The State of Kansas
Information Technology Executive Council

JOINT COMMITTEE ON INFORMATION TECHNOLOGY (JCIT)
Policy 2 - REVIEW OF ACTIVE PROJECTS   (15 Dec 1998)

1. **Purpose.**   The purpose of this document is to establish a common understanding of the measures that will be considered by the Joint Committee on Information Technology (JCIT) when evaluating project status. Most projects target an agency program's business processes or a technical program's set of information technology assets that provide general computing or communications services. This document is generalized to address all types of government services and technology asset programs. Thus, there may be program specific business issues or technology specific issues that the presenting agency should identify and provide.

2. **Evolution of Projects.**   Projects occur because a new government service is needed or because a government service should be improved, requires change, or must be made more cost effective. In each of these cases, a business area analysis must be done to identify what business service and financial objectives are required and a business process and set of resources must be designed to achieve these objectives. Based upon this work, a business case for the required investment and a proposed project plan may enable a project to be proposed and funding approved through the budget process. By statute, the readiness to start a project must be reviewed and approved by the agency head and the chief information technology Officer for that branch of government.

3. **Project Status Reports.**   By statute, the status of all projects that have a total cost of $250,000 or more will be reported at times agreed upon by the chief information technology officers. That reporting period has been established as every other month commencing January 10th of each year. Project status reports should clearly and concisely indicate how the project is progressing according to the original plan. Reporting requirements will be as agreed upon by the three chief information technology officers and published by the CITO for the Executive Branch.

4. **JCIT Project Status Presentations.**   By statute, whenever a project deviates from its original approved plan by 10% or more or $1,000,000, whichever is the lesser, the agency will consult with the JCIT before continuing the project. Statutes that fund projects may require JCIT project review or the Senate Ways and Means Committee or House Appropriations Committee may instruct the JCIT to review a project. The JCIT may also invite presentation of a project's status as part of the Committee's information technology oversight role. When project status presentations are scheduled, 10 copies of presentation materials should be provided to legislative research at least ten days in advance of the presentation date.

5. **JCIT Project Status Content.**   The Joint Committee on Information Technology has established the following specific measures as their basis to evaluate project status. Agencies should provide these measures in writing and include them in their presentation. Amplifying information should explain the causes of any deviations from the plan and the associated corrective actions initiated with the expected results of the actions and impact upon the original plan. Policy, legislative, or public issues related to the project should also be covered as amplifying information.

    5.1. **Critical Path.**   The project manager will demonstrate that the project has been defined down to the task level with each task having a demonstrable point of progress and a duration of no more than about 10 days. Each task will have the identified resources, work units, and schedule necessary to accomplish the task. The project manager must be able to demonstrate that resources have been leveled and that the critical path has been identified. These requirements

should have been formally reviewed and approved by the project sponsor and the CITO prior initiating the current project phase. Once initiated, resources and status should be posted bi-weekly to the project management system and reports prepared for the project manager. The project manager should closely monitor those activities and tasks on the critical path.

5.1.1. **Committee Review.** The Project Manager should provide a project report on the critical path showing actual progress versus planned progress. If the project is behind schedule, the project manager should provide a concise narrative with data showing the time units behind schedule, the time units behind schedule as a percentage of the cumulative time units to date for the project and the plan to recover the lost time.

5.1.1.1. **Critical Path 10% to 20% Behind Schedule.** If the critical path tasks are 10% to 20% behind schedule, the project will be considered in a yellow or caution status and there should be evidence of sponsor review of the project and approval of the recovery plan. A concise statement of that recovery plan, the expected results, and the anticipated impact upon the project should be provided.

5.1.1.2. **Critical Path 20% or More Behind Schedule.** If the critical path tasks are 20 % or more behind schedule, the project will be considered to be in a red or alert status. Projects in a red or alert status should be evidence of frequent [biweekly] reporting to the agency head and CITO until the project is less than 20% behind the original schedule. The agency head and CITO should have approved the re-covery plan. A concise statement of that recovery plan, the expected results, and the anticipated impact upon the project should be provided.

