Project Approval Lifecycle Training – Stage 4

Office of Statewide Project Delivery

CA Department of Technology

CA-PMO Pink Sheet

Create Your Own Job Aid

Capture ideas for follow-up. Use a bright sheet of paper to jot down key information.

I will use this:

Tools and information
I can use right away.

Look this up later:

Concepts I want to
explore later on my own.

My reference list:

References I want to
keep for future use.

What Will Be Covered Today

- This training covers
  - PAL's role in IT Project Delivery
  - Role of "Critical Partners" and "Core Team" in PAL
  - Stage 4 Preliminary Assessment
  - Stage 4 Project Readiness and Approval
  - Transition to Oversight

- This training will not address
  - General Business Analysis Techniques
  - Procurement Training
  - Analysis of your specific project situation

Additional Training

- Business Analysis
  - Business Analysis Body of Knowledge (BABOK)-based training programs
- Procurement
  - Department of General Services, California Procurement & Contracting Academy (Cal-PCA)
- Project Management
  - California Project Management Framework (CA-PMF)
  - Project Management Body of Knowledge (PMBOK)

Up First…

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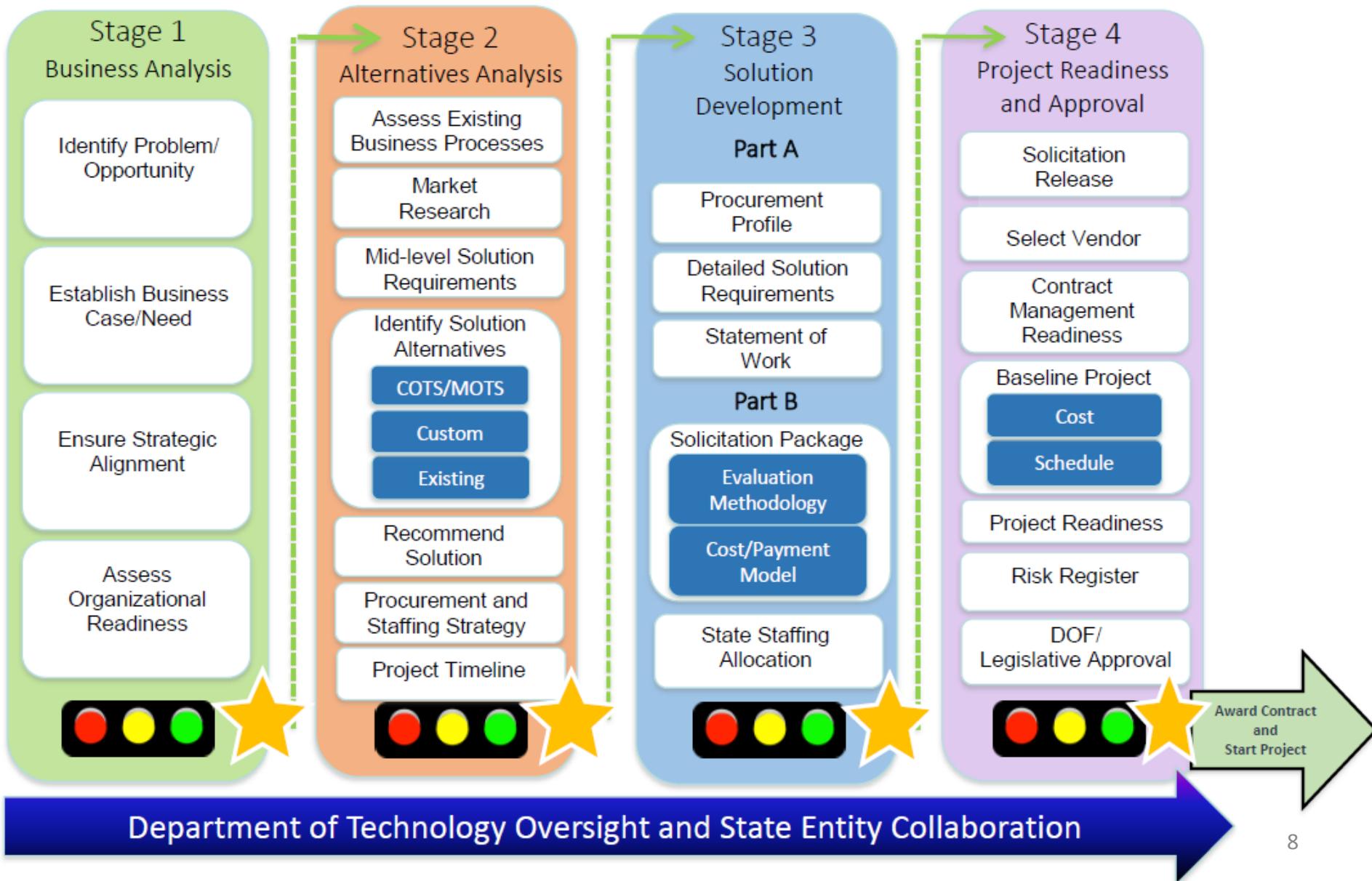
Top Issues Departments Face

- ❑ Contract management and vendor negotiations
- ❑ Data conversion and migration
- ❑ Governance and sponsorship
- ❑ Interface planning and implementation
- ❑ Organizational change management
- ❑ Quality assurance and quality control
- ❑ Release management
- ❑ Requirements definition and management
- ❑ Risks and issues
- ❑ Schedule
- ❑ Testing
- ❑ Architecture planning

CA Statewide IT Project Delivery

- Stage 1 – Business Analysis (Project Concept)
  - Approval delegated to AIOs (TL 16-08)
  - 30 Day target for CDT approval
- Stage 2 – Alternatives Analysis (Project Alternatives)
- Stage 3 – Solution Development (Procurement Planning)
- Stage 4 – Project Readiness & Approval (Project Readiness)
  - Recently released (TL 16-07)

Project Approval Lifecycle

Stage 1
Business Analysis

- Identify Problem/ Opportunity
- Establish Business Case/Need
- Ensure Strategic Alignment
- Assess Organizational Readiness

Stage 2
Alternatives Analysis

- Assess Existing Business Processes
- Market Research
- Mid-level Solution Requirements
- Identify Solution Alternatives
  - COTS/MOTS
  - Custom
  - Existing
- Recommend Solution
- Procurement and Staffing Strategy
- Project Timeline

Stage 3
Solution Development

Part A
- Procurement Profile
- Detailed Solution Requirements
- Statement of Work

Part B
- Solicitation Package
  - Evaluation Methodology
  - Cost/Payment Model
- State Staffing Allocation

Stage 4
Project Readiness and Approval

- Solicitation Release
- Select Vendor
- Contract Management Readiness
- Baseline Project
  - Cost
  - Schedule
- Project Readiness
- Risk Register
- DOF/ Legislative Approval

Award Contract and Start Project

Department of Technology Oversight and State Entity Collaboration

PAL is Flexible

The Project Approval Lifecycle is flexible.

- The Department of General Services (DGS) delegated purchasing authority will impact what is submitted to the Department of Technology.
- Conditional approval at a stage gate allows the department to move forward with future planning activities with remediation of specified risks occurring later.

