VERMONT®

IT Activity Business Case & Cost Analysis (IT ABC Form)

This form should be initially completed by the Agency's ADS IT Director or their designee while working with the business to gather relevant information. For IT Activities over $100,000, the Agency's EPMO Portfolio Manager should be included once the initial information has been gathered and they will facilitate the review for approval and verify the forms completion. For IT Activities under $100,000, the Agency's IT Director will facilitate the review and approval and send the approved ITABC to the Agency's Portfolio Manager once final signing has been completed. Please include all relevant worksheets and documents supporting your IT ABC when you submit for review.

1. General Information

This section is used to document information related to the proposed IT Activity. It specifies the persons' responsible for executing the project. It also describes the project at a high level, the problem the business is trying to solve, and documents any proposed solution the team may have as a result of an exploration activity.

Date Submitted		**Agency**	
Person Completing Form		**Department**	
IT Activity/Project Name		**Division**	
Project Type		**Agency IT Lead**	
Est. Project Start Date		**Est. Project End Date**	
Sponsor		**Project Manager**	
Business Lead		**Business Analyst**	
Finance Manager		**Enterprise Architect**	
Program Code		**Customer Code**	
High Level Project Description *(Max 3 Lines)*			
Describe the business problem you are trying to solve.			
What is your proposed solution and procurement plan (i.e., RFP, contract extension, sole source, etc.)?			

2. Information Security

This section identifies if the solution stores/transports/controls access to confidential/sensitive/nonpublic information and/or represents significant reputational risk to the State.

Does the proposed solution store/transport/control access to confidential, sensitive, nonpublic information, and/or represent significant reputational risk to the State?	
If "Yes" to the above, check all that apply below:	
☐ **Personally identifiable information** ☐ **Information regarding credit card payments** ☐ **Health related information**	☐ **Tax information obtained from the federal government** ☐ **Information associated with minor children** ☐ **Other sensitive, confidential, or non-public information**

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3. Business Justification

IT projects are undertaken to achieve business objectives/values. EPMO categorizes Business Value (BV) into 4 types: Financial, Customer Service, Risk Reduction and Compliance. *Tip: If you expect to gain efficiencies, think about how the State will benefit from those efficiencies to determine your BV Type. Efficiencies should save the State money (BV= Financial) and/or improve customer service (BV= Customer Service). Note customer service improvements could come from freed-up resources that can be reallocated to other services provided by your Agency/Department.*

Business Value	Description
Financial	A net decrease to State costs resulting from: a reduction in operating costs, State labor costs, and/or infrastructure costs. **Section 8 of this form MUST show a decrease to claim a financial business value.
Customer Service	A new or improved customer service (for internal or external customers). Examples include service automation, improved access to information, improved service quality, faster turnaround times, etc.
Risk Reduction	A reduction of a risk to the State as a result of replacing an unstable system, improving security, implementing a sustainable solution, etc.
Compliance	Meets a previously unmet State or Federal compliance requirement.

Business Value	Business Value Description	How will Achievement be Measured?

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4. Leveraging the Success of Others

This section details what other State, Federal or Municipal government entities are using to meet the same or similar business need. It further justifies the proposed solution and explains how it may be within industry standards.

Is there an existing State solution that could meet the business needs?	
If yes, has this solution been evaluated to see if it could be used?	
Are other State, Federal or Municipal government entities using the proposed solution to meet a similar business need?	
If yes to the above, what governmental entity or entities?	
If no, why are we choosing a solution that no other government entity uses?	

5. Risks

Describe any known risks related to this IT Activity.

What are the risks of doing nothing (i.e., staying with the current solution)?	
What are the risks of moving forward with the proposed solution?	

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6. Proposed Solution Costs

In this section, itemize the estimated costs for the proposed solution. The Lifecycle of the solution is how many years you plan to use the proposed solution before investing dollars in substantial upgrades or going back out to RFP. The maximum you can enter is 5 years unless you have received authorization from the CIO to have a longer lifecycle. The EPMO will assist with ADS resource cost estimates.

