

# Information Technology Policy

## *IT Planning and Projects*

**Number**  
ITP-BUS001

**Effective Date**  
September 18, 2012

**Category**  
Business

**Supersedes**  
None

**Contact**  
[RA-ITCentral@pa.gov](mailto:RA-ITCentral@pa.gov)

**Scheduled Review**  
January 2024

### 1. Purpose

This Information Technology Policy (ITP) establishes guidance for [Business Proposals](#), Information Technology (IT) project approval, and the assignment and responsibility of project managers to ensure agency IT Projects align with the Commonwealth’s goals and objectives.

### 2. Scope

This ITP applies to all departments, boards, offices, commissions, and councils under the Governor’s jurisdiction (hereinafter referred to as “agencies”). Agencies not under the Governor’s jurisdiction are strongly encouraged to follow this ITP.

### 3. Definitions

**Business Proposal:** An artifact used to identify a priority business need and gain commitment from respective areas for potential resources (e.g., budget, internal or external resources) to address the business need.

**IT Project:** A Commonwealth-sponsored IT Project is an undertaking that is not a routine operation or business process, but a specific set of tasks that are planned, organized, tracked, and executed by multiple resources, and has a defined start and end date. IT Projects are classified in one of three Investment Classes: Run, Grow, or Transform.

- **Run:** Projects focused on running and maintaining the business or technical capabilities and services.

Criteria	Description
Modifications or enhancements to an existing service	The maintenance or improvements of existing functionality, services and capabilities that are essential to day-to-day operations.

Criteria	Description
Re-platforming effort / Software upgrade	Performing essential upgrades to existing platforms or <a href="#">Infrastructure</a> .
Routine maintenance	Performing scheduled preventative and corrective maintenance on information systems.
Compliance	Essential IT activities or initiatives that ensure regulatory or policy compliance.

- **Grow:** Projects focused on enhancing or expanding existing business capabilities and services.

Criteria	Description
Re-architecture of an existing system	Initiatives that redesign the information system that extends the useful life or enhances existing service or capabilities.
Expansion of existing service or capabilities	Expanding the scope of the existing service offering and capabilities across multiple lines of business or new customers.
Business process re-engineering an existing service	Redesign of core business process to improve the operations, performance, or quality of the existing service.

- **Transform:** Projects focused on establishing new business capabilities and services or completely transforming business models.

Criteria	Description
New service offering or capabilities	A new service is created to support a new line of business or change in business model.
New or Emerging disruptive technology	Use of or integrating with emerging or disruptive technologies.
New delivery channel	Utilizing an innovative or transformational approach to providing service delivery to customers.
New revenue opportunity	Implementation of IT solutions that enable new revenue streams.

**Major Change Request:** An alteration to an existing IT Project that meets the following criteria:

Criteria
Changes to the scope, the approach, or strategy of the initial Business Proposal.
Requires new or different technology.
Not aligned to Governor, program, or technology priorities.
Financial impact of 20% of the initial planned implementation cost or greater than or equal to a change request of \$250,000.00  This includes the cumulative individual change request when they equal or exceed \$250,000.00 or 20% of the initial planned implantation cost.
Schedule impact of 20% or more than the initial baseline end date for projects that are defined as Mandated or Governor Priority projects.
Requires IT resources or services from a different organization (internal or external) to complete defined activities with specific deadlines. <i>(This does not include general meetings, calls, or other collaborative events).</i>
Requires a new procurement.

**Modify:** To rewrite, rebuild, or re-architect [Legacy](#) applications to create new or enhanced existing functionality, Service Oriented Architecture (SOA) components and service offerings, update computer programming language or database software, protocols, or integrate new technologies or services. In addition, this includes the rebuilding or re-architecting hardware platforms and Infrastructures to meet capacity or performance needs of the business and running the Legacy applications, with no major changes (configuration only), on a different platform.

**Re-hosting:** The transitioning of applications and infrastructure with no major changes (configuration only) from the current hosting environment to a different hosting environment.