PAL Policies and Forms

- PAL guidelines and forms are located in the Statewide Information Management Manual (SIMM):

  – SIMM 19 Project Approval Lifecycle

  ** Find a **PAL Training Library** here with the slide deck from today's presentation, along with PAL samples, examples, and other resources.

  https://cdt.ca.gov/policy/simm-19/

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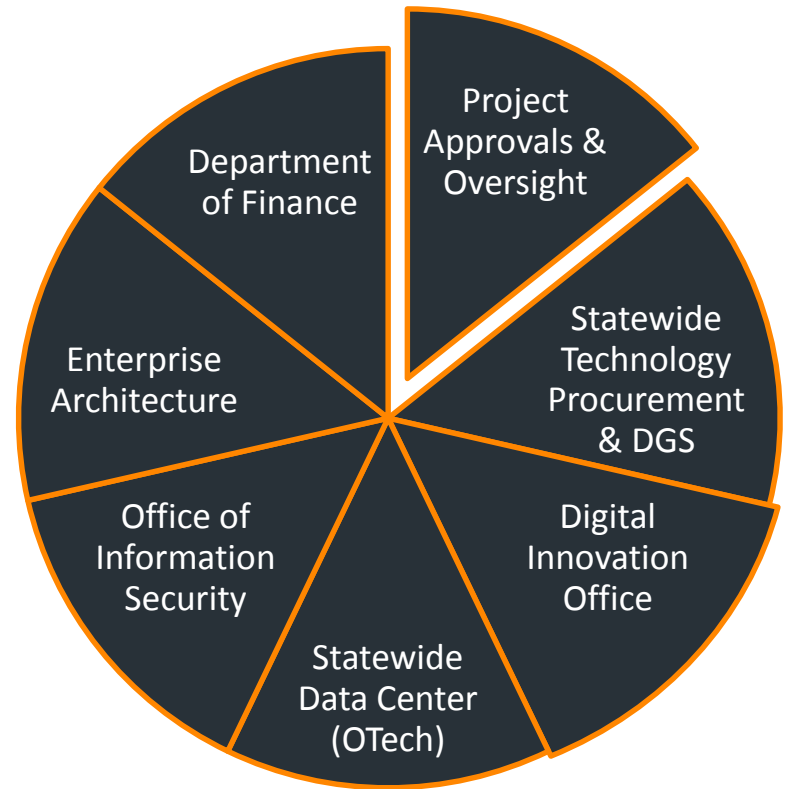 - Project Management

Stakeholder Involvement is Key

An important part of the PAL process is ensuring that all the right stakeholders are involved in the planning of your project.
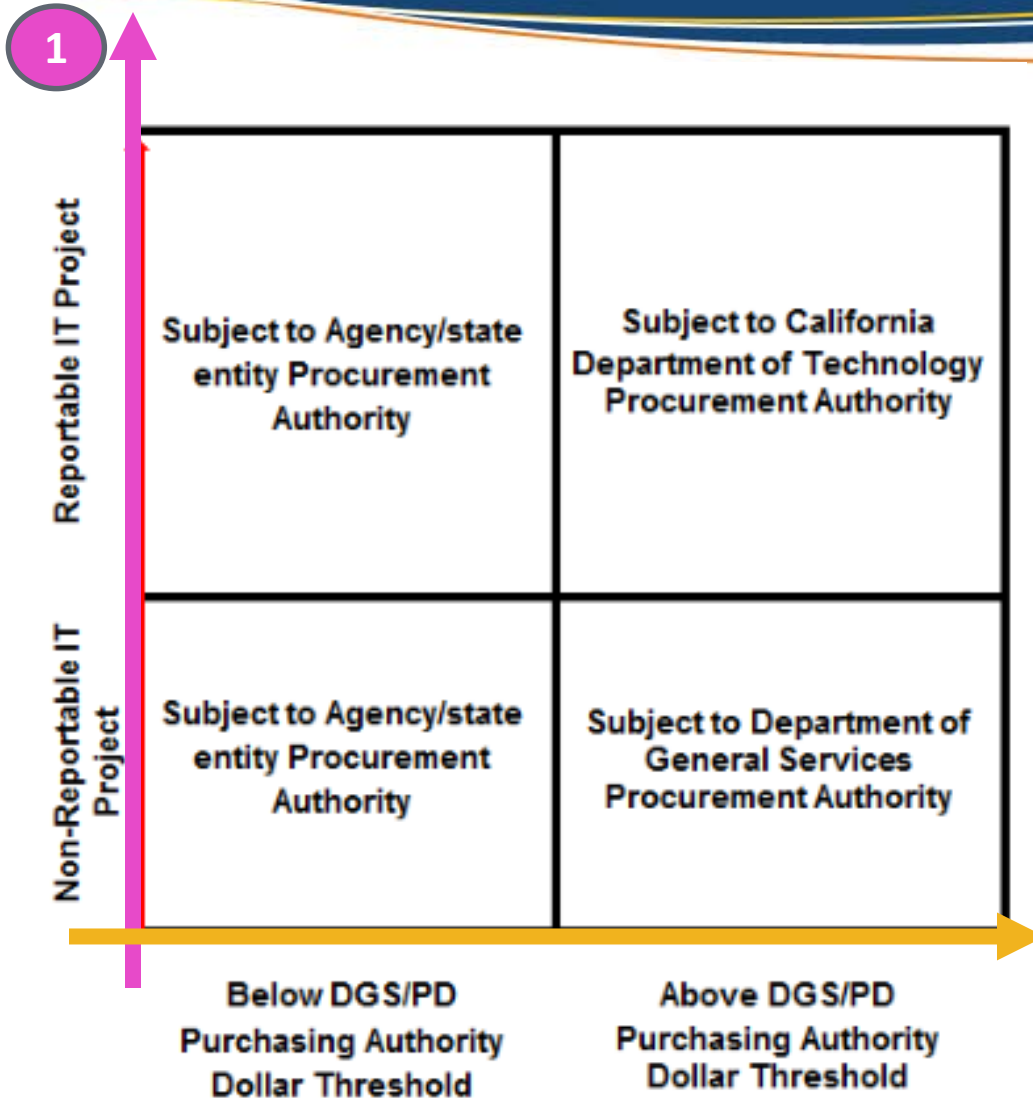
CDT Critical Partners

California Department of Technology (CDT) will involve Critical Partners from across the organization as well as other state control agencies for example, Department of Finance (DOF) and Department of General Services (DGS), in the review of PAL documents.

Pie chart segments:
- Project Approvals & Oversight
- Statewide Technology Procurement & DGS
- Digital Innovation Office
- Statewide Data Center (OTech)
- Office of Information Security
- Enterprise Architecture
- Department of Finance

CDT Critical Partners

When to Partner with DGS vs CDT for Project Procurements?

