

CALIFORNIA DEPARTMENT OF TECHNOLOGY TECHNOLOGY LETTER	NUMBER: TL 16-02	DATE ISSUED: JANUARY 2016
SUBJECT: PROJECT APPROVAL LIFECYCLE, STAGE 3 SOLUTION DEVELOPMENT	REFERENCES: Government Code Sections 11545, 11546 State Administrative Manual (SAM) Chapters 4800, 4900 and 5200 Statewide Information Management Manual (SIMM) Sections 05A, 10, 19, 28 Technology Letter 15-02 DGS Broadcast Bulletin P-10-13 State Contracting Manual, Volume 3	

BACKGROUND

In June 2015, the California Department of Technology (CDT) released the Stage 1 Business Analysis and Stage 2 Alternatives Analysis as part of the reforms to the State’s Information Technology (IT) project approval process. As documented in Statewide Information Management Manual (SIMM) Section 19, the Project Approval Lifecycle (PAL) adopted a Stage/Gate Model to improve the quality, value and likelihood of success for technology projects being undertaken by the State of California. The Stage/Gate Model divides PAL into four stages (Stage 1 Business Analysis, Stage 2 Alternatives Analysis, Stage 3 Solution Development, and Stage 4 Project Readiness and Approval), each separated by a gate approved by CDT. As additional information is collected and refined through the lifecycle, the cost estimates, schedules, and business objectives are progressively updated and evaluated to determine if the project is still practical and if the investment should continue to move forward towards project approval.

Previous to PAL, IT project procurement activities were conducted after Agencies/state entities received formal project approval via a Feasibility Study Report (FSR), many times resulting in unanticipated cost increases and schedule delays beyond the established baselines. The reformed PAL process integrates procurement activities into the project approval process, providing better budget and schedule estimates and helps ensure projects get started with realistic baselines. The PAL Stage 3 Solution Development is broken up into the following three parts which encompass the procurement deliverables to acquire the recommended solution identified in the Stage 2 Alternatives Analysis;

- Preliminary Assessment - helps gauge the level of effort required for this stage and the Agencies/state entities readiness to conduct procurement activities;
- Part A - matures mid-level solution requirements into detailed solution requirements and develops a robust Statement of Work and pre-solicitation activities;
- Part B - creates the solicitation package, evaluation criteria, cost and payment model, negotiation strategy, and staff planning activities.

These deliverables include a series of questions, data points, compliance checks, and formal “go/no go” decision points to assist Agency/state entities ensure all IT reportable procurements best meet the project’s business objectives, adhere to state policies and regulations and yield the highest probability of success. This structured and guided approach to conducting IT procurement provides clarification to existing laws, policy, government codes, public contract codes, and or any other governing material and encourages collaboration across the project team, critical partners and various stakeholders.

The remainder of the Project Approval Lifecycle, Stage 4 Project Readiness and Approval, will be released in June 2016.

