LARGE INFORMATION TECHNOLOGY PROJECTS

This memorandum provides a summary of the project management lifecycle processes, executive and legislative branch activities, and statutory provisions relating to planning and executing large information technology projects.

Project Management Lifecycle Processes	Executive and Legislative Branch Activities	Related Statutory Provisions

Project origination - Evaluate projects proposed for the next planning cycle and reach a consensus on the projects to be selected.	1. Agencies identify projects to create a product or develop a service that can solve a problem or address a need within the agency.
	
	2. Agencies develop a project proposal, including a business case and proposed solution, for each proposed project. The business case should include information on project description, project objectives, business need or problem, proposed solution, consistency and fit with the organization's mission, cost-benefit analysis, and project risks.
	
	3. Agencies prioritize information technology projects and submit their information technology budgets into the budget analysis and reporting system (BARS). In most cases, the budget for a project is the initial cost estimate. The most accurate project budget is not available until the completion of the project planning process.
	
	4. The State Information Technology Advisory Committee, a committee created by North Dakota Century Code (NDCC) Section 54-59-07, reviews information regarding proposed major information technology projects for executive branch state agencies, excluding institutions under the control of the State Board of Higher Education and the judicial and legislative branches, and ranks those projects that receive the committee's affirmative recommendation. The following is a summary of the steps involved in the prioritization:
	  a. The Information Technology Department sorts proposed information technology projects into the following three categories:
	    (1) Projects over $250,000 requesting funds from the **general fund** for the investment or the ongoing maintenance costs.
	    (2) Projects over $250,000 requesting funds from **non-general fund** sources for the investment or the ongoing maintenance costs.
	    (3) Project under $250,000 requesting funds from the **general fund** for the investment or the ongoing maintenance costs.
	  b. State agencies **self-score projects over $250,000** requesting funds from the general fund for the investment or the ongoing maintenance costs based on return on
		NDCC Section 54-59-02.1 provides that the Information Technology Department shall submit information regarding proposed major information technology projects for executive branch state agencies, departments, and institutions, excluding institutions under the control of the State Board of Higher Education and the judicial and legislative branches, to the State Information Technology Advisory Committee. The State Information Technology Advisory Committee shall review the projects and rank those projects that receive the committee's affirmative recommendation. The Chief Information Officer shall submit recommendations of the State Information Technology Advisory Committee regarding the prioritizations of major information technology projects to the Information Technology Committee, the Office of Management and Budget, and the Appropriations Committees of the Legislative Assembly.

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	investment, customer service benefits, internal efficiency benefits, operational necessity, and project risk. c. The Information Technology Department presents a preliminary report, including information regarding agencies' self-scoring, on projects over $250,000 requesting funds from the general fund for the investment or the ongoing maintenance costs to the State Information Technology Advisory Committee. The department also presents listings of projects over $250,000 requesting funds from non-general fund sources for the investment or the ongoing maintenance costs and projects under $250,000 requesting funds from the general fund for the investment or the ongoing maintenance costs to the committee. d. The State Information Technology Advisory Committee prioritizes projects over $250,000 requesting funds from the general fund for the investment or the ongoing maintenance costs. e. The Information Technology Department forwards the prioritization to the Information Technology Committee and the Office of Management and Budget for consideration in the development of the Governor's budget recommendation. 5. The Governor selects projects to be funded in the executive budget recommendation. 6. The Information Technology Department revises the prioritization to reflect those projects that are funded in the Governor's budget recommendation and presents the prioritization to the Appropriations Committees of the Legislative Assembly. The department also presents the listings of projects over $250,000 requesting funds from non-general fund sources for the investment or the ongoing maintenance costs and projects under $250,000 requesting funds from the general fund for the investment or the ongoing maintenance costs to the Appropriations Committees of the Legislative Assembly. 7. The Legislative Assembly selects projects to be funded in the legislatively approved budget. 8. Agencies refine the business cases as appropriate for those projects funded in the legislatively approved budget. 9. Agencies submit a copy of the final business case for a project to the Information Technology Department. Upon acceptance of the business case by the Information Technology Department, the Information Technology Department submits a copy of the business case to the Legislative Council office.	NDCC Section 54-59-05 provides that the Information Technology Department is to request and review information, including project startup information summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks, regarding any major information technology project of an executive branch agency, the State Board of Higher Education,