1

	Below DGS/PD Purchasing Authority Dollar Threshold	Above DGS/PD Purchasing Authority Dollar Threshold
Reportable IT Project	Subject to Agency/state entity Procurement Authority	Subject to California Department of Technology Procurement Authority
Non-Reportable IT Project	Subject to Agency/state entity Procurement Authority	Subject to Department of General Services Procurement Authority

2

The decision about whether to partner with DGS or CDT's Statewide Technology Procurement area depends upon two factors:

– Reportability

– Procurement cost compared to purchasing authority

Your PAL Development Team

The PAL Development Team should include the necessary resources to address all aspects of project planning.
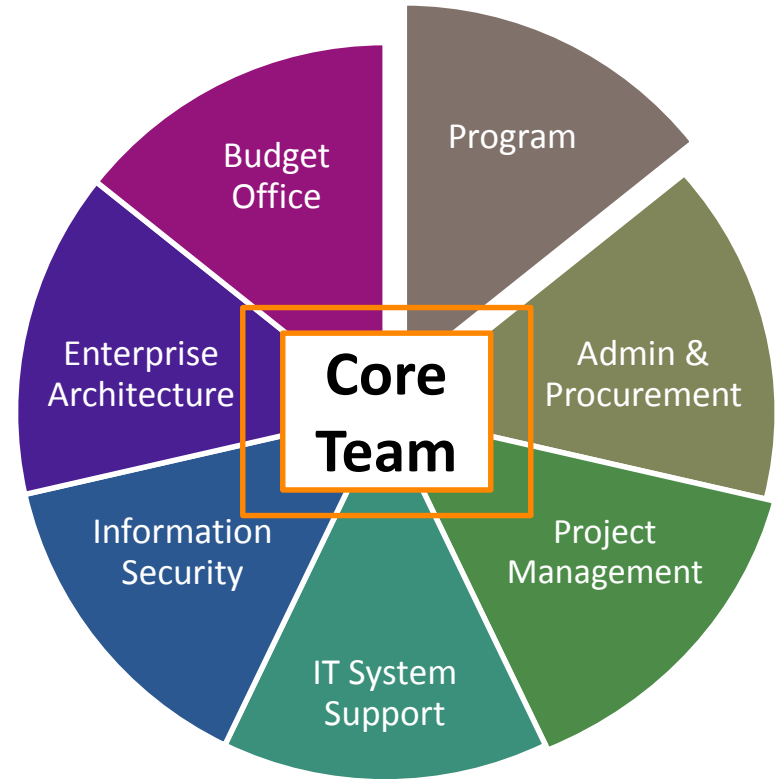
* May also involve Legal, as needed
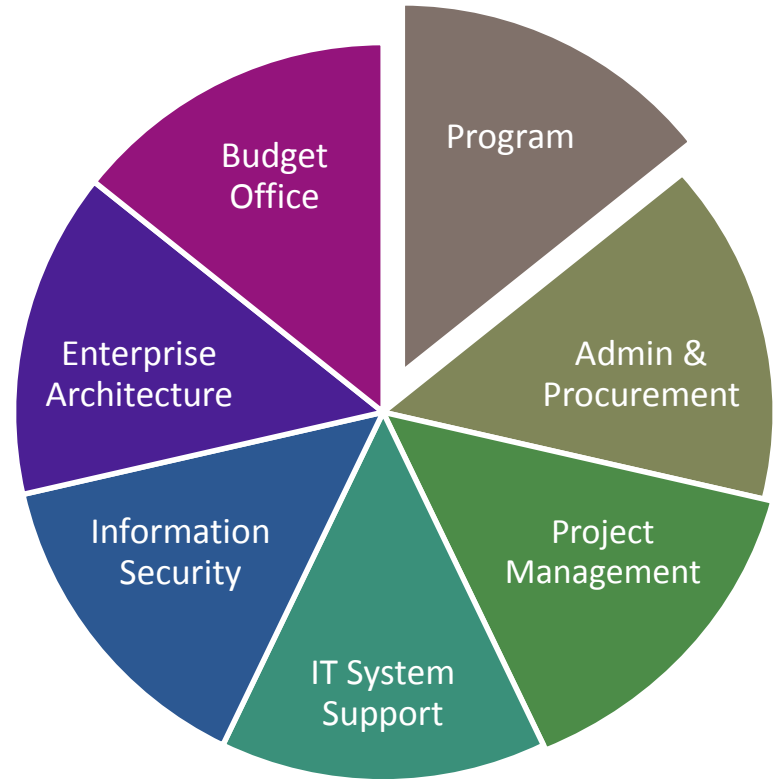
Department's PAL Development Team

Core Team Concept

The Core Team is a sub-team of the PAL Development Team that will drive the gathering and reporting of PAL information and analysis.

* May also involve Legal, as needed

Department's
PAL Development Team

Essential Practices
Core Team Concept

It is important to have the right level of engagement from the team members. This means having dedicated resources committed to the project. The lack of active team engagement is a project risk.

Prepare early for transition. During Stage 4 make Core Team resource adjustments that prepare the project for the transition from planning to system development.

PAL Development Team

Program

- Also known as "the business"— is the driver of the business need.
- Responsible for ensuring that business process needs are met.
- Develops a program-appropriate strategy for stakeholder involvement.

Admin & Procurement

- Keeps track of time and resources.
- Will be leveraged for understanding department resources.
- Leads or assists with the development of solicitations for IT goods and/or services, and managing support contracts.

Which Core Team members are involved?* ⎬

| Program | Admin & Procurement |

PAL Development Team

Project Management

- An office specializing in running projects and monitoring the department's IT portfolio.

IT System Support

- The Data custodian organization for the existing or proposed solution.

Information Security

- Oversees and validates the security and privacy handling of information by the state entity.
- Ensures security controls are suitable for the information classification.

Which Core Team members are involved?*

Project Management → IT System Support → Information Security

PAL Development Team

Enterprise Architecture

- Ensures alignment of business requirements to the proposed solution development and alignment of solution development to the architecture and vision of the Enterprise.

Budget Office

- Provides financial information regarding the existing operations
- Leads the development of the Financial Analysis Worksheets.

* If Legal is also involved, they provide consultation and review of solicitations and contracts.

Which Core Team members are involved?*

Enterprise Architecture → Budget

Why does Stage 4 matter?

- Update prior project documents

- Revise planning estimates

- Establish project baseline

PAL Stage 4 Process

- Stage 3 Collaborative Review & Stage 4 Kick-Off Meeting
- Proposal Evaluation Activities
  - Guided
  - Self-directed
- Stage 4 Collaborative Review & Oversight Kick-Off (if applicable)
- Stage 4 Decision
  - Funding & Legislative Approval
  - Contract award
  - Project approval

Collaborative Review Objectives

- Approve proposals with the business case and the business objectives stated in the Stage 1

- Provide guidance and/or instruction on key activities needed to conduct contract management

- Communicate risk mitigation strategies for project design, development, and implementation

- Communicate and confirm Office of Statewide Project Delivery Oversight role and associated costs

- Communicate conditions of approval, if approved

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Preliminary Assessment

The purpose of the Project Approval Lifecycle Stage 4 Preliminary Assessment is to:

- Help mitigate project risks during the last stage of PAL
- Confirm Agencies/state entities readiness to proceed
- Ensure any remaining project management planning needs are identified
- Ensure project has an adequate funding strategy identified

4.1 & 4.2 General Submittal Info

Stage 4 Preliminary Assessment

4.1 General Information

Agency or State Entity Name:
Select...

Organization Code:

Proposal Name:

Department of Technology Project Number: 0000-000

4.2 Preliminary Submittal Information

Contact Information:

Contact First Name: **Contact Last Name:**

Contact Email: **Contact Phone Number:**
                                                            (000) 000-0000

Preliminary Submission Date:
Date Picker

Preliminary Assessment Transmittal
Attachment: Click here to attach a file.

Instructions for the Stage 4 Preliminary Assessment are located
in SIMM Section 19C.1– Preparation Instructions.

4.3 Preliminary Assessment

Intent: Assess the Agency/state entity's readiness to begin project delivery. This includes an assessment of the Agency/state entity's:

- Solicitation readiness
- Project readiness
- Project funding

Outcome: Confirm readiness to complete final components of project planning prior to implementation. Confirm readiness to advertise solicitation, evaluate bids, and award contract, if applicable.

