Chapter Ten: Building the IT Plan

Legislative Intent

NDCC 54-59-11 requires that each executive branch state agency or institution, excluding the institutions under the control of the board of higher education, shall prepare Information Technology (IT) Plans. The plans are due by July 15th each even numbered year and must include IT goals and activities for the current and next two bienniums. The plan must also include an asset management plan for all IT assets, owned, leased or employed by the entity.

The Information Technology Department (ITD) is responsible for developing guidelines for agencies to follow in preparing their technology plans, and reviewing the plans for compliance with statewide policies or standards. ITD has the responsibility to accept each plan and assemble the plans into a statewide plan to be submitted to the members of the Legislative Assembly.

Agencies shall provide interim updates to its IT plan if major information technology changes occur which affect its plan.

IT Plan Development

The BARS system captures the data required to tie the IT Planning process to the budgeting process. It is recommended that IT planning be a continuous process. This process should work to align the agency business plan to their IT Plan.

The IT Plan information is included as a subschedule within BARS. The IT Plan is referred to as IT Capture. Agency IT staff will need to work closely with agency financial staff to complete the IT Capture information and input salary data. BARS will post IT position Salaries and Wages to the appropriate IT Capture.

Once the IT Plan has been accepted, agencies will submit their updates via email to ITD’s Policy and Planning division.

IT Capture Screens

This chapter provides instructions for completing the BARS IT Plan subschedule screens. The subschedule appears with three tabs: IT Capture Selection, IT Capture Projects and IT Capture Infrastructure. Included on the screens are narrative and project costs buttons. The two primary components of the IT Plan are IT Projects and IT Infrastructure.

IT Infrastructure costs represent the operational costs to maintain an agency's existing shared systems. These would be the common applications that all business units need to "keep the lights on." The IT Infrastructure expenditures should be explained in the Planned Infrastructure Activities and Changes narrative.

IT Projects can be one of four types: On-going Initiatives Programs, New Initiative Project, Major Enhancement Project, and Application Replacement Project.

IT Programs are considered on-going initiatives that are normally unique to a line of business. Examples of on-going initiatives include ConnectND, GIS, and CJIS. Agencies are encouraged to review their line of business, identify programs and enter them in the IT Plan accordingly. This will help everyone understand the IT investments the State is making. In contrast, the remaining three IT project types are necessary to meet a changing or new business requirement. These projects, by definition, are a temporary endeavor undertaken to create a unique product, service or result that impact either the infrastructure or a program.

The components capture IT costs and narrative information necessary to identify how the agency's IT plan supports the overall goals and mission of the agency. Details of the IT Equipment and Software over $5,000 is a separate subsection of BARS. This section needs to balance to the amount requested in the object code IT6930 for IT equipment over $5,000 and account code IT5310 for software over $5,000. The instructions for IT Equipment & Software over $5,000 can be found in Chapter 6 of this manual.

Additionally, BARS allows for full-time IT positions to be designated within the Position Information screen of the agency budget request. This feature allows for the automatic updating of salaries and wages from the Position Detail Data subschedule to the IT Infrastructure and Project cost detail.

> **Tip** **In order for this feature to function properly, the IT subschedules must be created prior to indicating individuals being identified as IT positions.**

Agencies will be unable to revise the IT Plan once the budget is submitted. If an agency would like to have the IT Plan reviewed prior to budget submission, contact the assigned ITD Business Analyst.

Key Steps to Ensure Linkages to the Agency Budget Request

Reporting Level Structure - Review the agency reporting level structure with agency financial staff to determine whether IT expenditures will be entered under a single reporting level for agency wide IT expenses or spread among several reporting levels.

Selection of the BARS Version - Work with the agency financial staff to identify which BARS version should be used to enter the IT Capture data. If it is a different version than the financial staff use to prepare and submit the budget, the IT Capture subschedule can be copied to the agency budget version by using “subschedule copy” which is explained in Chapter 2.

Review of Historical Expenditures – Review IT expenditures from the previous and current biennium to see if any adjustments need to be made. The historical expenditure history is not required to be input into the IT Capture subschedule, however, it is contained in the agency Budget Request.