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		or any institution under the control of the State Board of Higher Education.
Project initiation - Define the overall parameters of a project and establish the appropriate project management and quality environment required to complete the project.	10. Agencies initiate the project by identifying the project sponsor, project manager, and project team; developing a project charter; and conducting a project kickoff meeting. A project charter is developed and executed to initiate a project and to secure commitment for the resources, including human, financial, and equipment, necessary for the project. A project charter should include information on project background, project scope, measurable project objectives, required resources, constraints, assumptions, and project authority.	
	11. Agencies submit a copy of the project charter to the Information Technology Department prior to any project expenditures or signing of vendor contracts.	
Project planning - Define the exact parameters of a project and ensure that all the prerequisites for the project execution and control are in place.	12. Agencies complete planning for a project by completing and approving a project plan. A project plan should identify specific milestones throughout the project and their associated cost, schedule, and deliverables. At this time, agencies complete the budget for the project. This project budget is considered to be the baseline budget for all cost comparisons.	
	13. Agencies submit a copy of the project plan to the Information Technology Department after the plan has been approved by the project sponsor.	
	14. Agencies present a project startup report to the Information Technology Committee. A project startup report summarizes information from the business case, project charter, and project plan, including project description, project objectives, business need or problem, cost-benefit analysis, and project risks. A copy of the project startup report template is attached as Appendix A.	NDCC Section 54-35-15.2 provides that the Information Technology Committee is to receive and review information, including a project startup report summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks, regarding any major project of an executive, legislative, or judicial branch agency, the State Board of Higher Education, or any institution under the control of the State Board of Higher Education.
Project execution and control - Develop the project or service that the project was commissioned to deliver.	15. Agencies launch the project. The assigned project manager is to manage every aspect of the project to ensure that all the work is being performed correctly and on time.	
	16. Agencies submit a project status report to the Information Technology Department on a quarterly basis or when a project milestone exceeds 20 percent of planned cost or schedule. The status report includes an executive summary and information on budget, schedule, issues, risks, project accomplishments, and upcoming activities.	Pursuant to NDCC Section 54-59-23, if a project milestone exceeds 20 percent of planned cost or schedule, agencies must report to the State Information Technology Advisory Committee on corrective measures being undertaken to address any cost or time of completion issue. If agencies have not taken adequate corrective measures within 90 days after the report, agencies must report to the Information Technology Committee regarding the project.

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Project closeout - Assess the project and derive any lessons learned and best practices to be applied to future projects.	17. Each calendar quarter, the Information Technology Department prepares a large project summary report that summarizes the performance of large information technology projects and submits the report to the Information Technology Committee. 18. Agencies formally acknowledge that all deliverables produced during project execution and control have been completed, tested, accepted, and approved by the project sponsor. 19. Agencies complete a postimplementation review for the project in order to assess the success of the project and to capture historical information. The postimplementation review should include information on the measurement and attainment of project objectives, project budget and schedule variances, and lessons learned. 20. Agencies notify the State Information Technology Advisory Committee if the actual cost for the project exceeded the original budget by 20 percent or more or if the final project completion date extended beyond the original project scheduled completion date by 20 percent or more. 21. Agencies submit a copy of the postimplementation review to the Information Technology Department. Upon acceptance of the review by the Information Technology Department, the department submits a copy of the review to the Legislative Council office. 22. Agencies present a project closeout report to the Information Technology Committee. A project closeout report summarizes information from the postimplementation review, including the project objectives achieved, project budget and schedule variances, and lessons learned. A copy of the project closeout report template is attached as Appendix B.	Pursuant to NDCC Section 54-59-23, agencies must notify the State Information Technology Advisory Committee if upon the completion of the project, the budget for the project exceeded the original budget by 20 percent or more or if the final project completion date extended beyond the original project scheduled completion date by 20 percent or more. NDCC Section 54-59-05 provides that the Information Technology Department is to request and review information, including project closeout information summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, regarding any major information technology project of an executive branch agency, the State Board of Higher Education, or any institution under the control of the State Board of Higher Education. NDCC Section 54-35-15.2 provides that the Information Technology Committee is to receive and review information, including a project closeout report summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, regarding any major project of an executive, legislative, or judicial branch agency, the State Board of Higher Education, or any institution under the control of the State Board of Higher Education.

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