4.3 Preliminary Assessment

4.3 Stage 4 Preliminary Assessment

4.3.1. Solicitation Readiness	Yes	No	N/A
1. Has the Agency/state entity committed resources to respond to questions during the solicitation process (e.g., questions and answers, protest, confidential discussions)?	○	○	
2. Has the Agency/state entity committed subject matter experts to the state evaluation team?	○	○	
3. In addition to the information available in the State Contracting Manual (SCM) and the California Department of Technology Statewide Technology Procurement Division's (STPD's) Memorandum of Understanding (MOU), is the Agency/state entity aware of their role in the evaluation process and have they completed the evaluation plan and training documents?	○	○	○

4.3.2 Project Readiness	Yes	No	N/A
1. If Stage 2 Alternative Analysis, Section 2.12.8.2 indicates a governance management plan is applicable, has the Agency/state entity's governance structure been engaged for issue escalation and resolution?	○	○	○
2. Are the business sponsors and key stakeholders, as identified in the Stage 1 Business Analysis, engaged and committed to support this proposal once it becomes a project?	○	○	
3. Have the business sponsors and key stakeholders reevaluated the business drivers and business objectives identified in the Stage 1 Business Analysis Section 1.5 Business Driver(s) and Section 1.10 Business Problem or Opportunity and Objectives Table and continue to support the proposal?	○	○	
4. Have the partners for this proposal, for which system interactions are expected, accepted their responsibilities and deliverable timeframes?	○	○	○

Essential Practices
4.3 Preliminary Assessment

Review previous submissions and True up. It is the department's responsibility to review previous Stage submissions for refinement and updates needed before resubmission.

Budget Office. Be sure to engage the State entity budget office and Department of Finance.

Be Proactive. During Stage 4, projects have a closer relationship with critical partners. As things change, involve them as soon as possible.

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4.4 General & 4.5 Submittal Info.

Intent: Identify changes to the Agency/state entity contact information, submission type, and changes if applicable.

Outcome: Submission information is accurate and up-to-date.

4.4 General Info and 4.5 Submittal Info.

4.4 General Information

Agency or State Entity Name:

Organization Code:

Proposal Name:

Department of Technology Project Number: 0000-000

4.5 Submittal Information

Contact Information:

    Contact First Name: **Contact Last Name:**

    Contact Email: **Contact Phone Number:**
                                                      (000) 000-0000

Submission Date:
Date Picker

Submission Type:
- ○ New Submission
- ○ Updated Submission (Pre-Approval)

- ○ Updated Submission (Post-Approval)
- ○ Withdraw Submission
  - Reason: Select...
  - If "Other," specify:

Sections Updated (For Updated Submissions only, check all that apply)

☐   4.4 General Information   ☐ 4.11.1 Final Requirements Count

☐   4.5 Submittal Information   ☐   4.12 Schedule

Essential Practices
4.4 General & 4.5 Submittal Info.

True up PAL submissions. Previously approved PAL forms should be updated as further analysis is conducted, uncertainties are cleared, and data used for decision-making improves.

Highlight. Any new information or changes should be highlighted or **bold type** to indicate a change was made.

Revisit any approval conditions and status. Agencies will provide a concise narrative on the status of any approval conditions and their plan to address any outstanding approval conditions.

4.6 Primary Solicitation Results

Intent: Document outcomes associated with the primary solicitation – in particular, the results of the process and the activities conducted.

Outcome: Summary of the results of the solicitation process including actual key action dates, addenda, disposition of bid submissions, vendor selection, and subcontractor information.

4.6 Primary Solicitation Results

4.6 Primary Solicitation Results

4.6.1 Solicitation Key Action Dates (Primary Solicitation Only)

Activity:	Select...
	If "Other," specify:
Actual Start Date:	Date Picker
Actual End Date:	Date Picker
Actual Duration (Number of Business Days):	

Insert Key Action Date Activity

4.6.2 Addenda

Addenda Number:	....
Addenda Category:	Select...
	If "Other," specify:

Insert Addenda

4.6.3 Final Bid Respondents

Respondent Name:	....
Compliant:	Select...
Non-compliance Category:	Select...
	If "Other," specify:
Insert Non-compliance Category	
Negotiations Conducted:	Select...
Intent to Award:	Select...
Protest:	Select...
Protest Disposition:	Select...

Essential Practices
4.6 Primary Solicitation Results

Work with your procurement official. Make sure the document is an accurate reflection of your solicitation process.

Communicate changes and true up information. Partner with your PAL manager about which project documents and FAWs to update. This should coincide with the completion of the Evaluation and Selection Report.

Review Criteria: Section 4.6 Primary Solicitation Results

- Are the primary solicitation key action activities, dates, and number of business days correctly reported?

- Are the Final Bid Respondents and Subcontractor Information complete and accurate?

- Does the solicitation document align with the information provided in this section?

4.7 Ancillary Solicitation Status

Intent: Document and align outcomes, including costs, associated with any pending or completed ancillary solicitations.

Outcome: Provide the status for any pending or completed ancillary solicitations.

4.7 Ancillary Solicitation Status

4.7 Ancillary Solicitation Status

Solicitation Title:	....
Status:	Select...
Awardee Name:	....
Contract Number:	....
Contract Start Date:	Date Picker
Contract End Date:	Date Picker
Total Contract Cost (without Optional Years):	....
Optional Years:	
Optional Years (Number of Months):	....
Total Cost of Optional Years:	
Total Contract Cost (with Optional Years):	....

Insert Ancillary Solicitation Status

Essential Practices

4.7 Ancillary Solicitation Status

Communicate changes and true up information. Partner with your PAL manager about which project documents and FAWs to update.

Review Criteria: 4.7 Ancillary Procurement Status

- Are the ancillary procurements identified aligned with Stage 3 Section 3.6 Procurement Profile and Financials Analysis Worksheets?

- Does it align with the needs of the project?

- Does this align with any conditions on the project proposal?

4.8 Contract Management

Intent: Ensure that all goods/services/products are in compliance with the terms and conditions in the contract and meet expectations.

Outcome: Increased likelihood of project success with proper contract management.

4.8 Contract Management

4.8 Contract Management

	Yes	No
1. Has the role of Contract Manager been assigned and has the Contract Manager reviewed and gained an understanding of the scope, activities, tasks and deliverables of the contract? If "No," briefly explain below why this has not been accomplished: ...	☐	☐
2. Does the assigned Contract Manager understand the processes for post award contract activities, including contract amendments, contract work authorizations, terms and conditions, and contract escalation/resolution? If "No," briefly explain below why this has not been accomplished: ...	☐	☐
3. Has a post-award or kickoff meeting between the Contract Manager and state project team members been scheduled to align state and contractor expectations related to contract, budget, invoicing, requirements review, and contractor incentives? If "No," briefly explain below why this has not been accomplished: ...	☐	☐
4. Does the Contract Manager understand the Agency/state entity and federal processes, policy, and applicable procedures? If "No," briefly explain below why this has not been accomplished: ...	☐	☐
5. Does the Contract Manager have a plan to collect and assess contractor and project performance information on a regular basis (i.e. establish meetings with Project Managers, communication techniques)? If "No," briefly explain below why this has not been accomplished: ...	☐	☐

Essential Practices
4.8 Contract Management

Contract management activities begin with assigning a contract manager and onboarding and properly training the contract management staff early.

The State Contract manager is responsible for administering the contract and monitoring contractor requirements, disputes, Key Performance Indicators (KPIs), and adherence.