IT Personnel - Work with the agency payroll coordinator to determine which positions will be indicated as IT positions. The IT infrastructure screens and any IT projects which have an associated employee position will have to be completed in the IT Capture subschedule prior to indicating an employee position as an IT position on the payroll subschedule.

The Position Information screen contains two indicators related to IT positions. One indicates whether a position is an IT position (Position Subschedule Indicator field). A decision must be made as to whether a person will be designated as an IT FTE or not. Partial IT FTE are not allowed. The second indicator provides a dropdown box to choose whether the salary expenses are part of the agency infrastructure or a project. Once the position detail data is checked complete on the Budget Checklist, the expenses will post to the respective IT Capture subschedules. The salary, in whole, will automatically post to the IT Capture subschedule salaries line if indicated as an IT Position.

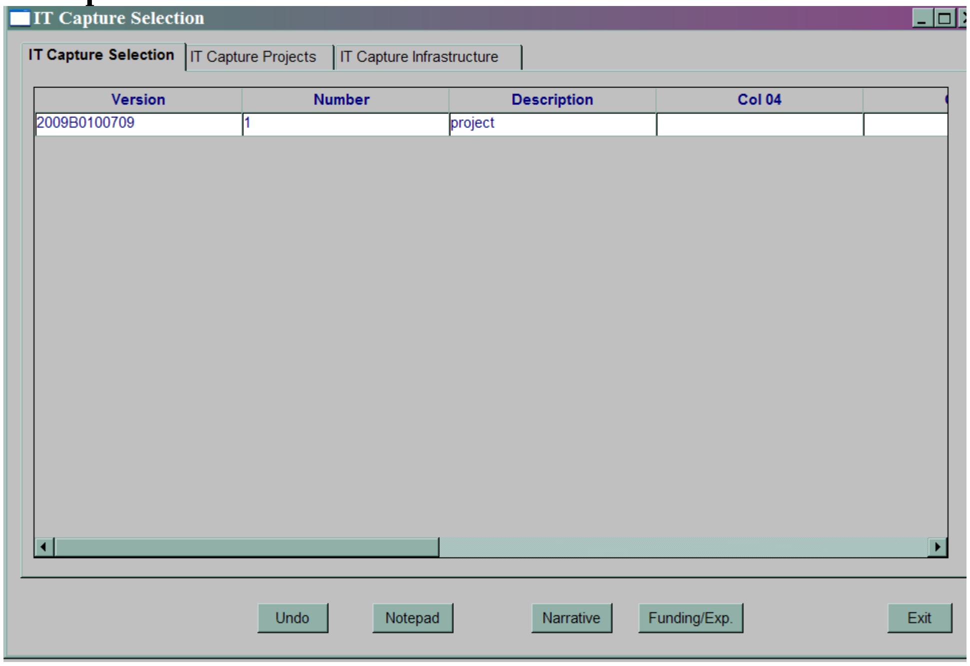
Validation Report - Ask the agency finance staff to run a Validation Report. It will indicate if any of the accounts are not equal to the budget request and whether any required data is missing from the IT Capture subschedule.

Overview of Steps Involved in Completing the IT Capture Screens

1. Identify a contact person responsible for the submission of the IT Plan.
2. Review the agency's technology goals and objectives along with identifying the business functions supported by IT and how the IT investment brings value to each function.
3. Review current technology operating costs.
    - Include any possible changes to be completed in the upcoming biennium and any new infrastructure costs that may be a result of a project being completed in the current biennium.
    - Review personal computer inventory; identify the cities and counties where personal computers are located; the operating system used; and replacement plans, including number to be replaced and estimated cost per computer.
4. Identify IT activities to be accomplished in the upcoming biennium. Projects include new or ongoing initiatives, major enhancements or upgrades to existing systems, or application replacement.
    - For each of these projects, identify the business need or problem that is driving the proposed project. Identify how this project is consistent with the agency's mission, the anticipated benefits and the risks associated with its implementation.
    - If this project is not implemented in the upcoming biennium, identify the impact this will have on the agency's ability to meet its objectives.
    - Identify all project costs and funding sources.

