



MINNESOTA STATE POLICY

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Chief Information Officer, State of Minnesota

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Approval: Signature on file

IT Project Portfolio Data Management

Policy Statement

The Office of Enterprise Technology (OET) will maintain an enterprise IT (information technology) project portfolio.

Agencies will regularly submit and periodically update information about current and proposed information technology projects in the method described in the procedures section of this directive.

The information in the project portfolio will be used by the CIO and executive management to conduct oversight and manage the State's investments in information and communications technology in accordance with M.S. 16E.

Reason for the policy

Project Portfolio Management is a way to address a problem impacting public and private organizations worldwide. Many organizations' project portfolios suffer from too many marginal projects for the limited resources available, ineffective project prioritization, and indecisive go/no-go decisions. The end result may be poor project and resource performance, critical delays to project deliverable and higher-than-acceptable failure rates.

The goal of Project Portfolio Management is to improve alignment of IT spend with strategic goals. A view of the total consolidated State of Minnesota Project Portfolio is necessary in order to carry out the OET mission of oversight of IT investment, maximizing taxpayer benefits and return on investment.

Project Portfolio Management comprises a set of processes intended to impose discipline and visibility to State of Minnesota IT spending and investment. Project data are collected, organized and evaluated for the purpose of decision making by the CIO and executive management to ensure that IT spending is aligned with the state's strategic goals.

In the decision process new projects may be evaluated, selected and prioritized; active projects may be continuously up-dated and revised and may be accelerated, rescued, discontinued or de-prioritized.

Enterprise Project Portfolio Management will provide agencies not currently doing agency level Project Portfolio Management with a starting point for maintaining and beginning to manage an agency project portfolio.

The benefits of Project Portfolio Management at the agency level include strengthening the individual

agency's ability to manage projects and allowing agency senior executives to develop more informed opinions about how to allocate IT budgets to ensure that investments are aligned with agency strategic plans and mandates. Other benefits to agencies include better data for resource management and utilization and a baseline of data to analyze performance and cost to plans.

Enterprise Project Portfolio Management is also a way of enhancing relationships between the OET and agencies, providing agencies the opportunity to seek more project management related support and providing OET with better data to target agency coaching and mentoring

State of Minnesota's Project Portfolio Management consists of the following elements:

- A repository of state agency information technology projects is maintained, along with related business justification, project scope and identification of key sponsors and stakeholders.
- Agencies actively update project status, measuring progress against planned cost, scope and schedule.
- State CIO and executive managers regularly review the portfolio and use it to monitor and control how the State of Minnesota uses IT funds and people resources; to appraise and mitigate enterprise risks; and to align the strategic and budgeting processes.

Roles & Responsibilities

Agency heads are responsible for:

1. Assigning an agency coordinator to be the primary interface to OET for the project portfolio
2. Complying with this policy and statutory requirements concerning project portfolio management including project risk management and project audits.

Agency coordinators must provide the agency's basic project startup documentation for their project portfolio to OET. "Basic project startup documentation" means:

- Project registration in the OET portfolio tool;
- Project size evaluation;
- Business case (when available);
- Risk assessment and risk mitigation plan.

In addition, agency coordinators must maintain the project data contained in the project repository, submit monthly status updates to the OET portfolio tool, coordinate project audits as required by OET, and ensure the use of the project repository for required OET project documentation.

OET is responsible for:

- Providing orientation to agency heads and CIOs to the purpose for this policy and the uses of the data provided about agency projects;
- Training agency coordinators and others as necessary in complying with this policy;
- Maintenance of the project portfolio repository;
- Monitoring completion of project risk assessments and risk mitigation plans;
- Monitoring completion of project audits as required; and
- Maintenance of this policy directive.

Applicability and Exclusions

This policy applies to all departments, agencies, offices, councils, boards, commissions and other entities in the executive branch of Minnesota State Government.

This policy is applicable for all agency information technology projects, multi-agency technology projects and enterprise technology projects that have a total expected project cost of \$500,000 or more, including direct staff costs, all supplemental contract staff and vendor costs, and costs of hardware and software.

This policy does not apply to operational activities.

Related Information

Definitions

Project

A project is a temporary endeavor undertaken to create a unique product, service or result. An information and telecommunications technology project means an effort to acquire or produce information and telecommunications technology systems and services.

It has a starting date, specific goals and conditions, defined responsibilities, a budget, a plan, a fixed end date and multiple parties involved.

For registration purposes it has a total expected project cost (that includes direct staff costs, all supplemental contract staff and vendor costs, and costs of hardware and software development or purchase) that is greater than or equal to \$500K.

Examples include but are not limited to, developing a new product or service, developing or acquiring a new or modified information system, upgrades, and releases.

Information and communications technology project

Information and communications technology project is an effort to acquire or produce information and telecommunications technology systems and services. (MS 16E.03)

Operational activity

Operational activity refers to ongoing and repetitive tasks whose purpose is to maintain existing systems.

Examples include but are not limited to incident tickets, requests for service, routine maintenance requests.

Information and telecommunications technology systems and services

Information and telecommunications technology systems and services are all computing and telecommunications hardware and software, the activities undertaken to secure that hardware and software, and the activities undertaken to acquire, transport, process, analyze, store, and disseminate information electronically. "Information and telecommunications technology systems and services" includes all proposed expenditures for computing and telecommunications hardware and software, security for that hardware and software, and related consulting or other professional services. (MS 16E.03)

Enterprise IT project portfolio

The enterprise IT project portfolio is the combination of all agency project portfolios to provide an enterprise wide view of all IT projects. It is important to note that that term does not mean only a portfolio of projects that impact or serve the whole enterprise.