The contract management role is critical for protecting the State's IT investment. The contract manager should be actively involved and have knowledgeable backup resources.

Review Criteria: 4.8 Contract Management

- Has a Contract Manager been identified and trained on responsibilities?

- Has a date been scheduled for the post-award and kickoff meeting?

- Has a plan been created and put in place to collect and assess contractor and project performance on a regular basis?

4.9 Organizational Readiness

Intent: Confirm the readiness of the Agency/state entity to begin design, development, implementation and project activities in ongoing support of the solution.

Outcome: Confirm the organization is ready to execute, support, and adopt, the project into their organization.

4.9 Organizational Readiness

4.9 Organizational Readiness

	Yes	No
1. Does the Agency/state entity currently have a mature release management process with a repeatable and scalable testing methodology that supports all stages of testing (system, integration, security, performance, interfaces, regression, user acceptance, and accessibility)? If "No," briefly describe below the release management process that will be used to manage, plan, schedule, and control a software build through the different phases and environments, including testing and deploying software releases: ...	○	○
2. Does the project team have a clear understanding of the lines of business that will be impacted by the project? If "No," briefly explain below how the Agency/state entity plans to educate the project team to ensure all members have a clear understanding of the goals that the project intends to achieve: ...	○	○
3. Does the Agency/state entity have processes and methodologies in place to support organizational change management (OCM) activities identified in Stage 1, Section 1.12.4 Training and Organizational Change Management? If "No," briefly describe below how the Agency/state entity will perform OCM activities for this proposal: ...	○	○
4. Does the Agency/state entity have dedicated resources assigned to business process improvement or business process reengineering activities? If "Yes," specify the areas of business process improvement needed below: ... If "No," briefly explain below how the Agency/state entity will perform business process improvement or business process reengineering activities for this proposal:	○	○

4.9.1 Project Organization Chart

Attachment: (File Attachment)

Essential Practices

Department of Technology Tools. Organizational Change Management and Business Process Reengineering Frameworks will be developed and released in Summer 2017.

Project Org Chart. Ensure alignment with Financial Analysis Worksheets.

Impact. Project team members should have an understanding of how this project will impact the entire organization.

Review Criteria: 4.9 Organizational Readiness

- Does the test management plan align with the enterprise architecture and information security needs of the organization?

- Is there planning in place to train and share information amongst project team members?

- Have dedicated resources been identified for business process improvement or reengineering activities?

4.10 Project Readiness

Intent: Identify Agency/state entity's methodology and readiness to begin project design, development and implementation activities.

Outcome: Confirm that the project has the necessary processes, methodologies, and staffing in place.

4.10 Project Readiness

4.10 Project Readiness

1. Select the system development methodology you plan to use to design and develop the new system:

☐ Agile/Iterative   ☐ Waterfall   ☐ Other

If "Other," specify the methodology and provide a brief description below:

...

Describe below the Agency/state entity's past project experience using the system development methodology identified. If this methodology has never been used before, describe the training and staff development that will be provided to prepare staff to leverage this methodology.

...

	Yes	No	N/A
2. Has the Agency/state entity received approval of the Evaluation and Selection Report?	☐	☐	☐
3. Has the Agency/state entity engaged the Office of Technology Services (OTech) for capacity planning and the development of the solution delivery timeline? If "No" and data center capacity planning and alignment services are needed and the Agency/state entity has not engaged OTech, explain below:	☐	☐	☐
...			
4. Have resource commitments been obtained for all staff resources identified in Stage 3, Section 3.19 Staffing Allocation? If "No," explain below why commitments have not been obtained and the plan to mitigate this risk:	☐	☐	
...			
5. Does the project staffing plan ensure sufficient staff resources are available to perform project activities while also supporting maintenance and ongoing operations for other Agency/state entity initiatives? If "No," explain below how sufficient resource levels will be maintained for all project activities:	☐	☐	
...			
6. Have all identified project leads received formal project management training? If "No," explain below how the Agency/state entity will educate the project team leads on project management basics:	☐	☐	
7. If California Department of Technology oversight services are required, has a Service Request (SR) for oversight services been submitted?	☐	☐	☐
If "Yes," provide the SR number below; if "No," provide a brief explanation below:			
8. Has the project begun procurement activities for Independent Verification and Validation (IV&V) services per the State Administrative Manual Section 4940.3?	☐	☐	☐
If "Yes," indicate the planned start date for IV&V services below:			
Date Picker			
If "No" or "N/A," provide a brief explanation below:			

Essential Practices

Document Strategy. Identify Agency/state entity's previous experience with system development. Document how staff have been trained or will receive training.

Validate Resources. Take steps to ensure staff will be available now that the project is ready to begin.

Service Request. If CDT project oversight services are required, a CDT Service Request must be submitted.

Review Criteria: 4.10 Project Readiness

- Does the resource strategy align with the solution development methodology?

- Has the Evaluation and Selection Report been approved?

- If applicable, partner with your Office of Technology Services (OTech) representative for planning purposes.

4.11 Requirements Baseline

Intent: Identify any solution requirement changes as a result of the solicitation process and vendor responses.

Outcome: Evaluate and understand the impact, properly log requirement changes, and verify that the solution requirements still align with business objectives, as a result of solution requirements changes.

4.11 Requirements Baseline

4.11 Requirements Baseline

	Yes	No	N/A
1. Has the Agency/state entity modified any mid-level or detailed solution requirements since obtaining approval of the Stage 3 Solution Development?	○	○	

If "Yes":

Percentage of Change …%

- Provide the percentage of change in the space provided.

- Below describe the modification(s), impact(s) to the recommended alternative, and how the requirements align with the business objectives established in the Stage 1 Business Analysis:

  …

	Yes	No	N/A
2. Has the requirements traceability been updated to accurately reflect any modification(s)?	○	○	○

4.11.1 Final Requirements Count

Total Functional Requirements:	Enter Number
Total Non-Functional Requirements:	Enter Number
Total Project/Transition Requirements:	Enter Number
Requirements Grand Total	Enter Number

Essential Practices

Reasonableness. Calculate the percentage of requirement change.

Baselining. The requirements validated during Stage 4 are the requirements baseline for the project.

Review Criteria: 4.11 Requirements Baseline

- Do the final requirements align with the business objectives identified in Stage 1?

- Have any of the mid-level or detailed solution requirements been modified since approval of Stage 3 Solution Development?

- Can we validate the requirements traceability artifacts have been updated?

4.12 Schedule

Intent: Update the project schedule by identifying high level dates and project tasks and document the rationale for why changes have occurred.

Outcome: The final baseline schedule for the project.

4.12 Schedule

4.12 Schedule

4.12.1 Schedule Summary

	Estimated Date	Final Baseline Date	Difference
Project Planning Start Date	Date Picker	Date Picker	
Project Planning End Date	Date Picker	Date Picker	
Project Start Date	Date Picker	Date Picker	
Project End Date	Date Picker	Date Picker	

4.12.2 Reason(s) for Difference

...

4.12.3 High Level Integrated Master Schedule and Key Milestones

Attachment: (File Attachment)

Essential Practices

Be complete. The vendor tasks and resources identified in their proposed schedule should be aligned with the high level master schedule.

Best Practices for Scheduling
Validate your roles and responsibilities to make sure scheduled tasks are assigned with appropriately skilled resources.

Communicate changes and true up information. Partner with your PAL manager about which project documents and FAWs to update.