IT Capture Selection

IT Capture Selection Screen

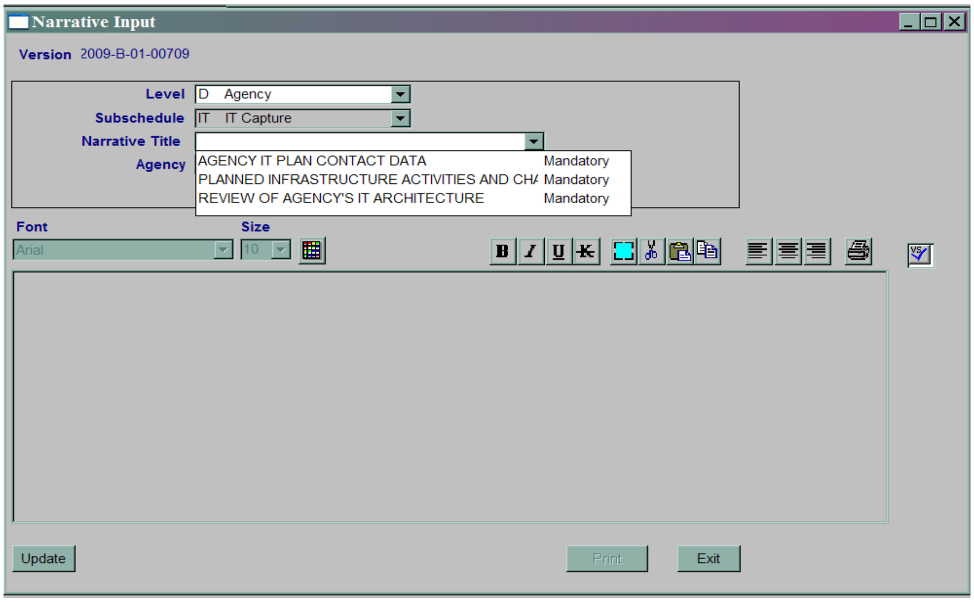


Navigation
Log on => Version => Checklist => IT Capture => IT Capture Selection

Purpose
To provide a list of projects and their related costs.

Using the Screen
This screen can be used to insert a new project or to select an existing project. If selecting an existing project, highlight the project and click the IT Capture Project tab to view the project detail or the Project Cost button to view the associated funding and expenditure data.

Narrative Screen



Narrative

The narrative types found on the IT Capture Selection Screen are general in nature and provide information relating the infrastructure and project budget requests to the overall goals of the agency.

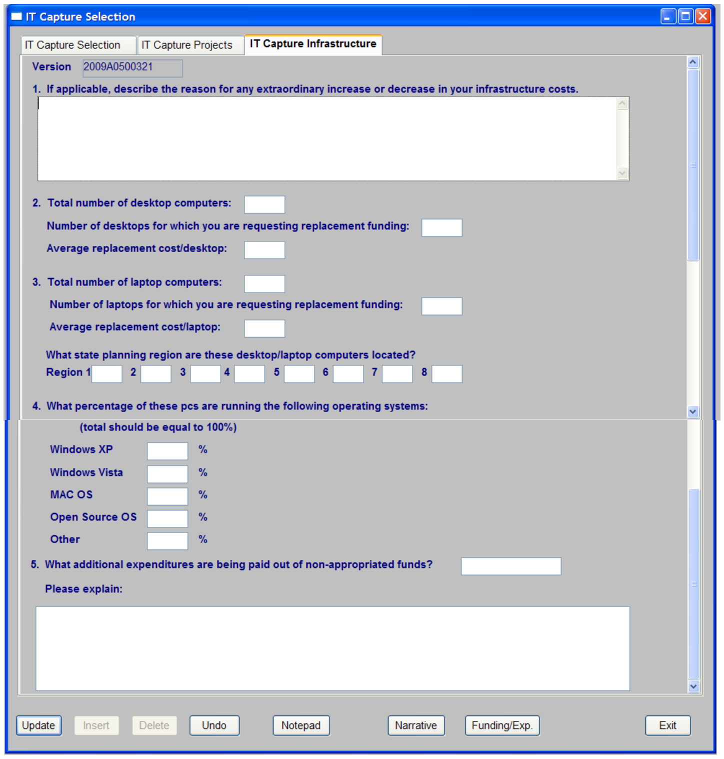
- **Agency IT Plan Contact Data** - Identify a contact person responsible for the submission of the IT Plan. Please include name, title, mailing address, phone and email address for the primary and any secondary contacts within the agency.