## 4. Objective

- Ensure alignment with Governor’s initiatives.
- Ensure alignment with annual budget planning and re-budget cycles.
- Ensure alignment with legislative, regulatory, and other mandated requirements.
- Ensure proper and consistent categorization of IT Projects.
- Facilitate alignment of limited IT resources with priority business needs.
- Ensure routine, timely, accurate reporting of project initiatives.

## 5. Policy

### 5.1 Business Proposals

Agency program areas, in coordination with IT, shall complete the [OPD-BUS001A, Business Proposal](#) for all new Projects requiring IT support or resources prior to submitting a request for [IT Project](#) approval.

A Business Proposal is also required for Major Change Requests to existing IT projects, but a new IT Project Request is not required. Major Change Requests will be included as part of the existing project.

All Business Proposals shall contain a cost estimate, that includes both internal and external costs. These are business planning estimates used to ensure there is the necessary funding and are based on the information known at the time of submission. Estimates may change as requirements are further defined.

The agency’s Secretary or designee shall approve *OPD-BUS001A, Business Proposal* prior to submitting a request for IT Project approval.

Technology or services to support Business Proposal initiatives are subject to further review and approval through OA, IT Governance and obtaining the other required approvals on the OPD.

Once the *OPD-BUS001A, Business Proposal document is completed and has been approved by the Agency’s Secretary or designee*, Agencies shall refer to section 5.2.1 of this policy for guidance on the submission of an IT Project Request.

#### 5.1.1 Exclusions

A Business Proposal and IT Project are not required for initiatives that are:

- Considered operational work (not part of a project with defined budget, timeline, and resources)
- Procurements only (Acquisitions that do not require IT resources to implement do not require a Business Proposal. Acquisitions that do require IT resources to implement are a project and a Business Proposal should be submitted for that project).

## 5.2 IT Projects

IT Projects are defined by the categories and sub-categories in the table below. For any externally provided computing services utilizing Software as a Service (SaaS), Platform as a Service (PaaS), or Infrastructure as a Service (IaaS), agencies shall also follow the guidance set in [ITP-SEC040 IT Service Organization Management and Cloud Requirements](#).

Category	Sub-category	Description
Replace	<a href="#">COTS</a>	Acquisition, configuration, and implementation of a COTS product to replace the Legacy application. This assumes no modifications or customization to the base COTS product.
Replace	<b>COTS with Modifications</b>	Acquisition, configuration, and implementation of a COTS product to replace the Legacy application that will involve modifications or customization to the base COTS product.
Replace	<b>Custom Development</b>	Custom build of a new application to replace the current or Legacy application.
Replace	<b>Outsourced Services</b>	The acquisition, configuration, and implementation of new cloud or other contracted hosted services offerings, including SaaS, PaaS, and IaaS to replace the current or Legacy applications.
Modernize	<b>Application Modify</b>	To rewrite, rebuild, or re-architect Legacy applications to create new or enhanced existing functionality, SOA components/service offerings, integrating new technologies or services, rebuilding or re-architecting hardware platforms and Infrastructures to meet capacity or performance needs of the business.
Modernize	<b>Migration</b>	Moving or upgrading a current or Legacy system with the same functionality from one operating environment to another or involving moving to new hardware, new software, or both.
Modernize	<b>Application Re-hosting</b>	Transitioning the current or Legacy applications and Infrastructure, with no major changes (configuration only) to enterprise cloud services (private, public, or hybrid) using contracted host services offerings.
New	<b>COTS</b>	Acquisition, configuration, and implementation of COTS products, third party software for the development of new business solutions. This assumes no modifications or customization to the base COTS product.
New	<b>COTS with Modifications</b>	Acquisition, configuration, and implementation of a COTS product that will involve some modifications or customization to the base COTS product for the development of new business solutions.
New	<b>Custom Development</b>	Custom build of a new business solutions.
New	<b>Outsourced Services</b>	The acquisition, configuration, and implementation of new cloud or other contracted hosted services offerings, including SaaS, PaaS, and IaaS for the development of new business solutions.

### 5.2.1 IT Project Request Submission

Agency representatives shall complete the [Project Request Form](#) to submit an IT Project to receive Executive approval.

