



Executive Office of Technology Services and Security Office of Capital Planning

FY23-27 IT Capital Funding Request Guidance

Overview of FY23 IT Capital Project Funding Request Process

This memo summarizes the information and processes that the Executive Office of Technology Services and Security (EOTSS) utilizes for the review and consideration of IT capital funding requests.

- FY23 IT capital funding requests (New or Ongoing) must be submitted using the *FY23 Capital Funding Request Template*.
- All IT capital funding requests must include business cases. Business case documents should adhere to *EOTSS Business Case Standard*. Other documentation, such as IT strategy narratives, that support the business case should be submitted also.
- For ongoing project funding requests, the business case must meet the criteria for “Final Business Case” in the *EOTSS Business Case Standard* and will be considered within the context of *FY22 Performance Metrics Reports* and the latest FY22 spend estimate.
- New project funding business cases can be at any stage (Brief, Outline, Advanced or Final) upon submission, and will be reviewed to determine the level of business readiness, constituent impact, and alignment to strategic priorities.
- The EOTSS IT Capital Planning team will meet with Secretariat and Independent Agency teams to review the status of FY22 IT capital projects and FY23 IT capital funding requests.

Request Submission Process

All FY23 IT capital funding request documents can be submitted by uploading them to dedicated folders on *SharePoint*. Please note that:

- The TSS IT Capital Planning team will work with Secretariat and Independent Agency teams to identify access permissions to the *SharePoint* site
- Documents associated with each funding request should be uploaded to separate folders within the Secretariat or Independent Agency directory and follow the file naming convention: *Secretariat acronym - Plan ID (for ongoing projects) or ITDXXX for new requests-short name of project*.
- Guidance documents, including this memo, business case standard, an IT capital glossary, and ongoing IT capital project information, will be available on *SharePoint* for each Secretariat and Independent Agency seeking FY23 IT capital funding
- For any organization unable to use *SharePoint*, documentation and funding requests can be exchanged using Microsoft OneDrive or email.

FY23 IT Capital Investment Planning Schedule

QTR	Month	Activity	Responsible
FY22 Q2	Nov	EOTSS issues guidance to agencies on FY22 IT capital planning Nov 3 Meetings to discuss FY23 IT capital project plans and spend forecasts	EOTSS Agencies & EOTSS
	Dec	On-going project funding requests with final business cases due Dec 2 New project funding requests with business cases due Dec 16 Interactive discussion with SCIO to review requests Dec/Jan	Agencies Agencies Agencies & EOTSS
FY22 Q3	Jan	Interactive discussion with SCIO to review requests Dec/Jan IIAB reviews on-going project business cases Jan12 (1st Draft FY23 CIP) IIAB reviews on-going project business cases Jan 26 (2nd Draft FY23 CIP)	Agencies & EOTSS EOTSS / IIAB EOTSS / IIAB
	Feb	Final FY23 CIP for IIAB ratification (Feb16) EOTSS to submit FY23 CIP Recommendation to A&F by end of month	EOTSS / IIAB EOTSS
	Mar	Sec-Sec check-in to be scheduled for March XX (FY22 March 5 th) Ongoing meetings to review status of FY22 projects A&F reviews and recommends FY23 IT capital portfolio funding FY22 Q3 IT capital portfolio status and Q4 IT spend forecasts	EOTSS/A&F Agencies & EOTSS A&F EOTSS
FY22 Q4	Apr	FY23 IT capital portfolio funding revised and finalized Sec-Sec (GOV prep meeting) check-in to be scheduled for April XX (FY22 April 14th) GOV presentation to be scheduled for April XX (FY22 May 4)	EOTSS & A&F EOTSS / A&F A&F
	May	Anticipated publication of FY23 Capital Investment Plan (CIP) FY22 Q4 Cash Flow/Allotment meetings and adjustments. Cash Flow reconciliation to FY23 CIP submission	A&F Agencies & EOTSS
	Jun	Meetings to discuss FY23 IT capital project plans and spend forecasts FY22 Q4 IT capital draft status report, fiscal year-end financial analysis	Agencies & EOTSS EOTSS

Meetings to Review FY22 CIP Status and FY23 Planning

The EOTSS IT Capital Planning team will meet with Secretariat and Independent Agency CIOs and CFOs in late November / early December to review current FY22 IT capital projects and proposed FY23 IT capital investments.

These meetings will provide an opportunity to review FY22 performance metrics reports, discuss spend plans and budgets for the remainder of FY22, and present draft or final business cases for proposed FY23 IT capital investments.

