



Bill Richardson, Governor

Marlin Mackey, Cabinet Secretary

MEMORANDUM

DATE:	June 30, 2010
TO:	SEE DISTRIBUTION
FROM:	Marlin Mackey, Secretary
SUBJECT:	IT PROJECT OVERSIGHT PROCESS

PURPOSE: To define Agency and Department of Information Technology (DoIT) IT Project reporting management oversight responsibilities.

SCOPE: This policy applies to all information technology projects undertaken by executive agencies.

1. DEFINITIONS:

- A. "Agency" means a state organizational entity of the executive branch, used interchangeably with department.
- B. "Independent" is used to describe the autonomous and impartial verification and validation assessment of compliance to a project and the project's requirements. These independent assessments are performed by a contractor who is not responsible for developing the product or performing the activity being evaluated.
- C. "Independent verification and validation (IV&V)" means the process of evaluating a project to determine compliance with specified requirements and the process of determining whether the products of a given development phase fulfill the requirements established during the previous stage, both of which are performed by an organization independent of the lead agency.
- D. "Executive sponsor" is the person or group that provides high-level agency specific approvals for the project including those of the financial resources, in cash or in-kind, for the project.
- E. "Lead agency" of a multi-agency project is the agency that is indicated as lead agency in the General Appropriations Act or as designated by the Department. In the case where a single agency sponsors a project, then that agency shall be known as the lead agency.

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- F. IT technology means computer hardware and software and ancillary products and services, including: (1) systems design and analysis; (2) acquisition, storage and conversion of data; (3) computer programming; (4) information storage and retrieval; (5) voice, radio, video, and data communications; (6) requisite systems; (7) simulation and testing; and (8) related interactions between users and information systems.
- G. Department means the Department of Information Technology (DoIT)
- H. “Product development life cycle” is a series of sequential, non-overlapping phases comprised of iterative disciplines such as requirements, analysis and design, implementation, test and deployment implemented to build a product or develop a service.
- I. IT Project means the purchase, replacement, development or modification of an IT hardware or software system.
- J. “Project director” means a qualified person from the lead agency whose responsibility is to manage a series of related projects.
- K. “Project manager” means a qualified person from the lead agency responsible for all aspects of the project over the entire project management life cycle (initiate, plan, execute, control, close). The project manager must be familiar with project scope and objectives, as well as effectively coordinate the activities of the team. In addition, the project manager is responsible for developing the project plan and project schedule with the project team to ensure timely completion of the project. The project manager interfaces with all areas affected by the project including end users, distributors, and vendors. The project manager ensures adherence to the best practices and standards of the Department.
- L. “Project management plan” is a formal document approved by the executive sponsor and the Department and developed in the plan phase used to manage project execution, control, and project close. The primary uses of the project plan are to document planning assumptions and decisions, facilitate communication among stakeholders, and documents approved scope, cost and schedule baselines. A project plan includes at least other plans for issue escalation, change control, communications, deliverable review and acceptance, staff acquisition, and risk management.
- M. “Project Certification Phases” are the Initiation Phase (funding is requested for use in developing project phases, the IV&V plan and contract, and to address project review issues and/or to develop an overall project management plan) the Planning Phase (planning or development), Implementation Phase (execution or deployment), and Closeout Phase (termination or completion).
- N. “Project product” means the final project deliverables as defined in the project plan, meeting all agreed and approved acceptance criteria.

- O. “Project schedule” is a tool used to indicate the planned dates, dependencies, and assigned resources for performing activities and for meeting milestones.
- P. “Qualified” means demonstrated experience managing IT projects. Demonstrated experience includes exhibiting the ability to apply project management methodology to maintain projects on time, on budget, and on schedule. Qualified also includes those employees who have the demonstrated ability to manage resources, lead people to accomplishing project objectives and who possess a working knowledge of the project scope.
- Q. “Quality” means the degree to which a system, system component, or process meets specified requirements, customer needs, and user expectations.
- R. “Quality assurance” means a planned and systematic pattern of all actions necessary to provide adequate confidence that a product or system component conforms to established requirements.
- S. “Validation” means ensuring system meets documented performance outcomes and requirements of the project.
- T. “Verification” means application of an appropriate test yielding documentable, measurable evidence that ensures that a process executed or the technical system developed produces required performance outcomes.

