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| <b>CALIFORNIA TECHNOLOGY AGENCY</b><br><h1>TECHNOLOGY LETTER</h1>   | NUMBER:<br><b>TL 12-09</b>                           | DATE ISSUED:<br><b>JULY 16, 2012</b> |
| SUBJECT:<br><b>UPDATING SAM DEFINITIONS PERTAINING TO IT PROJECTS: FEASIBILITY STUDY REPORT (FSR) IMPROVEMENT QUICK WIN</b><br>Updating State Administrative Manual (SAM) definitions to improve clarity. | REFERENCES:<br>SAM Sections 4819.2, 4819.32, 4819.40 |                                      |

## BACKGROUND

The SAM Information Technology (IT) definitions identify activities subject to state IT Policy, including which projects are subject to feasibility study policy. Feasibility studies are a means to determine how to solve a business problem and lessen project risk by studying unknowns and planning for project success.

## PURPOSE AND DESCRIPTION

The purpose of this Technology Letter (TL) is to announce updates to SAM sections to clarify outdated or vague definitions. The clarifications will make it easier for agencies and departments to determine whether proposed projects will or will not require a feasibility study and which expenditures are considered as new project approvals versus existing approved projects. This update of SAM IT definitions provides quick assistance to departments and agencies as part of a larger, ongoing Technology Agency effort to optimize IT policy and streamline and improve the IT project lifecycle.

## PROCESS

Effective with the release of this TL, departments and agencies must use the updated SAM definitions, which are included as Attachment A.

## QUESTIONS

Questions should be directed to your Technology Agency Program Management Office (PMO) Principal or Manager. A listing of PMO Principals and Managers and their departmental assignments can be found on the Technology Agency Website located at: [Technology\\_Agency\\_PMO\\_Assignments](#).

## SIGNATURE

\_\_\_\_\_/s/\_\_\_\_\_  
 Carlos Ramos, Secretary  
 California Technology Agency

## STATE ADMINISTRATIVE MANUAL EXCERPTS

[Note: Text to be deleted is shown in strikethrough; text to be added is underlined.]

**4819.2 DEFINITIONS**

(Revised ~~03/12-XX/12~~)

**California Project Management Methodology.** The California Project Management Methodology (CA-PMM) is a customized, orchestrated project management workflow derived from the Project Management Institute's process groups. The CA-PMM identifies 500 hours of effort to be the threshold for requiring CA-PMM project management disciplines. While smaller endeavors are not subject to the CA-PMM, they should still be planned and managed effectively.

**Information Technology Procurement:** Any contract, interagency agreement or purchase estimate to conduct any activity listed below, or any combination of these activities is to be considered an "information technology procurement."

1. IT facility preparation, operation and maintenance.
2. Development and implementation of application systems or programs, or changes to application systems or programs to meet new or modified needs, or maintenance, including: feasibility study preparation, systems analysis, systems design, purchase and installation of software, programming, conversion of data or programs, documentation of systems and procedures, and project appraisal or assessment.
3. Operation of application systems or programs including handling, assembling, or editing of input-output data or media where information technology equipment or information technology personnel are used.
4. Services or equipment received through an EDP Master Agreement. SAM Section 5207.
5. Acquisition, installation, operation, and maintenance of data processing equipment.
6. Other installation management activities including performance measurement, system tuning, and capacity management.
7. Employment of personnel in support of, or directly related to, any of the above activities, including: administration, technical services, clerical services, travel, training, and preparation of periodic and special reports.
8. Control functions directly related to any of the above activities.

**Information Technology Project:** An endeavor with a defined beginning and end, undertaken to meet unique goals and objectives that encompasses computerized and auxiliary automated information handling, including systems design and analysis, conversion of data, computer programming, information storage and retrieval, data transmission, requisite system controls, simulation, and related interactions between people and machines. ~~A project that encompasses computerized and auxiliary automated information handling, including systems design and analysis, conversion of data, computer programming, information storage and retrieval, data transmission, requisite system controls, and simulation, and related interaction between people and machines. Synonymous with IT project.~~

**IT Equipment:** Information Technology devices used in the processing of data electronically. The following are examples of IT equipment:

1. ~~Central processing units (m Mainframes)~~ and all related features and peripheral units, including processor storage, console devices, channel devices, etc.;
2. Minicomputers, midrange computers, personal computers, laptop, tablets, smart phones and all peripheral units associated with such computers; ~~Minicomputers, midrange computers, microcomputers and personal computers and all peripheral units associated with such computers;~~
3. Special purpose systems including word processing, Optical Character Recognition (OCR), bar code readers/scanners, and photo composition; ~~Special purpose systems including word processing, Magnetic Ink Character Recognition (MICR), Optical Character Recognition (OCR), photo composition, typesetting and electronic bookkeeping;~~
4. Communication devices used for transmission of data such as: modems, data sets, multiplexors, concentrators, routers, switches, local area networks, private branch exchanges, network control equipment, or microwave or satellite communications systems; and
5. Input-output (peripheral) units (off-line or on-line) including: display screens, optical character readers, magnetic tape units, mass storage devices, printers, video display units, data entry devices, plotters, scanners, or any device used as a terminal to a computer and control units for these devices. ~~Input-output (peripheral) units (off-line or on-line) including: terminals, card readers, optical character readers, magnetic tape units, mass storage devices, card punches, printers, computer output to microform converters (COM), video display units, data entry devices, teletypes, teleprinters, plotters, scanners, or any device used as a terminal to a computer and control units for these devices.~~