For ongoing projects continuing into FY23, PMOs will be expected to show how the project schedule, milestones, and budget span the remaining 7 months of FY22, and the subsequent 12 months of FY23.

For proposed new projects PMOs will be expected to show how these investments fit within the context of the Secretariat's or Agency's business priorities and the overall IT strategy. An assessment is expected regarding project maturity – at what stage is the proposal in the Project Lifecycle (Brief, Outline, Advanced or Final).

For all IT capital funding requests, PMOs are expected to provide an appreciation of the operating budget impacts after the implementation of project outcomes. Agency finance, CIO and project management cooperation is crucial to inform quality operating assumptions.

Additionally, requests should address how project proposals will impact the consumption of TSS chargeback services. If projects entail launching a new EOTSS service or enhance or decommission an existing service, such as mainframe usage or cloud hosting, the project PMO must quantify the impact.

Readiness Funding to Support Business Case Development

New IT capital proposals at the Brief, Outline, or Advanced level of maturity according to the *Project Lifecycle* may apply for Readiness Funding to help Secretariats and Agencies develop Final business cases.

Proposals with Final business cases ("shovel ready") are contrasted with proposals that may be eligible for Readiness Funding in the graphic below:

Projects that are "shovel ready"	Projects still in "readiness" stage
Have completed and documented: <ol style="list-style-type: none">1. clearly defined scope, purpose, and outcomes2. business owner, project sponsor, project manager, stakeholders, governance model3. BPR/D to inform new system and business efficiency improvements4. go-live release dates and project milestones5. budget and procurement strategy6. project issues and risks7. supporting documents including business case, project plan, staffing plan	Still need to do some combination of: <ol style="list-style-type: none">1. identify existing and/or proposed business processes, workflow, and metrics2. articulate and quantify benefits and functionality of new system3. identify end users, stakeholders, business owners, project governance4. quantify impact on operating budget due to operating releases and project completion5. business case and project plan6. cost analysis and procurement prep including RFI, RFP, RFQ, etc

Contingency Funding

The IT Capital Program does not permit contingency to be budgeted at the project or program level. Rather contingency funding is pooled into a single reserve fund determined by the risk profile of the entire IT capital investment portfolio. Individual program and project risk profiles and their implications as expressed in business cases inform the size of the pooled contingency fund.

Projects can access the portfolio contingency reserve by submitting IT capital contingency funding requests which are reviewed by the IT Capital Planning Office and IT Investment Advisory Board (IIAB). The IIAB meets on the last Wednesday of each month, with some exceptions to accommodate the capital planning cycle in January and February. A list of final dates is published at the beginning of each fiscal year. FY22 dates are attached in the Appendices below.

For further guidance please refer to the EOTSS *Contents of an IIAB project proposal template*

While the primary purpose of the pooled IT capital contingency reserve is to keep existing (funded) IT capital projects on track funds may also be made available to new proposals as business readiness funding to create Final business cases or to Final proposals that are urgent and cannot wait until the next IT capital planning cycle.

EOTSS IT Capital Planning Support

Please feel free to reach out with questions, comments, and suggestions regarding IT capital project planning and reporting and the contents of this document at any time:

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Appendix A. IT Investment Principles

All on-going and newly proposed projects will be rated by the Investment Advisory Board against the principles listed below. The principles work largely in order (for example, first demonstrate that the project serves a constituent need and then show technology leverage and finally, demonstrate a high probability of success). However, there are some cases where process not strictly apply. While many of the principles are subjective, the more projects can demonstrate value quantitatively the better.

Improves how we deliver government services:

- More and/or better constituent-facing digital and business services
- Business process improvements that are founded upon pre-defined business process re-engineering
- Demonstrates clear benefits in combination with enhanced and measurable constituent value (e.g., quicker turn-around, fewer errors, etc.)

