NON-MAJOR PROJECTS AND PROCUREMENTS	
IS THIS A (mark the appropriate block): **[ ] NEW PROJECT** **[ ] NEW PROCUREMENT** **[ ] CHANGE TO A PLANNED PROJECT** **[ ] CHANGE TO A PLANNED PROCURMENT**	**DOES THIS PROJECT OR PROCUREMENT REPLACE AN EXISTING PROJECT OR PROCUREMENT?** **YES [ ] NO [ ]** **IF YES, IDENTIFY THE PROJECT OR PROCUREMENT BY ITS FORMAL TITLE IN THE ITSP**
FORMAL TITLE	**PROJECT OR PROCUREMENT COST**
IS THIS A (mark the appropriate block): **[ ] MAJOR PROJECT** **[ ] NON-MAJOR PROJECT**	**PRIORITY** (identify shifts in project priority between current planned projects):
DESCRIPTION:	

D. RELATED COMMONWEALTH TECHNOLOGY INITIATIVES AND STRATEGY	
Type:	Description:
Type:	Description:
Type:	Description:

E. RELATED CORE BUSINESS ACTIVITIES	
Core Business Activity Title	Sub-function Title
Core Business Activity Title	Sub-function Title
Core Business Activity Title	Sub-function Title

F. CRITICAL ISSUES	
Description	Critical Issue Category
Description	Critical Issue Category
Description	Critical Issue Category
Description	Critical Issue Category

Definitions of key terms are provided on the following page.

_____
SIGNATURE OF AGENCY HEAD

_____
PRINTED NAME AND TITLE

_____
DATE

AGENCY IT STRATEGIC PLAN AMENDMENT REQUEST FORM

Definition of Key Terms

Commonwealth Enterprise Business Strategies - The Commonwealth Enterprise Architecture outlines Enterprise Business Strategies (EBS), also known as business drivers, which are those highest priority strategies that significantly influence programs across the enterprise.

Commonwealth Technology Initiatives - The significant information technology initiatives for the Commonwealth of Virginia as defined in the Strategic Plan for Technology.

Core Business Activities - Core Business Activities (CBA) are agency cross-functional processes that produce the agency's primary products and services, or support their production. The CBA designations are based upon agency program codes as established by Department of Planning and Budget.

Critical Issues - Critical issues are opportunities or challenges that may significantly impact an agency's ability to accomplish its mission. Critical issues are categorized according to the following:

- ➢ Operational/administrative/organizational issues
- ➢ Statutory issues
- ➢ Regulatory issues
- ➢ Budgetary issues

Major IT Project - In the Commonwealth of Virginia, a Major IT Project is any state agency information technology project that (i) is mission critical, (ii) has statewide application, or (iii) has a total estimated cost of more than $1 million.

Non-major IT Project - In the Commonwealth of Virginia, Non-major IT Projects are those technology projects with an estimated total project cost of less than $1 million and not deemed to be mission critical or designated as having statewide application.

Procurement - The procedures for obtaining goods or services, including all activities from the planning steps and preparation and processing of a requisition, through receipt and acceptance of delivery and processing of a final invoice for payment.

Procurement Cost - The total estimated cost of the goods or services being purchased.

Project - A temporary endeavor undertaken to deliver a unique product or service.

Project Cost - The total cost to provide the business driven, technology-based product or service. The costs include the hardware, software, services, installation, management, maintenance, support, training, and internal staffing costs planned for the project. Internal staffing costs are the apportioned salaries and benefits of the project team members.

Project Formal Title - The complete, formal name given to a project. The title should not include acronyms without definition.