Review Criteria: 4.12 Schedule

- Does the high level schedule align with the vendor schedule?

- Is the high level schedule realistic?

- Does the project resources align to the schedule?

4.13 Cost Baseline

Intent: Revaluate the cost estimate using vendor bid responses, state resourcing costs and selected vendor costs and document the rationale for why changes have occurred.

Outcome: The final baseline cost for the project.

4.13 Cost Baseline

4.13 Cost Baseline

4.13.1 Cost Summary

	Estimated Proposed Cost	Final Baseline Cost	Difference
Total Planning Cost			
Average Proposed Operations Cost			
Total Project Cost			

4.13.2 Reason(s) for Difference

...

4.13.3 Budget Change Proposal (BCP) Summary

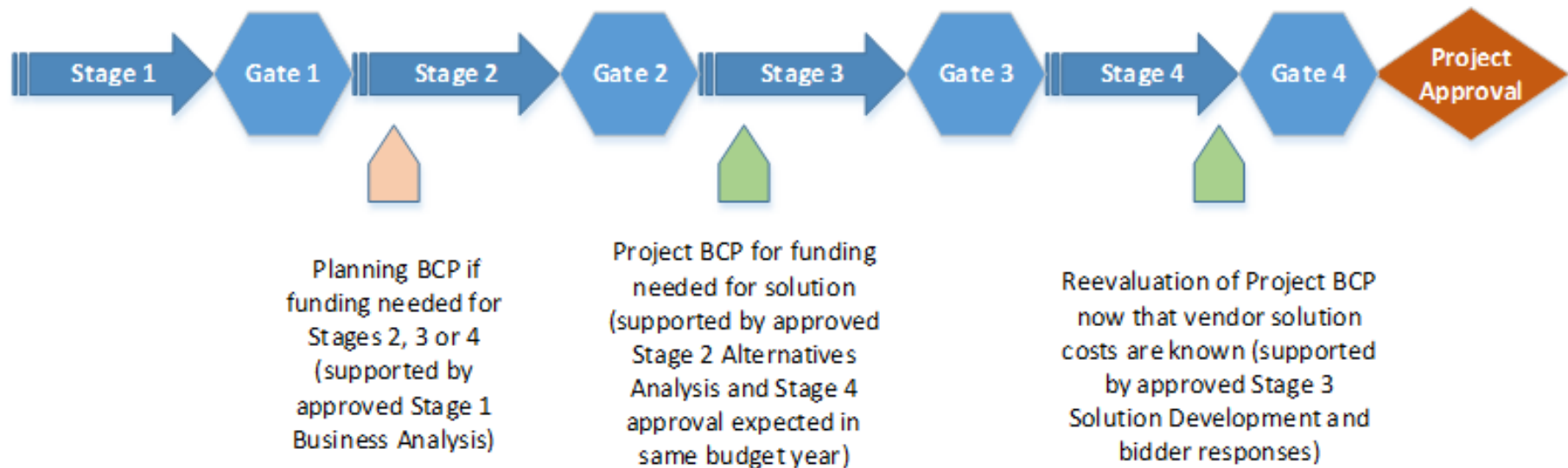| Budget Request ID	
Budget Request Year	YY/YYYY
Requested Amount	...
Status	Select...

Insert BCP Summary

4.13.4 Financial Analysis Worksheets (Baseline)

Attachment: (File Attachment)

PAL Funding Strategy

Figure 1: Project Approval Lifecycle – Funding Strategy

Stage 1 → Gate 1 → Stage 2 → Gate 2 → Stage 3 → Gate 3 → Stage 4 → Gate 4 → Project Approval

Planning BCP if funding needed for Stages 2, 3 or 4 (supported by approved Stage 1 Business Analysis)

Project BCP for funding needed for solution (supported by approved Stage 2 Alternatives Analysis and Stage 4 approval expected in same budget year)

Reevaluation of Project BCP now that vendor solution costs are known (supported by approved Stage 3 Solution Development and bidder responses)

Financial Analysis Worksheet Process

	INPUT	process	OUTPUT

Stage 2 Alternative Analysis

Market Research cost estimate →

- SIMM 19F
- Include estimates for Planning and Project costs:
  - staffing
  - primary and ancillary procurements
  - M & O
- Must match any BCPs submitted

→ FAW cost estimate

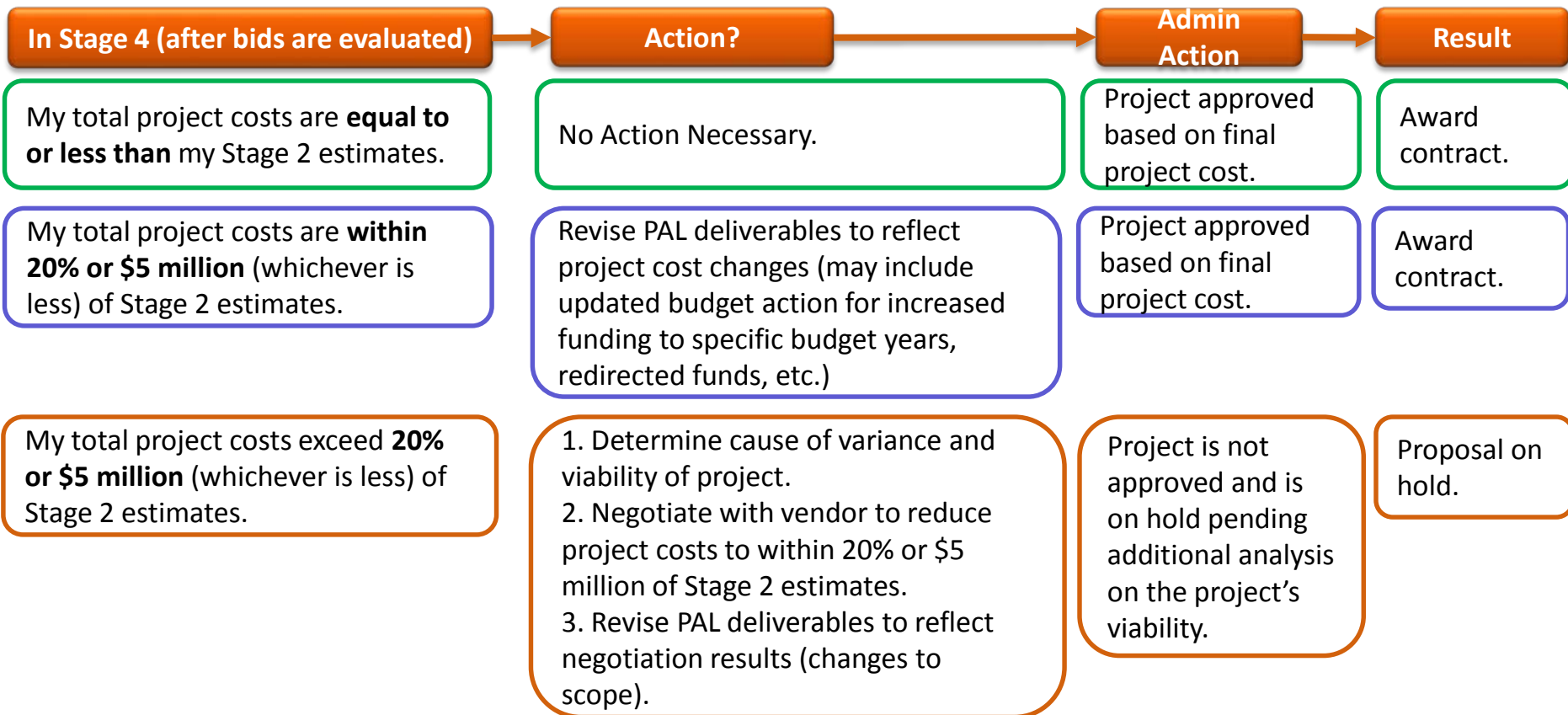|	INPUT	process	OUTPUT

Stage 4 Project Readiness

Selected Vendor cost submissions →

- SIMM 19F / S4PRA 4.13
- Update PAL planning actuals
- Update project staffing and M & O costs
- Update project estimates with bids from selected vendors
- Explain reason for variance from Stage 2 FAW estimate
- Must match any BCPs submitted