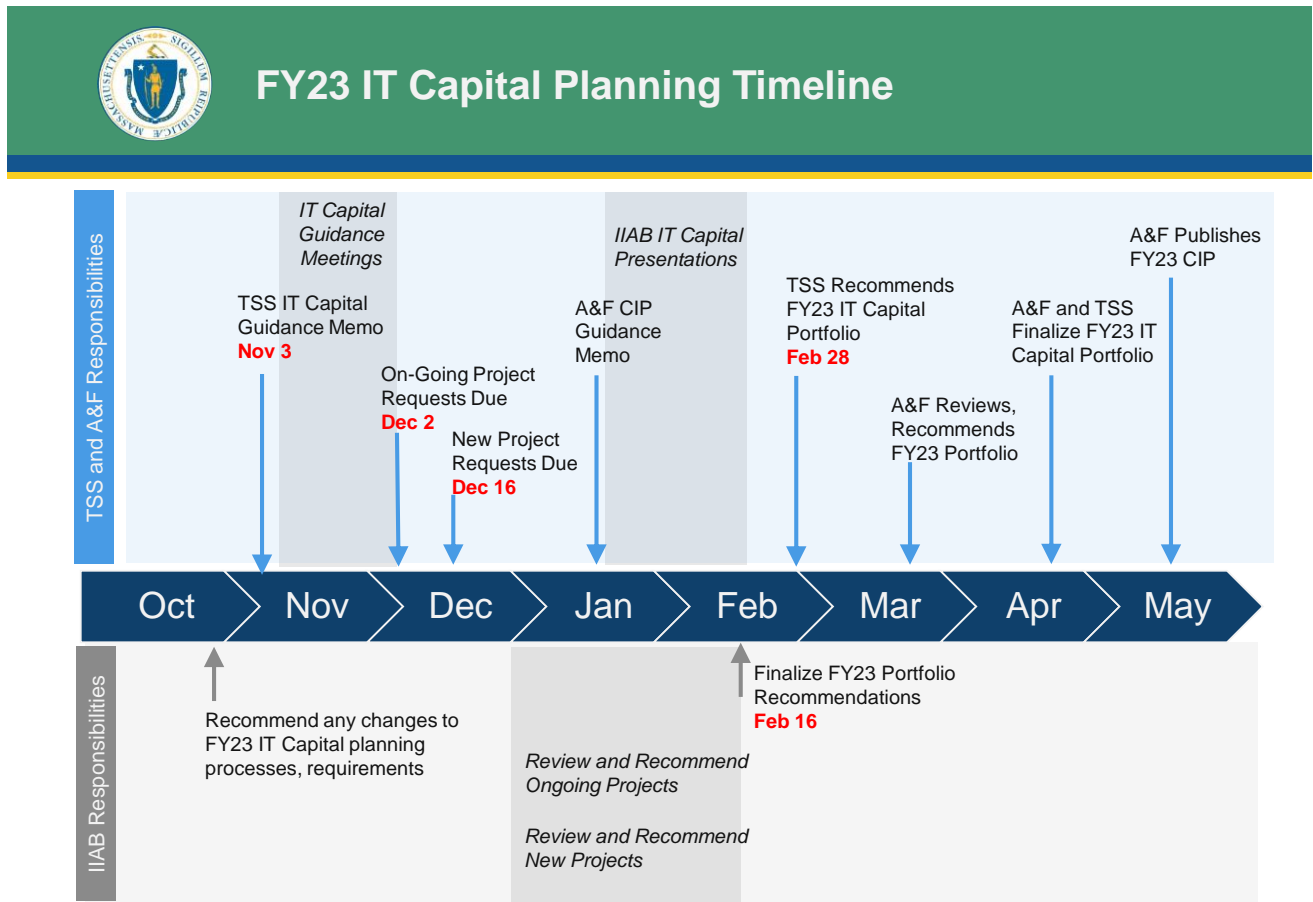
Uses technology to better serve our constituents more securely and more cost effectively:

- Enhances digital security enabling end-user seamless ease-of-use
- Enhances overall service delivery performance
- Can be leveraged across multiple agencies
- Leverages the use of third-party technologies with minimal customization (COTS, SaaS, etc.)

Are positioned to succeed and be operationally supportable over their useful lives:

- The business owner is the primary sponsor of the project and is committed to appropriate governance and project SME resourcing throughout the project's implementation and operational lifecycle
- Clear milestones/outcomes that provide constituent value in short amounts of time (< 1 year)
- There is a plan to sustain business outcomes upon completion (money and resources)
- A PMO with a proven track-record of success in leading business-focused projects and an understanding of the technologies needed to achieve defined business goals
- Leverages lessons-learned throughout the Commonwealth (technical, business re-engineering, history with vendors, etc.).

Appendix B: FY23 IT Capital Timeline



Appendix C: Additional Materials

These materials are email attachments to this memo and will also be available on the FY23 CIP *Sharepoint* site.

FY23 Capital Funding Request Template

EOTSS Business Case Standard

The Project Lifecycle