Lifecycle of Proposed Solution (*Max is 5 years excluding implementation.*)			Years
Was a Request for Information (RFI) done?			
Identify Cost Estimated Source			
Cost Estimates Entered By (Name/Role)			
Description of Costs	**Implementation Costs**	**Annual Operating**	
Vendor Implementation/Installation/Configuration			
Contracted Services for Project Management			
Other Contracted Professional Services for Implementation			
ADS EPMO Project Oversight & Reporting			
ADS EPMO Project Manager for Implementation			
ADS EPMO Business Analyst for Implementation			
ADS Enterprise Architect Staff for Implementation			
ADS Security staff for Implementation			
Other ADS IT Labor for Implementation			
Software/Licenses			
Hosting			
Hardware			
Equipment or Supplies			
Vendor Annual Maintenance/Service Costs			
State IT Labor to Operate & Maintain the Solution			
Other Costs *(Please describe in section 10.)*			
Sub-Total Costs			
Total Lifecycle Operating Cost			
Sub-Total IT Activity Costs			
Estimated Independent Review Cost			
Total Implementation			
Total IT Activity Costs			

Note - Please refer to your EPMO Portfolio Manager for ADS IT staff hourly rates.

New IT Activity Costs Summary (Enter Applicable State Fiscal Years)

	Implementation Costs		Lifecycle Operating Costs		
Fiscal Year	**Federal Funds**	**State Funds**	**Federal Funds**	**State Funds**	**Total**
SFY					
SFY					
SFY					
SFY					
SFY					
SFY					
SFY					
TOTAL					

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Proposed Solution Costs to the State

% of Implementation Costs to be paid with State funds*	%
Total Implementation Costs to be paid with State funds	
% of Lifecycle Operating Costs to be paid with State funds*	%
Total Lifecycle Operating Costs to be paid with State funds	
Total IT Activity Costs to be paid with State funds	

Use an average if you expect the percentage to change from year to year.

7. Current Solution Costs

In this section detail the costs of the current solution. This is used to identify any potential cost savings to the State if the project is approved for implementation.

Description of Costs	Annual Operating
Software/Licenses	
Hosting Provider	
Hardware	
Equipment or Supplies	
State Labor to Operate & Maintain Current Solution**	
Vendor Annual Maintenance/Service Costs	
State labor costs to be <u>eliminated</u> as a result of automation provided by the new solution.	
Other Costs/Cost Avoidance (Please describe in section 10.) ***	
Total Annual Current Cost	
Total Current Lifecycle Cost	

Current Solution Costs to the State

% of Current Operating Costs paid for with State funds	%
Total Lifecycle Costs to be paid with State funds	

**Please refer to your EPMO Portfolio Manager for ADS IT staff hourly rates.*

*** IMPORTANT: Include <u>any</u> additional agency, department, or program costs to be eliminated, or reduced, once the new solution is implemented.*

8. Net Impact to State Costs

Cost	Dollar Amount
Proposed Solution Lifecycle Costs to be paid by the State	
Current Solution Lifecycle Costs to be paid by the State	
Net Change to State	

9. Budget Information

This section validates that the Agency's business office has budgeted for the costs associated with this project.

Are your Business Office & Commissioner aware of this project and the plans for funding it?	
If State funding is required do you have the money to pay for this year's costs out of your current fiscal year budget?	
If "No" to the above, what is your plan to obtain funding?	
Was the cost of this solution approved in your most recent budget submission to Finance & Management?	

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10. Comments and Additional Information

Please enter any additional comments or business justifications that should be taken into consideration. Also, please list out any applications/systems that will be impacted by this activity.

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11. Review/Pre-Approvals

EPMO Portfolio Manager to verify the following pre-approvals have been received prior to sending for signature.

Role	Name	Date Approved
Requesting Agency/Department Finance Manager/Director		
Agency/Department IT Director		
Agency/Department Project Sponsor		
ADS Chief Technology Officer		
ADS Secretary/CIO		
EPMO Portfolio Manager Verifying Review Completed		

12. Final Approvals

Approver	eSignature/Date
Agency IT Director/Lead	
Agency Finance Lead	
ADS Chief Technology Officer	
Agency Secretary, Commissioner or Deputy, Division Director	
State CIO & ADS Secretary	