2. PROJECT MANAGEMENT METHODOLOGY

- A. All IT projects shall be managed:
 - (1) using a qualified project manager;
 - (2) using a formal project management methodology, process, and techniques identified in the project charter and approved by the Department; and
 - (3) by analyzing and monitoring risk at periodic intervals during the project management lifecycle, and mitigating risks before they negatively impact the IT project schedule, scope, or budget.
- B. During the project management lifecycle, agencies shall select and implement a phase product development lifecycle methodology approved by the Department.
- C. The project budget must be documented in the project management plan by phases and deliverables.

3. LEAD AGENCY RESPONSIBILITIES

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- A.** A lead agency shall perform the following functions:
- (1)** Manage its information technology (IT) projects and project resources and use the state project management methodology for planning, executing, and controlling the project.
 - (2)** Appoint a qualified state employee as the lead project manager and, if applicable, a project director. If the agency hires a contract project manager, the lead project manager/director shall be responsible for ensuring that the consulting firm and/or contract project manager is managed in the best interests of the state.
 - (3)** Provide to the Department all project management and product deliverables. Deliverables shall include but shall not be limited to the project plan, project schedule, initial and periodic risk assessments, quality strategies and plan, periodic project reports, requirements and design documents for entire project.
 - (4)** Prepare and submit a written project status report at least monthly to the Department, and more frequently at the request of the Department.
 - (5)** Prepare a written risk assessment report at the inception of a project and at the end of each product development lifecycle phase or more frequently for large and high-risk projects. Each risk assessment shall be included as a project activity in the project schedule.
 - (6)** Develop and provide quality strategies, including independent verification and validation (IV&V), in compliance with the Department best practices and standards.
- B.** The lead agency shall fully cooperate with and seek the assistance of the Department regarding the planning and execution of IT projects.

4. RESPONSIBILITIES OF THE DoIT

- A.** Provide oversight of all IT projects
- B.** Review agency IT plans
- C.** Make recommendations regarding prudent allocation of IT resources, reduction of redundant data, hardware, and software; and improve interoperability and data accessibility between agencies
- D.** Approve agency RFP's contract vendor request and IT contracts including amendments, emergency procurements, sole source contracts and price agreements
- E.** Promulgate procedures and rules to improve oversight of IT procurement

- F. Monitor agency compliance and report to the Governor and agency management on noncompliance

5. REPORTING REQUIREMENTS

- A. Project status reports: For all projects that require Department oversight, the lead agency project manager shall submit an agency approved project status report on a monthly basis to the Department.
- B. Independent verification and validation assessment reporting: The Department requires all projects subject to oversight to engage an independent verification and validation contractor unless waived by the Department. The IV&V contractor shall perform the following activities.
- (1) Prepare an initial risk assessment report at project inception. This assessment will include recommended mitigation activity to reduce the impact and probability of the identified risk.
 - (2) Prepare an initial status report at project inception to disclose the effectiveness of project management and whether the documented project activities are meeting the objectives set forth by project.
 - (3) Prepare interim reports based on the phases as indicated within the project schedule. Included in the report will be an evaluation on whether product development requirements are being met, project management is effective, continuing risk analysis, and how the project is implementing previous recommended risk mitigation strategies.
 - (4) Prepare a post-implementation assessment at project close to indicate whether project objectives were met based on the project's scope and acceptance criteria.
 - (5) Submit each risk assessment report, status report, interim report, and post-implementation assessment report to the Department within five (5) business days of each deliverable due date as indicated on the project schedule. All reports must be submitted to the agency directors and the Department.

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This IT Project Oversight Process supersedes DoIT Memorandum dated July 2, 2007.

DISTRIBUTION:

Cabinet Level Chief Information Officers, Executive Agency IT Leads, DFA