5.2. **Task Completion Rate.** The project manager should report on number of **actual tasks** completed versus the planned task completions for the project through the date of the report. This should be expressed as numbers and as a percentage.

5.2.1. **Committee Review**. If the project is behind schedule, the project manager should provide a concise narrative stating the causes, the plan to recover the task completion rate, the expected results, and the anticipated impact upon the project.

5.2.1.1. **Task Completion Rate of 80% to 90%.** If the task completion rate is in the range of 80% to 90%, the project will be considered in a yellow or caution status and there should be evidence of review of the project and approval of the recovery plan by the sponsor. The plan of actions, approved by the sponsor, to achieve an acceptable task completion rate should be concisely stated.

5.2.1.2. **Task Completion Rate of Less than 80%.** If the project has less than an 80% completion rate for tasks, the project will be considered to be in a red or alert status and there should be evidence of frequent [biweekly] reporting to the agency head, sponsor and CITO. The presented plan of actions to achieve an acceptable task completion rate should have been approved by the agency head and the CITO.

5.3. **Deliverable Completion Rate.** A deliverable is a clearly identifiable object that results from completion of a task. The completion of a task such as a user acceptance test may cite the deliverable as the signed acceptance document from the business unit. The project manager should report on the actual number of deliverables completed for the project versus the planned number of deliverables to be completed for the project through the date of the report.

5.3.1. **Committee Review.** If the project is behind schedule, the project manager should provide a concise narrative stating the causes, the plan to recover the deliverable completion rate, the expected results, and the anticipated impact upon the project.

    5.3.1.1. **Deliverable Completion Rate of 80% to 90%.** If the deliverables completions rate is in the range of 80% to 90%, the project will be considered to be in a yellow or caution status. There should be evidence of review and approval of the recovery plan by the sponsor. The plan of actions to achieve an acceptable deliverable completion rate should be concisely stated with the expected results and the anticipated impact upon the project.

    5.3.1.2. **Deliverable Completion Rate of Less than 80%.** If the project has less than an 80% completion rate for deliverables, the project will be considered to be in a red or alert status. There should be evidence of frequent [biweekly] reporting to the agency head, sponsor and CITO. The plan of actions to achieve an acceptable deliverable completion rate should have been approved by the agency head and the CITO. The recovery plan should be concisely stated with progress and expected results and anticipated impact upon the project.

5.4. **Issues**. Issues are matters that must be resolved in order for the project tasks to be accomplished and business objectives to be met. Issues should be defined as a single matter requiring a decision. Each issue should be documented, tracked and managed, and reported to the project sponsor when there is a potential project impact. The project manager should track the total number of issues and identify in reports each unresolved issue that has had a negative impact on achieving the critical path, task or deliverable completion rates or other measures. The project sponsor is responsible for unblocking Issues to achieve resolution.

5.4.1. **Committee Review.** The total number of issues identified to date and the number of issues that remain unresolved should be presented. Unresolved issues that have a negative impact on the project schedule, budget or objectives should be concisely presented noting when the issue was presented to the sponsor and what actions have been initiated to achieve resolution.

5.5. **Cost.** The project financial plan should show the major categories of costs by fiscal year, the total funds required, the sources of all funds, and *original* planned cumulative obligations or expenditures by month or by quarter, as appropriate, throughout the life of the project. Reports shall show the actual cumulative total for all funds sources versus the *original* planned financial period totals. When actual cumulative costs deviate from the planned costs, the percent of cumulative actual costs versus cumulative planned cost should be stated and the deviation explained. Further, if total project costs are projected to be 10 % over the planned costs or $1,000,000, whichever is less, then by statute the agency is required to consult with the Joint Committee on Information Technology before continuing the project. The Joint Committee will notify the House Appropriations and Senate Ways and Means Committees and make any recommendations deemed appropriate.

5.5.1. **Committee Review.** The committee should review the financial report where cumulative costs deviate from the original planned cumulative costs. The cause of the deviation and a recovery plan if appropriate, should be provided with expected results and anticipated impact upon the project.