**Project:** An endeavor with a defined beginning and end (usually time-constrained, and often constrained by funding or deliverables), undertaken to meet unique goals and objectives, typically to bring about beneficial change or added value. (See information technology project.) ~~A set of related activities carried out according to a plan and budget to achieve a specific set of objectives within a specified time schedule.~~

## **Section 4819.32, EXCLUSIONS**

(Revised 03/14 XX/12)

For purposes of the IT Project Submittal and Approval Policy, the following are excluded from State Administrative Manual (SAM) Section 4819.3, which defines State information management authority and responsibility for IT projects:

1. The SAM Section 4819.3 shall apply to all State departments, offices, boards, commissions, institutions, and special organizational entities except the State Compensation Insurance Fund, the Legislature, or the Legislative Data Center in the Legislative Counsel Bureau.

2. Information technology activities directly associated with single-function process-control systems (such as those applied in the controlling of water gates, traffic signals, or environmental systems for buildings), analog data collection devices, or telemetry systems are excluded from SAM Section 4819.3. Process Control, for the purposes of the exclusions from Technology Agency project approval and oversight, includes automated processing systems that monitor and control the operation of a single function system, and that can perform that control in isolation from other systems. Examples may include all components necessary to monitor and control the traffic lights at an intersection, the position of water restriction and diversion components in a water supply and distribution system, or to adjust the behavior of a motorized conveyer in response to changes in load and demand.

Sensors, telemetry devices, alarm and physical entry controls, functional components such as motors or traffic lights, electronic control processors, and the network system that connects those devices into a single-function process control system meet the process control system exclusion.

Process control should not be interpreted to include information processing and network systems in which data is gathered, stored, transmitted, processed, analyzed, displayed, printed or reported for purposes other than the direct, automatic monitoring and controlling of a single function system, or for the manual review of the performance and activities of that single system.

Any component that may be added to any process control system, such as additional sensors, processing capacity or network communications capability, that is necessary for use in conjunction with a current or planned information technology system must be included in all feasibility study reports, plans, proposals and budget estimates for the information technology system.

3. Projects, activities, or acquisition of telecommunications equipment used exclusively for voice communications. Any project where approval and initiation is within the jurisdiction of the Public Safety Communications Office, per California Government Code Section 15275-15277, such as public safety telecommunications including microwave, satellite, 911, telematics, and radio/rt. Acquisition of telecommunications equipment used exclusively for voice or video communications are excluded from SAM Section 4819.3. This exclusion does not apply to:
  - a. ~~Voice systems that include the use of interactive databases.~~
  - b. ~~Videoconferencing systems that include the transmission of sensitive data or the use of interactive databases.~~
4. Installations of Voice Over Internet Protocol (VOIP) phone systems that are stand alone and do not interface with other systems on the network. Acquisition of electronic typewriters and copiers are excluded if they are NOT:
  - a. ~~Capable of general purpose computing; or~~
  - b. ~~Intended to be used as an input/output peripheral device to a computer system.~~

5. Acquisition of printers, scanners, and copiers. If any of these components are part of a planned information technology system they must be included in all feasibility study reports, plans, proposals and budget estimates for the information technology system. Acquisition of the following consumable items or office equipment necessary to support approved information technology activities and personnel are excluded
- a. ~~Documents (such as standards and procedures manuals, vendor-supplied systems documentation, and educational training manuals);~~
  - b. ~~Equipment supplies (such as printer forms, disk packs, "floppy" disks, compact disks, magnetic tape, and printer ribbons or cartridges); and,~~
  - c. ~~Furniture (such as terminal tables and printer stands).~~

Questions regarding exclusions should be directed to your Technology Agency Program Management Office (PMO) Principal or Manager.

#### **4819.40 EXPENDITURES FOR ONGOING INFORMATION TECHNOLOGY**

(Revised 03/11 XX/12)

Expenditures in support of an ongoing information technology activity will normally not require the Technology Agency approval of a new FSR providing:

The activity meets the definition of previously approved project/effort as defined in SAM Section 4819.2:

*Applicable activities include meeting modified needs, improving the effectiveness of the activity, program or system maintenance, or extension of existing services to new or additional users performing essentially the same functions as those that the project was designated to support. A previously approved effort/project must use substantially the same equipment, facilities, technical personnel, supplies and software to meet substantially the same requirements or to meet normal workload increases.*

Qualification of an information technology activity as a previously approved effort requires an approved FSR and a completed and submitted PIER in accordance with SAM Section 4819.35.

Note:

1. "Substantially the same equipment" does not include the addition, upgrade or replacement of a ~~central processing unit (a Mainframe).~~
2. Minor changes in functionality and/or equipment will normally meet the definition of previously approved project/effort. Significant changes in functionality and/or equipment that require budget actions do not meet the definition of previously approved project/effort.

Example: The Department of Justice maintains a system to enable the ownership registration of handguns. New legislation requires the addition of rifle registration to the system. This added functionality would not require a new FSR.

Expenditures in support of activities not meeting the above criteria are considered to be new projects, not ongoing information technology activities.

~~Qualification of an information technology activity as a previously approved effort requires an approved FSR AND an approved PIER in accordance with SAM Section 4819.35.~~