→ FAW cost baseline

Total Project Cost

In Stage 4 (after bids are evaluated)	Action?	Admin Action	Result
My total project costs are **equal to or less than** my Stage 2 estimates.	No Action Necessary.	Project approved based on final project cost.	Award contract.
My total project costs are **within 20% or $5 million** (whichever is less) of Stage 2 estimates.	Revise PAL deliverables to reflect project cost changes (may include updated budget action for increased funding to specific budget years, redirected funds, etc.)	Project approved based on final project cost.	Award contract.
My total project costs exceed **20% or $5 million** (whichever is less) of Stage 2 estimates.	1. Determine cause of variance and viability of project. 2. Negotiate with vendor to reduce project costs to within 20% or $5 million of Stage 2 estimates. 3. Revise PAL deliverables to reflect negotiation results (changes to scope).	Project is not approved and is on hold pending additional analysis on the project's viability.	Proposal on hold.

Essential Practices

4.13 Cost Baseline

Validate the FAWs Ensure they reflect the planned project activities and any services or contracts associated with the project. Ensure there is an alignment between the FAWs and any BCP action.

Total Project Cost. Differences between estimated and actual costs should include a justification for the change.

Review Criteria: 4.13 Cost Baseline

- What were the cost estimates in Stage 2?

- What are the baseline final project costs?

- For differences between your cost estimates and the baseline final project costs
  - Provide the rationale
  - Ensure the BCP is reflective of the final proposal

- BCP(s) must align to the FAWs

4.14 Project Management Planning

Intent: Ensure the project management planning is sufficient to effectively manage the project.

Outcome: CDT can gain confidence that the project has thought through how to effectively manage the project and reduce risk.

4.14 Project Management Planning

4.14 Project Management Planning

	Yes	No	N/A
Are the following project management plans or project artifacts complete, approved by the designated Agency/state entity authority, and available for Department of Technology review?			
Risk Register	○	○	○
If "No," provide the status below; if "N/A," provide an explanation below:			
….			
Contract Management Plan	○	○	○
If "No," provide the status below; if "N/A," provide an explanation below:			
….			
Cost Management Plan	○	○	○
If "No," provide the status below; if "N/A," provide an explanation below:			
Implementation Management Plan	○	○	○
If "No," provide the status below; if "N/A," provide an explanation below:			
….			
Requirements Management Plan	○	○	○
If "No," provide the status below; if "N/A," provide an explanation below:			
….			
Deliverable Expectation Document (DED)	○	○	○
If "No," provide the status below; if "N/A," provide an explanation below:			
….			

Essential Practices
4.14 Project Management Planning

Reminders:
- Align plans with a project management framework (e.g. PMBOK, CA-PMF)
- Make sure the project plans are appropriate for the scope of the project
- Completion of planning may be a condition of Stage approval.

Finish Line. The scalability of your project is a component in determining which project plans are required to be completed prior to project approval.

Review Criteria: 4.14 Project Management Planning

- Have the project management plans and artifacts been identified?

- Do the "Not Applicable" plans include a reason why it is not needed?

- Do the plans marked "No" include a status?

4.15 Risk Register

Intent: All project risks and risk response strategies have been identified and are documented.

Outcome: Increased likelihood of project success with proper risk management.

4.15 Risk Register

4.15 Risk Register

Attachment: (File Attachment)

Essential Practices

4.15 Risk Register

Ensure your risk register is kept up to date. Use proper project management practices when managing your risk process.

Accountability is key. Assign a single person to be accountable for the risk management process.

Review Criteria: 4.15 Risk Register

- Is the risk register attached and current?
- Does it include all project risks continuing into project execution?

Solicitation and PAL

Contract Signed

Stage 3

S3 Approval Letter

Stage 4

S4 Approval Letter

Solicitation is released with approval of Stage 3

Agency reports solicitation outcomes in Stage 4 Project Readiness & Approval
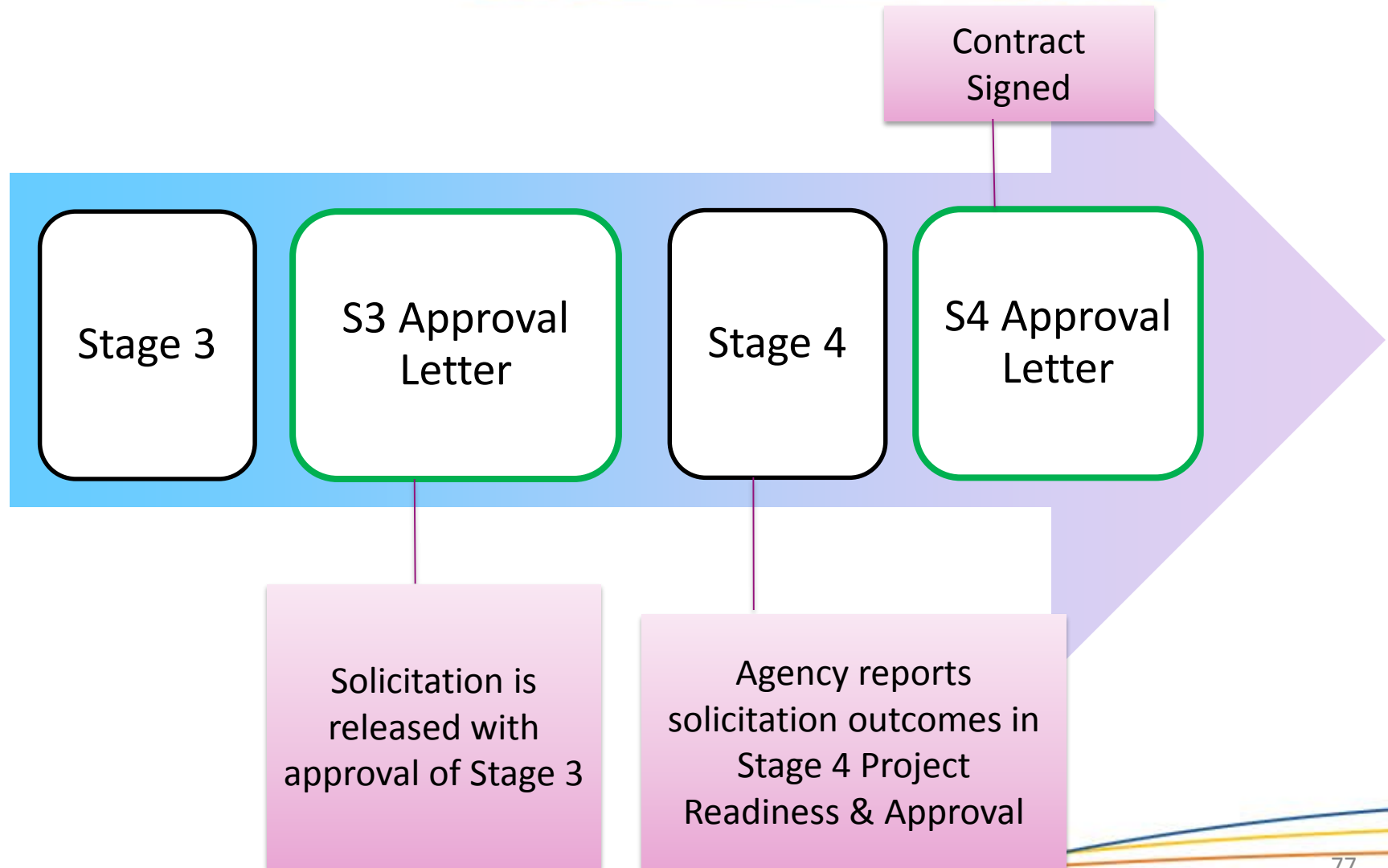
Next Steps