The approved *OPD-BUS001A, Business Proposal* shall be attached and submitted as part of the IT Project request approval process detailed in the [Business Proposal/IT Project Request Approval Process User Instruction Guide](#). IT Project requests may be rejected if an approved *OPD-BUS001A, Business Proposal* is not submitted.

All IT Projects with an investment class of "Grow" or "Transform" that have an estimated cost of greater than or equal to \$250,000 shall include a [Cost Benefit Analysis/Return on Investment Template](#) that will be attached to the IT Project Request. A Cost Benefit Analysis (CBA) is not required for projects mandated by state or federal law.

### 5.2.2 IT Project Approval Requirement

All IT Projects must be approved through the [IT Project Request Process \(PRP\)](#) prior to project initiation.

### 5.2.3 Project Manager Assignment

Agencies implementing IT Projects that are estimated to exceed a cost of \$1 million must assign a project manager.

### 5.2.4 Project Health Status

Senior IT leadership and project managers shall update project health statuses on a weekly basis for all projects under their management. The health status is to be reported in the enterprise project management tool as outlined in *OPD-BUS001B, Project Health Status Reference Document*.

### 5.2.5 Application Inventory

IT Projects associated with applications of any type (SaaS, COTS, [MOTS](#), custom-built) are required to submit an entry of the application into the [Application Inventory tool](#) (Commonwealth authorized access only).

At a minimum, the *Application Name* and *Agency* fields in the Application Inventory Tool must be completed in order for a new entry to be created. Additional information regarding the application may be added later as it becomes available.

Approval of the project is contingent upon a satisfactory entry of the application data in the Application Inventory tool. Refer to [ITP-SFT000, Software Development Life Cycle \(SDLC\) Policy](#) for details on software decision principles and the Application Inventory tool.

## 6. Responsibilities

### 6.1 Agencies Shall:

- Facilitate the *OPD-BUS001A, Business Proposal* documentation and obtaining the appropriate approvals.
- Ensure that prior to requesting an IT Project approval has been

obtained from the Agency's Secretary or designee of *the OPD-BUS001A, Business Proposal*.

- Coordinate with business program areas in the development of agency priorities that will facilitate the necessary IT strategic initiatives.
- Collaborate with IT to determine if there are existing IT solutions that meet the business requirements, and to help develop an accurate project estimate.
- Assign a project manager for any IT Projects exceeding \$1 million.
- Report project health status on a weekly basis.
- Ensure all applications associated with IT Projects are entered into Application Inventory.

## 6.2 OA, IT shall:

- Ensure that the information on the completed *OPD-BUS001A, Business Proposal* aligns with the Commonwealth's guiding principles and strategic objectives.
- Manage the IT Project request or reporting solutions.
- Provide support for any questions or issues that arise relating to the Business Proposal or IT PRP.

## 7. Related ITPs/Other References

- Definitions of associated terms of this policy are published on the Office of Administration's public portal: <http://www.oa.pa.gov/Policies/Pages/Glossary.aspx>
- Commonwealth policies, including Executive Orders, Management Directives, and IT Policies are published on the Office of Administration's public portal: <http://www.oa.pa.gov/Policies/Pages/default.aspx>
- [\*Management Directive 205.34, Amended Commonwealth of Pennsylvania Information Technology Acceptable Use Policy\*](#)
- [\*Management Directive 310.37, Approving, Monitoring, and Accounting for New Information Technology Application Projects\*](#)
- [\*ITP-ACC001, Information Technology Digital Accessibility Policy\*](#)
- [\*ITP-SEC040, IT Service Organization Management and Cloud Requirements\*](#)
- [\*ITP-SFT000, Software Development Life Cycle \(SDLC\) Policy\*](#)
- [\*OPD-BUS001A, Business Proposal\*](#)
- [\*OPD-BUS001B, Project Health Status\*](#)
- [\*Application Inventory Tool\*](#) (Commonwealth authorized access only)
- [\*Business Proposal / IT Project Request Approval Process User Instruction Guide\*](#) (Commonwealth access only)
- [\*Cost Benefit Analysis/Return on Investment Template\*](#)
- [\*Enterprise Service Catalog\*](#) (Commonwealth access only)
- [\*Project Request Form\*](#)
- [\*Business Proposal / IT Project Request Approval Process User Instruction Guide\*](#) (Commonwealth access only)