- **Review of Agency's IT Architecture** - Provide a detailed information regarding the use of Information Technology. This section contains a description of IT systems used including the business purpose, language, database and operating system requirements for each, as well as a description of IT service providers used, including internal staff.

  - **Planned Infrastructure Activities and Changes** - Provide detailed information on the IT Infrastructure and the ongoing effort required to maintain it. This section includes a description of the on-going maintenance items for systems that do not meet the definition of a project, and changes planned to the infrastructure. The intent is to provide sufficient detail to explain the expenditures included in the IT Infrastructure portion of the budget.

IT Capture Infrastructure

IT Capture Infrastructure Screen



Navigation
Log on => Version => Checklist => IT Capture => IT Capture Infrastructure

Purpose
To provide information supporting the requested funding for IT Infrastructure.

Using the Screen
IT Infrastructure consists of the ongoing day-to-day cost of running an agency's IT environment. This includes the employee salaries and benefits for IT staff, IT base operational expenses such as communication services (network and telephone), hosting fees, application development costs/fees, software license and maintenance fees, contractual services, and equipment.

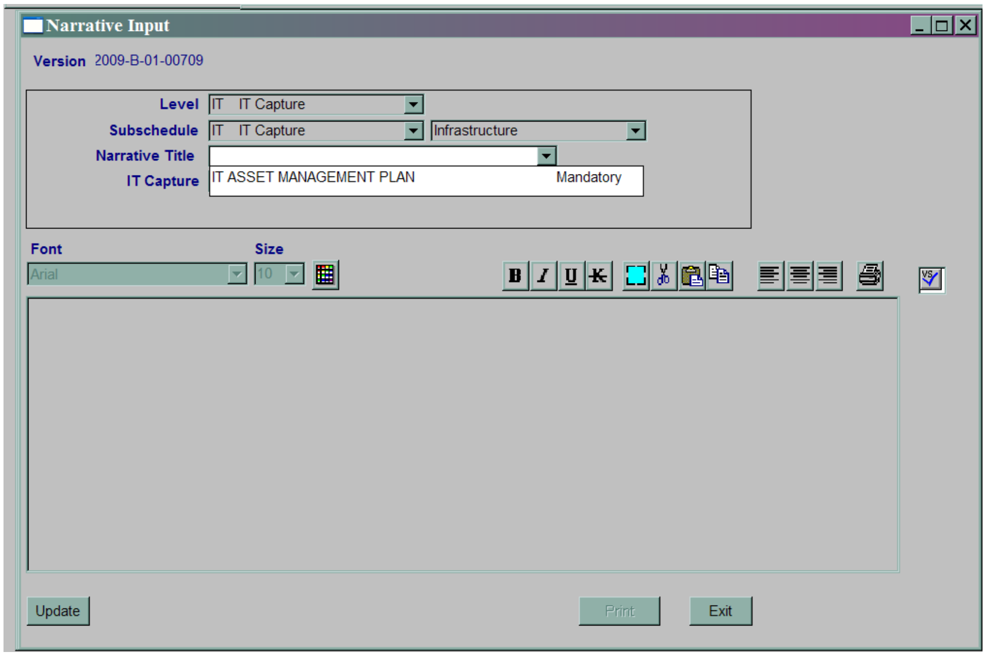
If infrastructure costs are projected to have an extraordinary increase or decrease, provide the reason. A change in excess of 10 percent would be considered extraordinary and should be explained. If the explanation requires more than the 512-character limit of the field, summarize the explanation and provide additional detail in the narrative field.

Indicate the total number of desktop and laptop computers and the current location of those items. Also indicate the average replacement cost per desktop and laptop. The following table defines state planning regions by listing the cities and counties in each region. When a particular laptop is used in several locations, indicate the region the user of the laptop is primarily located.

