

By Senator Argenziano

3-1140-05

1 A bill to be entitled
2 An act relating to information technology
3 management; providing legislative intent that
4 each state agency use a governance process and
5 structure for managing its information
6 technology operations and investments in order
7 to ensure alignment with the business needs and
8 policy requirements of the agency; providing
9 definitions; providing a governance process for
10 information technology which includes
11 management of the agency's information
12 technology portfolio along with project
13 management; specifying the purpose of
14 information technology portfolio management;
15 requiring each agency to submit its approved
16 information technology portfolio as part of its
17 final legislative budget request; requiring
18 that agencies implement and administer a
19 project management methodology that complies
20 with rules adopted by the State Technology
21 Office; providing requirements for project
22 plans; requiring each agency to incorporate the
23 operational work plans and project status
24 reports based on the standards published by the
25 State Technology Office and the Technology
26 Review Workgroup; requiring that each agency
27 implement an operational governance structure
28 that establishes an agency information
29 technology investment management board;
30 providing for membership of the board;
31 providing for meetings and staffing of the

1 board; specifying the responsibilities of the
2 agency information technology investment
3 management boards; providing an effective date.
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5 Be It Enacted by the Legislature of the State of Florida:
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7 Section 1. Information technology management.--

8 (1) LEGISLATIVE INTENT.--It is the intent of the
9 Legislature that each state agency use a governance process
10 and structure for the management of information technology in
11 order to plan, manage, and implement its information
12 technology operations and investments and to ensure that the
13 operations and investments are aligned with the business needs
14 and policy requirements of the agency.

15 (2) DEFINITIONS.--As used in this section, the term:

16 (a) "Agency information technology investment
17 management board" or "board" means a board, chaired by the
18 agency head and comprised of executive managers of the agency,
19 which is responsible for establishing a systematic,
20 data-driven means for selecting and managing information
21 technology investments for the agency.

22 (b) "Information technology investment" means a
23 specific piece of hardware, infrastructure peripheral, or
24 software application developed by an agency or acquired from
25 one or more vendors, or any combination of these, which serves
26 current and future needs of the agency and is required to
27 provide information technology services as identified in the
28 agency's information technology service catalog and approved
29 information technology projects.

30 (c) "Information technology portfolio management"
31 means the process of using the information technology services

1 catalog to plan, manage, and operate information technology
2 services and the project management methodology that is used
3 to plan, manage, and implement information technology projects
4 in order to ensure alignment of information technology
5 investments with agency business needs. The term includes the
6 analysis and proper mitigation of information technology
7 investment risks.

8 (d) "Information technology services catalog" means a
9 written statement describing each information technology
10 service that an agency invests in, manages, and uses to enable
11 day-to-day business processes. The catalog is comprised of the
12 definitions and descriptions of strategic and nonstrategic
13 information technology services.

14 (e) "Nonstrategic information technology service"
15 means a utility-type information technology service, as
16 defined in the legislative budget request instructions
17 provided for in section 216.023, Florida Statutes, which is
18 common among several agencies and which facilitates the
19 day-to-day agency activities.

20 (f) "Project management" means a set of disciplines
21 required for planning, organizing, managing, implementing, and
22 controlling organizational and fiscal resources in order to
23 complete specific project goals and objectives.

24 (g) "Service level agreement" means a written
25 agreement between a service provider and the agency which
26 describes each service to be provided and documents the
27 required service objectives and service levels for a service.
28 Service providers include external providers, internal
29 providers, and other agency providers.

30 (h) "Strategic information technology service" means a
31 service that directly helps the agency to fulfill its specific

1 statutory or constitutional responsibilities and policy
2 objectives and that is associated with the agency's primary or
3 core business functions. The process for identifying an
4 agency's strategic information technology services shall be
5 prescribed in the legislative budget request instructions
6 provided for in section 216.023, Florida Statutes.

7 (3) INFORMATION TECHNOLOGY GOVERNANCE PROCESS.--For
8 the purpose of establishing an information technology
9 management process that integrates the agency's fiscal and
10 programmatic activities, each agency shall implement
11 information technology portfolio management and project
12 management.

13 (a) The information technology portfolio management
14 process, as defined in this section, shall be used as the
15 primary tool to support the information technology investment
16 decisions of each agency. The purposes of information
17 technology portfolio management are to:

18 1. Link information technology investments in the
19 agency's approved information technology services catalog to
20 agency functions, plans, goals, and objectives that justify
21 information technology investments on the basis of validated
22 business cases.

23 2. Establish and implement formal risk assessment and
24 risk mitigation associated with the implementation of
25 information technology projects and investments.

26 3. Identify information technology projects that span
27 multiple programs or multiple agencies in order to leverage
28 resources.

29 4. Analyze the effect of proposed new information
30 technology investments on existing infrastructure and business
31 functions.

1 (b) The information technology portfolio shall
2 include, but need not be limited to:

3 1. The agency's information technology services
4 catalog as defined in this section.

5 2. A summary statement of the agency's mission, goals,
6 and objectives for information technology which are supported
7 through the agency's information technology portfolio.

8 3. Identification of projects and resources required
9 to meet the objectives of the portfolio.

10 4. Estimated schedules and funding required to
11 implement approved information technology projects and to
12 provide information technology services identified in the
13 information technology services catalog.

14 (c) The agency shall submit its approved information
15 technology portfolio as part of its final legislative budget
16 request in the manner and form prescribed in the legislative
17 budget request instructions as provided in section 216.023,
18 Florida Statutes.