## 8. Authority

[\*Executive Order 2016-06, Enterprise Information Technology Governance\*](#)

## 9. Publication Version Control

It is the [Authorized User](#)'s responsibility to ensure they have the latest version of this publication, which appears on <https://itcentral.pa.gov> for Commonwealth personnel and on the Office of Administration public portal: <http://www.oa.pa.gov/Policies/Pages/default.aspx>. Questions regarding this publication shall be directed to [RA-ITCentral@pa.gov](mailto:RA-ITCentral@pa.gov).

## 10. Exemption from this Policy

In the event an agency chooses to seek an exemption from the guidance within this ITP, a request for a policy waiver shall be submitted via the enterprise IT policy waiver process. Refer to [ITP-BUS004, IT Policy Waiver Review Process](#) for guidance.

This chart contains a history of this publication's revisions. Redline documents detail the revisions and are available to CWOPA users only.

Version	Date	Purpose of Revision	Redline Link
Original	09/18/2012	Base Document	N/A
Revision	01/28/2015	<ul style="list-style-type: none"> <li>• EPMO not approving Infrastructure related projects, remove reference</li> <li>• to IaaS and PaaS from Outsourced Services definition, revision of "COTS with Modifications" entry in Category/Type table.</li> <li>• Formatting revisions.</li> </ul>	N/A
Revision	10/03/2017	<ul style="list-style-type: none"> <li>• Removed Objective section</li> <li>• Removed IT Central/PRF upload direction</li> <li>• Removed budget threshold for required OA/OIT approval Revised title of ITP</li> <li>• Renamed Category Type to Sub-category</li> <li>• Expanded Definitions section; added criteria for Strategic/Non- strategic projects</li> <li>• Revised Policy section to include guidance on project requests, strategic planning, project health reporting, and application inventory</li> </ul>	N/A
Revision	10/04/2018	<ul style="list-style-type: none"> <li>• Revised IT Project type, criteria, approval requirements Added Project Health status and criteria guidance</li> <li>• Requirement to provide additional data when Project Health status is yellow or red</li> <li>• Revised IT Strategic Plan outputs</li> </ul>	N/A
Revision	07/19/2019	<ul style="list-style-type: none"> <li>• Moved ITP to Business Domain from Project Management Domain Replaced "IT Strategic Plan" language with "IT Annual Plan" Amended organizational responsibilities throughout</li> <li>• Added IT Operations definition Clean up language throughout</li> </ul>	N/A
Revision	04/6/2020	Removed "Annual" throughout Added terms in Definitions section Added OPD-BUS001A and guidance	N/A
Revision	2/4/2021	<ul style="list-style-type: none"> <li>• Added criteria to support submission of IT Investments and Major Change Requests</li> <li>• Updated approval alignment</li> <li>• Removed references to the IT Planning Process</li> </ul>	N/A

Version	Date	Purpose of Revision	Redline Link
Revision	11/08/2021	IT Investment criteria updated to match ITP-BUS002 Links added throughout policy	N/A
Revision	01/23/2023	<ul style="list-style-type: none"> <li>• Updated definitions</li> <li>• Replaced definitions with links to the glossary where applicable.</li> <li>• Restructured and reworded policy for clarity</li> <li>• Removed IT Investment related language as this is a separate process and was causing confusion.</li> <li>• Removed references to the Submission Criteria Document and added policy language detailing when a Business Proposal and IT Project should be completed/submitted.</li> <li>• Added section “5.1.1 Exclusions” detailing when Business Proposals and IT Projects are not required.</li> <li>• Added a reference to SEC040 for externally provided computing services.</li> <li>• Moved information related Project Health and Status Reporting to a new supplemental document.</li> <li>• Added clarification for Application Inventory entry</li> <li>• Updated responsibilities</li> <li>• Updated references</li> </ul>	<a href="#">Revised IT Policy Redline &lt;01/23/2023&gt;</a>