Region	Major Cities	Counties
1	Williston	Divide, McKenzie, Williams
2	Minot	Bottineau, Burke, McHenry, Mountrail, Pierce, Renville, Ward
3	Devils Lake	Benson, Cavalier, Eddy, Ramsey, Rolette, Towner
4	Grand Forks	Grand Forks, Nelson, Pembina, Walsh
5	Fargo, Wahpeton	Cass, Ransom, Richland, Sargent, Steele, Traill
6	Valley City, Jamestown	Barnes, Dickey, Foster, Griggs, La Moure, Logan, McIntosh, Stutsman, Wells
7	Bismarck, Mandan	Burleigh, Emmons, Grant, Kidder, McLean, Mercer, Morton, Oliver, Sheridan, Sioux
8	Dickinson	Adams, Billings, Bowman, Dunn, Golden Valley, Hettinger, Slope, and Stark

In order to get a broad picture of the operating systems used on computers throughout state government, indicate what percentage of the agency's computers are running each operating system. Round percentages to the nearest whole number.

Narrative Screen



Narrative

Use the narrative button to provide additional background information on IT infrastructure.

- **IT Asset Management Plan -** NDCC requires an asset management plan for all IT assets owned, leased or employed. This section includes the entity's asset management plan. The entity may elect to have a separate plan for each class of asset, or may have a single plan. All hardware, software and human capital assets must be included in a plan. The plan must include detailed information on efforts to obtain, maintain, retire and replace each class of assets. The development of the plan for hardware and software requires coordinated effort by both the IT and business staff of the entity.

IT Capture Projects

IT Capture Projects Screen

Navigation

Log on => Version => Checklist => IT Capture => IT Capture Projects

Purpose
To provide information supporting the requested funding for IT Projects.

Using the Screen
For each IT project, complete an IT Capture Project screen.

The fields at the top of the screen are used to briefly describe the project.

- The **Number** is used to identify the project within the BARS system and to group projects together with their corresponding Program or Infrastructure. In order for the grouping to work, infrastructure related projects should be INF-001 to INF-999. Programs should use a 3 or 4 letter **acronym** with program related projects using that same **acronym** and 001-999.

- The **Description** represents the project's name. A full description of the project is provided in a subsequent data field.

- The **Agency Project Identifier** is assigned by the agency and can be anything the agency wishes to use to identify the project.

- The **Agency Priority** is the internal priority the agency has assigned to this project. It is a unique 3-digit numeric field.

- The **Project Type** field is used to describe the general category of this project. By using the space bar, place a checkmark in only one of the project types. If it is an Application replacement, enter the age of the current application in the field provided.

The following information collected on the IT Capture Project screen represents the components necessary to create the business case for the project. Contact the assigned IT planning analyst within ITD Policy and Planning for information about the ND Business Case Guidance document.

- **Project Description** – Explain the primary objective of the project.

- **Business Need or Problem –** Describe the problem(s) that this project is intended to resolve.

- **Alignment to Organization's Mission** – Explain how the project is consistent with the business objectives of the agency.

- **Anticipated Benefits** – Describe the benefits of this project in as complete detail as possible. Benefits should include quantifiable and measurable criteria, but if such criteria are unavailable at the time of entry, the agency should ensure that future versions of the business case document include it.

- **Impact of Not Implementing** – Use this field to describe the effects of not executing the project. Explain the impact; do not just state that the benefits will not be obtained.

- **Risks Associated with Implementation** – A risk can be defined as an uncertain event or condition that, if it occurs, affects the project objectives. Risks can be negative (threats) or positive (opportunities). By proactively identifying risks at the beginning of a project, appropriate contingency plans can be developed for mitigating the risks. For example, budgeting for the training of employees or the hiring of temporary staff. Categories of risk that should be considered include, project management risk, technology risk, project complexity and resource or schedule constraints.

- **Additional project costs represent:**
  - Non-IT account expenses related to training, travel or other expenses associated with the deployment of the project.
  - Existing staff costs (salaries and benefits) for staff essential to the project that would be assigned to the project on a full-time basis and are not reported elsewhere in the agency budget.

  The purpose for collecting this information is so the agency can reflect the total cost of the overall project. If the project has additional costs associated with it, provide a description of those costs.