19 (d) The agency shall implement and administer a
20 project management methodology that complies with project
21 management rules adopted by the State Technology Office and
22 that prescribes the day-to-day planning, organizing, managing,
23 implementing, and controlling of information technology
24 project activities, resources, and finances to ensure that the
25 agency's information technology project is completed on time
26 and within its approved budget and project scope. At a
27 minimum, each project plan that is developed for approved
28 information technology projects must include the following
29 components:

30 1. A project charter that contains a narrative
31 description of the project's major business objectives to be

1 obtained, major deliverables to be produced, major milestones
2 or activities to be completed, and any significant project
3 assumptions or constraints.

4 2. A project work breakdown structure that provides a
5 summary-level description of all tasks required to complete
6 the project.

7 3. A project schedule that describes the planned
8 project schedule and specifies major milestones, deliverables,
9 tasks, and activities.

10 4. A project spending plan that describes all
11 estimated expenditures and baseline costs expected to be
12 incurred by the project during each fiscal year.

13 5. A project organization that describes the project's
14 organizational structure and the major roles and
15 responsibilities of project team members, project sponsors,
16 and the project steering committee.

17 6. A project risk-management plan that describes the
18 process and procedures used to identify and manage the
19 project's risks.

20 7. A project change-management plan that describes the
21 processes and procedures used to manage the change
22 requirements of the project.

23 8. A project recovery plan that, at a minimum, directs
24 the project team to:

25 a. Develop a comprehensive list of issues and problems
26 requiring resolution;

27 b. Prepare a list that identifies all required
28 corrective actions necessary to successfully recover the
29 project; and

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1 c. Prepare a fully resourced schedule that identifies
2 major milestones and deliverables needed to complete the
3 project's recovery and successfully complete the project.

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5 Based upon analysis of the project recovery plan as provided
6 for in this subsection and all relevant project status
7 reports, if the State Technology Office and the Technology
8 Review Workgroup jointly determine that an information
9 technology project cannot be recovered, the agency shall
10 implement steps needed to terminate the project. Written
11 notice of the agency's intent to terminate shall be provided
12 to the Director of the Office of Policy and Budget and the
13 chairs of the legislative appropriations committees.

14 (e) The agency's project planning and management
15 methodology shall incorporate the use of operational work
16 plans and project status reports based upon the standards
17 jointly published by the State Technology Office and the
18 Technology Review Workgroup on an annual basis. Unless the
19 schedule is otherwise provided for in the General
20 Appropriations Act, the agency shall submit operational work
21 plans on a quarterly basis and project status reports on a
22 monthly basis to the chairs of the legislative appropriations
23 committees, the Director of the Office of Policy and Budget,
24 the State Technology Office, and the Technology Review
25 Workgroup.

26 (4) INFORMATION TECHNOLOGY GOVERNANCE STRUCTURE.--For
27 the purpose of planning, managing, and implementing
28 information technology investments and operations, each agency
29 shall implement an operational governance structure that
30 establishes an agency information technology investment
31 management board as defined in paragraph (2)(a).

1 (a) The agency information technology investment
2 management board shall be comprised of executive managers with
3 board representation from across the agency's program areas
4 who shall be appointed by the agency head. The board shall
5 meet at least quarterly and shall be staffed by the
6 information technology office of the agency with the agency
7 chief information officer serving as a nonvoting member of the
8 board.

9 (b) The board shall have the following
10 responsibilities:

11 1. Adopt and implement an organizational charter that
12 clearly defines and describes major objectives and activities
13 that set the operational procedures of the board as well as
14 responsibilities of the members of the board.

15 2. Develop, define, manage, and implement the
16 information technology services catalog as defined in
17 paragraph (2)(d) and as required pursuant to section 216.023,
18 Florida Statutes.

19 3. Identify and define all required components for
20 service level agreements, which must include, but need not be
21 limited to:

22 a. A description of all services to be provided under
23 the terms of the agreement.

24 b. A clear and unambiguous description of the agency
25 service requirements and performance objectives for each
26 service described within the service level agreement.

27 c. A listing of specific responsibilities of the
28 agency and the service provider.

29 d. A detailed payment schedule that specifies the
30 amount and timing of required payments for all services to be
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1 rendered by the service provider under the terms and
2 conditions of the agreement.

3 4. Develop and implement standards and processes for
4 information technology investments, resource prioritization,
5 and allocation decisions through the implementation of
6 approved processes established by the agency information
7 technology investment management board. These processes, to
8 the greatest extent possible, should make use of the
9 information technology planning artifacts required in the
10 legislative budget request instructions as defined in section
11 216.023, Florida Statutes.

12 5. Approve and submit the department's information
13 technology portfolio to the chairs of the legislative
14 appropriations committees.

15 6. Approve or disapprove information technology
16 project initiation requests.

17 7. Develop and implement standards for regular reports
18 describing project status, progress made to date, major issues
19 requiring resolution, and significant risks that must be
20 mitigated.

21 Section 2. This act shall take effect July 1, 2005.
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SENATE SUMMARY

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3 Requires that each state agency use a governance process
4 and structure for managing its information technology
5 operations and investments in order to ensure alignment
6 with the business needs and policy requirements of the
7 agency. Requires state agencies to develop an information
8 technology portfolio and submit the portfolio as part of
9 its final legislative budget request. Requires that
10 agencies implement and administer a project management
11 methodology that complies with rules adopted by the State
12 Technology Office. Requires that agencies incorporate
13 their operational work plans and project status reports
14 based on the standards published by the State Technology
15 Office and the Technology Review Workgroup. Requires that
16 each agency establish an agency information technology
17 investment management board and specifies duties of the
18 board. (See bill for details.)
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