Procedures

1. Agency head assigns an agency coordinator and notifies OET by email with subject line "Agency Coordinator Assignment" to Service.Desk@state.mn.us with contact information.
2. OET Project Management Office (PMO) will contact the Agency Coordinator to schedule training.
3. Agency coordinators gather project information and see that it is registered in the Enterprise Project Portfolio Management system. Required data elements are listed in Appendix A.
4. Agency coordinators will work with the Project Managers in their agency to ensure that the appropriate required documents are posted to the project repository and that monthly status updates are completed prior to 7th day of the month.

Appendix A

Asterisk (*) indicates data elements required to save project entry

All other fields are required by policy directive

Data element	Description
Activity*	Describes the type of activity that the project entity represents. Drop down values. Should be PROJECT for all new project entities.
Actual Start Date	Actual start date of Initiation Phase .
Approved Budget	Total expected project cost at the time of Authorization. Includes direct staff costs, all supplemental contract staff and vendor costs, and costs of hardware and software development or purchase. This field will be updated through project change control.
Approved Start Date	Approved start date of Initiation Phase .
Approved Finish Date	Approved finish date at the end of Planning Phase .
Brief Project Description*	Short description of the project.
Estimated Budget	Total expected project cost during Idea Phase . Includes direct staff costs, all supplemental contract staff and vendor costs, and costs of hardware and software development or purchase.
Primary Project Driver*	What is driving this project request? Drop down values.
Primary Project Outcome*	What is the primary outcome of this project? Drop down values.
Primary Funding Source*	What is the primary funding source for this project? Drop down values.
Project Class*	For future use - Use value = "default"
Project Manager	Project Manager assigned to manage the project.

Data element	Description
Project Manager email	Email address of state employee project manager
Project Name*	Name of project.
Project Phase*	The Project Portfolio Lifecycle phase that a project is in. Drop down values.
Project State*	Identifies the state of the project. Drop down values.
Project Sub Phase	Identifies the sub phase during Idea Phase. Drop down values.
Project Sponsor	Person identified as the primary project sponsor.
Project Type*	What is the primary project focus? Drop down values.
Proposed Start Date*	Proposed start date prior to approval to move forward with Initiation Phase.
Proposed Finish Date*	Proposed end date prior to approval to move forward with Initiation Phase.
Risk	Has a risk plan been prepared and published? Y/N
When Status Reporting....	
Accomplishments	Short Description of the project's accomplishments since the last reporting period.
Budget Status	Select an appropriate color status representing the current project financial status. Provides a color coded view of schedule status of project, consistent with the standard monthly status report template, with values from Red Minus to Green Plus. Red indicates critical status; yellow indicates caution; green indicates controlled or performing as expected. Plus and minus signs allow the project manager to shade the appraisal within those categories.

Data element	Description
Comments	Any explanatory comments. This field is REQUIRED if any status is non-Green. Also add (in this order) major issues, major risks, any significant approved changes and phase gates approved.
Control Status	Select an appropriate color status that reflects whether the project can currently be considered "in control". Provides a color coded view of schedule status of project, consistent with the standard monthly status report template, with values from Red Minus to Green Plus. Red indicates critical status; yellow indicates caution; green indicates controlled or performing as expected. Plus and minus signs allow the project manager to shade the appraisal within those categories.
Date Status Updated	Date any status was updated. This date should be updated each time any status is updated or revalidated without actual change. Thus it reflects the last time either has occurred.
Issue Status	Select an appropriate color status representing the current project issue status. Red indicates critical status; yellow indicates caution; green indicates controlled or performing as expected.
Next Steps	Add steps to be taken during next reporting period.
Overall Status	Select an appropriate color status representing the current overall project status. Provides a color coded view of schedule status of project, consistent with the standard monthly status report template, with values from Red Minus to Green Plus. Red indicates critical status; yellow indicates caution; green indicates controlled or performing as expected. Plus and minus signs allow the project manager to shade the appraisal within those categories
Risk Status	Select an appropriate color status representing the current project risk status. Red indicates critical status; yellow indicates caution; green indicates controlled or performing as expected.

Data element	Description
Schedule Status	Select an appropriate color status representing the current project schedule status. . Provides a color coded view of schedule status of project, consistent with the standard monthly status report template, with values from Red Minus to Green Plus. Red indicates critical status; yellow indicates caution; green indicates controlled or performing as expected. Plus and minus signs allow the project manager to shade the appraisal within those categories.
Scope Status	Select an appropriate color status representing the current project scope status. . Provides a color coded view of schedule status of project, consistent with the standard monthly status report template, with values from Red Minus to Green Plus. Red indicates critical status; yellow indicates caution; green indicates controlled or performing as expected. Plus and minus signs allow the project manager to shade the appraisal within those categories.
Sponsoring Agency	The agency providing the funding or is the driving force for creation of the project. (May differ from the agency actually executing the project).

History & Ownership

Revision History – record additions as Major releases, edits/corrections as Minor

Date	Author	Description	Major #	Minor #
03/03/2006	OET	<i>Original Policy: Project Portfolio Management Policy Directive 2006-002</i>	1	
06/30/2011	Dave Oстераas	Final version completed	2	

Review History – periodic reviews to ensure compliance with program

Date	Reviewer	Description	Compliance

Approval History – record of approval phases

Phase	Description	Date
CIOC	CIO Council Approval	5/26/2011
State CIO	Signed by the State CIO	2/24/2012