    5.5.1.1. **Deviation from Financial Plan By l0% to 20%.** If costs exceed the plan, at this rate, an impact on the total project cost must be examined. If the total cost of the project has been increased, the return on investment will be reduced. The

sponsor should have reviewed the project, determined whether there has been a change in the schedule of costs and determined whether changes in the project should be initiated to recover the original financial plan. The recovery plan, expected results, and anticipated impact upon the project should be concisely presented. The project should be considered to be in a yellow or caution status and the committee may place this project on a watch list for subsequent presentation.

5.5.1.2. **Deviation from Financial Plan By 20% to 30%.** If actual costs are exceeding planned costs at this rate, the return on investment may be eliminated by an increase in total cost. A review should have previously been done to determine if an increase in costs has occurred and if so, how the increase can be mitigated. The recovery plan should have been acted upon and the agency head and the CITO should have reviewed the results of the plan. The agency head should have approved continuation of work or expense on the project. The Committee should place this project on a watch list for monthly reports.

5.5.1.3. **Deviations from Financial Plan by 30% or More.** As in previous cases, a review the projects planned and actual costs should have been done. If costs are 30% higher than planned, serious consideration should be given to stopping the project. The Committee should find specific approval of the agency head and approval of a rationale that strongly supports continuation of the project. The Committee should consider recommending that an independent 3rd party be obtained to conduct a project review and make recommendations to the agency head and the Committee regarding causes for the project deviation from plan, corrective actions needed, expected outcomes, and whether the project the project should be continued.

5.6. **Actual Versus Planned Resources.** This element focuses on the human resources provided to the project in terms of person-hours or person-days. Both technical and business unit personnel should have the experience and skills necessary for the project and be provided when and as required by the project schedule. The project manager should have planned and actual person-hours in the project management system and should report on a continuing basis the cumulative planned person-hours required versus the cumulative actual person-hours provided.

5.6.1. **Committee Review.** The committee will review this element in conjunction with other elements reported. In addition to the gap analysis, the committee should question the stability o the project team. If a critical team member leaves, the cost may be a 6-week delay in the project. If a project manager leaves, the cost may be a 9-week delay. If a project sponsor leaves, the project may be in jeopardy and should be placed on a watch list. These specific items should be reflected in the risk report addressed below.

5.6.1.1. **Deficiency Gap of 15% to 20%.** Normally a deficiency of this magnitude will result in a reduction in quality but may also contribute to other project deficiencies as well. The project manager should be acting with the sponsor to correct this condition. For some projects, the impact of this level of deficiency may be greater than indicated and be reflected in the other measures as well.

5.6.1.2. **Deficiency Gap of 20% to 25%.** Normally a deficiency of this magnitude will require a reduction in scope of the project in order to maintain project progress.

There should be a plan to show a compensatory change in resources or a plan to reduce the scope, Costs, and objectives for the project with approval of the agency head. For some projects, the impact of this level of deficiency may be greater than indicated and will be reflected in the other measures as well.

5.6.1.3. **Deficiency Gap of 25% or More.** A deficiency of this magnitude places project in jeopardy and 3rd party review should be considered if the impact is reflected in other measures. The project should not be permitted to drift awaiting a compensatory resources plan or a new reduced project scope plan. If a new project plan is developed, the new financial plan, return on investment and objectives to be achieved must recalculated and presented for review as well.

5.7. **Risk Report.** The above measures have been addressed individually, however, when a project has experienced difficult problems or issues, the impact may be reflected in more than one measure permitting a broader assessment of project status. The project manager should consider all of the above measures and make an assessment of the risk and likely impacts upon the project's scope, budget, schedule and the business [or technical infrastructure] objectives to be achieved in the original plan. The analysis, conclusions, and recommendations should be summarized in an executive report.

5.7.1. **Committee Review.** The Committee should evaluate the risk report as to whether it reasonably reflects the sum of the measures and where present, the progress being achieved with mitigation plans. For projects with a seriously deficient measure or multiple deficient measures, the confidence in the risk report may be important when considering 3rd party review.