- Transition to Oversight

- Per State Administrative Manual Section (SAM) 4819.2, "Project Oversight" is: "An independent review and analysis to determine if the project is on track to be completed within the estimated schedule and cost, and will provide the functionality required by the sponsoring business entity. Project oversight identifies and quantifies any issues and risks affecting these project components."

- See SIMM 45 for more information

IT Project Oversight

Through the Office of Statewide Project Delivery (OSPD), the CDT is responsible for the approval and oversight of IT projects, including:

-Project Approval Authority

-Project Oversight Authority

-Analysis and Advice

-Oversight Protocol

In Flight Project Requirements

Document	Timeframe
Project Status Report (PSR)	5th business day of month
Independent Project Oversight Report (IPOR)	10th business day of month
Special Project Report (SPR)	3rd Monday in July (Fall) 2nd Monday in January (Spring) Anytime – no budget action

Closing Project Requirements

Document	Timeframe
Post Implementation Evaluation Report (PIER)	Within 18 months of project close out

Additional Next Steps

- Manage the established Project baseline
  - Completion of Project Status Reports
  - Special Project Reports (SPR)
  - Budget requests (post approval, if applicable)
  - Post Implementation Evaluation Report (PIER)

What We Covered Today…

- This training covered
  - PAL's role in IT Project Delivery
  - Role of "Critical Partners" and "Core Team" in PAL
  - Stage 4 Preliminary Assessment
  - Stage 4 Project Readiness and Approval
  - Transition to Oversight

Questions?

Ask The Experts

Thank You!

PAL Training Team

Contact Us @

CIOPALTraining@state.ca.gov

Appendix 1
Tools & Resources

Tools & Resources 1

Tool Name	References Form Section	Note or Links
Project Approval Lifecycle forms and instructions (SIMM 19)	All	https://cdt.ca.gov/policy/simm-19/
IT Project Reporting Process Flow (SIMM 10)	All	https://cdt.ca.gov/wp-content/uploads/2017/03/SIMM_10_Document_Description_and_Process_Flow.pdf
Gate 4 Collaborative Review Guidelines (SIMM 19D.6)	All	https://cdt.ca.gov/wp-content/uploads/2019/07/D.4-Gate-4-Collaborative-Review-Guidelines.pdf
CDT Technology Letters (Policy)	All	https://cdt.ca.gov/tech-alerts/

Tools & Resources 2

Tool Name	References Form Section	Note or Links
Stage 4 Project Readiness and Approval Instructions – SIMM 19D	All	https://cdt.ca.gov/wp-content/uploads/2021/04/D.1-Preparation-Instructions.pdf
Stage 4 Evaluation Scorecard	All	https://cdt.ca.gov/policy/simm-19/
Understanding Agile	All	https://projectresources.cdt.ca.gov/agile/
CA-PMF Sample Library	All	Link to California Project Management Framework Templates page (including DED & DAD Templates) https://cdt.ca.gov/policy/simm-19/

Tools & Resources 3

Tool Name	References Form Section	Note or Links
SIMM 19F Financial Analysis Worksheets F.1 – Preparation Instructions	4.6	https://cdt.ca.gov/wp-content/uploads/2019/07/F.1-Preparation-Instructions.pdf
SIMM 19F Financial Analysis Worksheets F.2 - FAWs Template	4.6	https://cdt.ca.gov/policy/simm-19/ Scroll down to bottom of page until you locate the resource.
State Contracting Manual Volume 3	4.6	http://www.dgs.ca.gov/pd/Resources/publications/SCM3.aspx

Tools & Resources 4

Tool Name	References Form Section	Note or Links
Evaluation and Selection Report Template	4.10	https://www.documents.dgs.ca.gov/pd/poliproc/pdfCompleteSCMv3/pdfCompleteSCMv3.pdf Chapter 4.B5.9
Government Code 11545 and 11546	4.10	https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=3.&title=2.&part=1.&chapter=5.6.&article=
SIMM 17 CA-PMF Templates	4.14	http://capmf.cio.ca.gov/

Appendix 2

Roles & Responsibilities

Program

- Program team members should be Subject Matter Experts (SMEs), in the program areas that have the business need.
  - This person should know the resources and functions of the program, including program policy and processes.
- Resources the Program person should bring to the team include:
  - Procedural manuals
  - Relevant policy interpretations
  - A working knowledge of the business process flows

Administration & Procurement

- Administration is a broad area that captures a wide range of functions. Common areas that may be tapped include:
  - Accounting
  - Facilities
  - Contract Management
  - Human Resources
- The Administration team members would bring knowledge and resources such as:
  - Organizational charts
  - Duty statements
  - Contract management knowledge

Administration & **Procurement**

- Procurement is a specialized area that captures functions and duties related to:
  - Conducting market research
  - Determining procurement approach
  - Developing solicitations
  - Overseeing overall procurement activities
- The procurement team members would bring knowledge and resources such as:
  - Market research assistance
  - Procurement approach options
  - Costing models
  - Evaluation methodology

Project Management

- The Project Management team member is responsible for:
  - Documenting the analysis and planning activities that the project team is doing, including mapping out a schedule
  - Creating methods and processes to manage the proposal development and the project
- CDT expects that a Project Manager be a core team member from S2AA onward, where organizational capacity exists.

IT System Support

- IT System Support is the custodian of the existing data systems.
  - IT is on the Core Team and at the table, but the Program area drives the effort.
- IT System Support team members are responsible for:
  - Serving as SMEs for the technical solution
  - Bringing documentation of the existing system
  - Serving as the liaison with the Statewide Data Center
  - Assisting in estimating IT related project costs for development and infrastructure
  - Maintaining the new solution

Information Security

- Information Security has both a business and technical focus.

- Information Security
  - Oversees and validates the security and privacy handling of information by the state entity.
  - Ensures security controls are suitable for the information classification.

Enterprise Architecture

- Enterprise Architecture (EA) focuses on the business and ways technology may be used to meet business needs.

- The EA team member is expected to bring knowledge of:
  - The business
  - Business requirements
  - State entity EA practice and policies
  - Statewide EA Practice and Program
  - Appropriate governance and standards

Budget Office

- The Budget Office team member serves as lead in the development of the Financial Analysis Worksheets (FAWs) included in PAL Stage 2.

- The Budget Office team member will bring knowledge of:
  - State budget processes
  - Budget timelines
  - Cost estimation methodologies