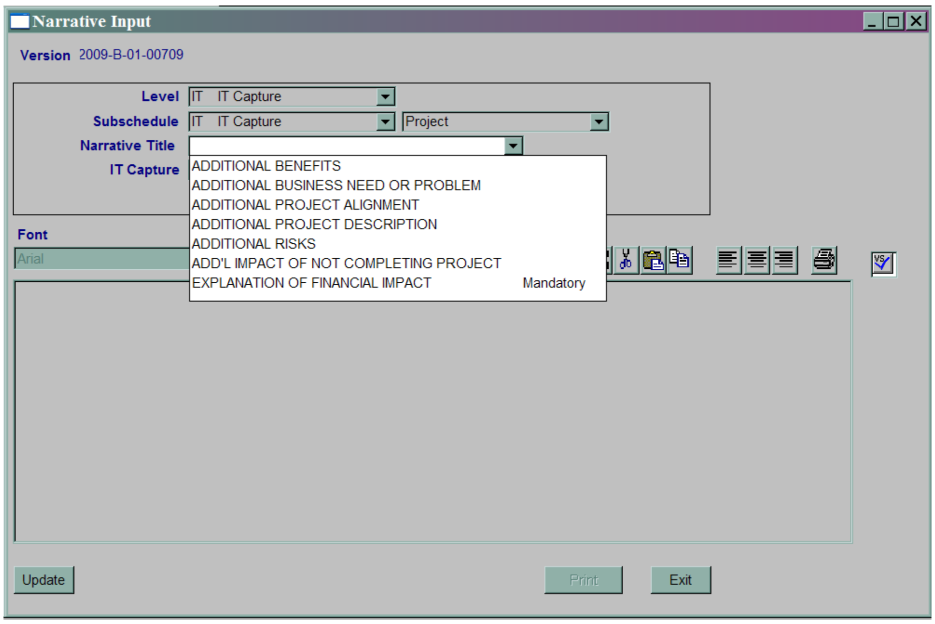
- **Non-appropriated funds** represent the additional amount to be used for this project from funds that are not limited by specific appropriation authority. Use the comment field to clarify the information.

- **SITAC RANKING** is required for any project that will require general fund appropriation and has an overall cost greater than $250,000. An agency may request any project be ranked by the State IT Advisory Committee. For more information on this process, contact the IT Planning Analyst from ITD Policy and Planning Division.

- **EA Review -** Agencies are encouraged to have projects reviewed by the Enterprise Architecture process in order to ensure compliance with existing technology standards as well as architectural alignment with the future state of technology. This review may be requested from the Enterprise Architecture website at http://www.state.nd.us/ea/projects/.

The space provided for the business case components is approximately the length of two average paragraphs. If the answer is not easily accommodated in the space provided, the Narrative option should be used.

Narrative Screen



Narrative

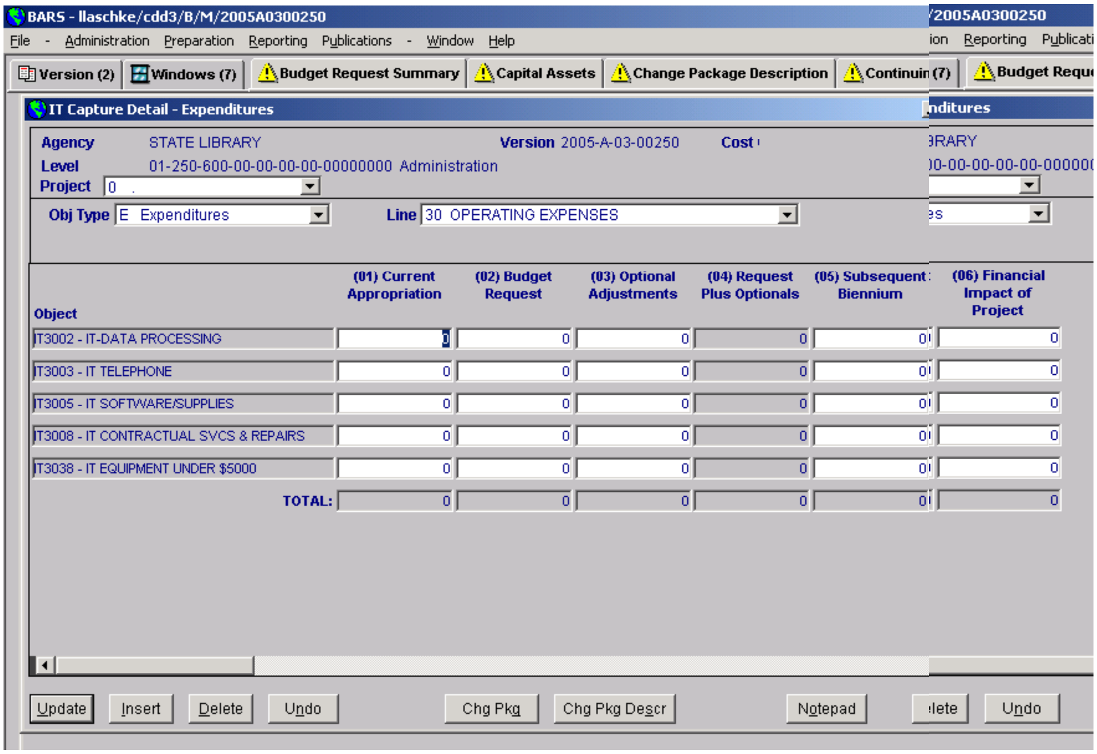
The Narrative button provided on the IT Capture Project Screen allows additional text to be provided in the following areas:

- Additional Benefits
- Additional Business Need or Problem
- Additional Project Alignment
- Additional Project Description
- Additional Risks
- Impact of Not Completing this Project
- Explanation of Financial Impact - **Mandatory**

In addition, the “Explanation of Financial Impact” is a required field for all projects and must be completed using the narrative button.

IT Capture Detail

IT Capture Detail – Expenditures Screen



Navigation
Log on => Version => Checklist => IT Capture => Project Cost => Detail

Purpose
To provide IT expenditure and funding information to be included in the Budget Request.

Using the Screen
Project Costs can be accessed through any of the three IT Capture screens. Click the Project Cost button and then select the reporting level to begin inputting IT expenses. Click Detail, choose the project, choose object type Expenditures, choose the line and then insert the appropriate objects. Complete each column.

Tip ***IT Contractual Services and Repairs - Account 603000 should only be used for "Non – ITD" related services. If contracting with ITD for services, those charges should be included in budget account 601000 - IT Data Processing.***

Indicating IT Positions - When inserting the salary objects, the fields in the first 4 columns will be locked. The data in those fields will be posted automatically from the Position Detail Data. The agency payroll coordinator needs to indicate IT positions in the following manner:

- Select the Position Information screen under the Calculation Info tab.
- Select the IT position in the Position Subschedule Indicator field.
- Select Infrastructure, or the specific project the FTE will be associated with in the Subschedule No. field.

Because projects are temporary endeavors, most IT positions will be part of an agency's Infrastructure. Once the position detail data subschedule is marked Complete on the Budget Checklist, the salaries and benefits for the IT positions will post to the appropriate project costs.

Current biennium IT salaries – In the IT Capture subschedule, current biennium salaries, benefits, and temporary amounts must be entered using accounts:

- IT 5121 – additional temp salaries
- IT 5131 – additional salaries – other (i.e. shift diff.)
- IT 5141 – additional overtime

IT Capture budget request – The budget request and optional adjustment columns in the IT Capture subschedule are entered without a change package. In all other subschedules budget request and optional amounts are entered by assigning amounts to budget change package descriptions. Budget request and optional amounts in the IT Capture subschedule are for informational purposes only and do not post to the budget request summary. Budget request summary amounts do not post to IT Capture, however, budget request amounts entered in IT Capture must match IT account totals in the budget request summary.

Columns 5 and 6, Subsequent Biennium and Financial Impact of Project, will not post from the Position Detail Data subschedule Payroll. Subsequent Biennium projected expenditures should be entered for each object. Financial Impact of Project relates only to Projects, not Infrastructure. The dollars entered in this column should reflect the amount of any ongoing costs to Infrastructure once the project is completed.

After completing the expenditure accounts, enter the funding for each line. Choose either:

- 001 – STATE GENERAL FUND,
- FED1 – IT FEDERAL FUNDS, OR
- SPEC1 – IT SPECIAL FUNDS.

FED1 and SPEC1 are set up for use **only** in the IT Capture subschedule to allow users to enter a total rather than specific federal and special fund sources. An agency is not required to use FED1 and SPEC1codes.   An agency may choose to indicate the specific funding in the IT Capture project costs by fund and grant.