



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #115

Information Technology Reporting (DOA -- Information Technology)

Base Section

OVERVIEW

In April, 2007, the Legislative Audit Bureau (LAB) completed an audit of information technology (IT) projects [Report 07-5], which reviewed several state IT projects and made recommendations for state agencies that undertake IT projects as well as groups that oversee the programs. The Committee could consider whether some of these recommendations should be included in state statutes and administrative rules as a means of formalizing some of these recommendations. This paper will also discuss some additional alternatives that the Committee could consider as a means of improving Department of Administration (DOA) and legislative oversight for IT projects.

DISCUSSION POINTS

Current Oversight Requirements

1. *Executive Branch Requirements.* Under current law, DOA must ensure that an adequate level of information technology services are made available to all agencies by providing systems analysis and application programming services to augment agency resources, as requested.
2. The Department must also ensure that executive branch agencies, other than the Board of Regents of the UW System, make effective and efficient use of the information technology resources of the state. In cooperation with agencies, DOA must establish policies, procedures and planning processes, for the administration of IT services, which executive branch agencies must follow. The policies, procedures and processes must address the needs of agencies, other than the Board of Regents of the UW System, to carry out their functions. The Department is required to monitor adherence to these policies, procedures, and processes.

3. Under current law, DOA has broad authority related to IT in executive branch agencies. Specifically, DOA is required to:

- Ensure that an adequate level of IT services is made available to all agencies by providing systems analysis and application programming services to augment agency resources, as requested.
- Ensure that executive branch agencies, other than the Board of Regents of the University of Wisconsin System, make effective and efficient use of the IT resources of the state.
- In cooperation with agencies, establish policies, procedures and planning processes, for the administration of IT services, which executive branch agencies are required to follow.
- Monitor adherence to these policies, procedures and processes.
- Develop and maintain IT resource planning and budgeting techniques at all levels of state government.
- Develop and maintain procedures to ensure IT resource planning and sharing between executive branch agencies.
- Develop review and approval procedures which encourage timely and cost-effective hardware, software, and professional services acquisitions, and review and approve the acquisition of such items and services under those procedures.
- Collect, analyze and interpret, in cooperation with agencies, that data necessary to assist the IT resource planning needs of the Governor and Legislature.
- Provide advice and assistance during budget preparation concerning IT resource plans and capabilities.
- Ensure that management reviews of IT organizations are conducted.
- Gather, interpret and disseminate information on new technological developments, management techniques and IT resource capabilities and their possible effect on current and future management plans to all interested parties.
- Ensure that a level of IT services is provided to all agencies that are equitable in regard to resource availability, cost and performance.
- Ensure that all executive branch agencies develop and operate with clear guidelines and standards in the areas of IT systems development and that they employ good management practices and cost-benefit justifications.
- Ensure that all state data processing facilities develop proper privacy and security procedures and safeguards.

- Require each executive branch agency, other than the Board of Regents of the University of Wisconsin System, to adopt and submit to DOA, no later than March 1 of each year, a strategic plan for the utilization of information technology to carry out the functions of the agency in the succeeding fiscal year for review and approval.

- Maintain an IT resource center to provide appropriate technical assistance and training to small agencies.

4. In addition, DOA is authorized to charge executive branch agencies for IT development and management services provided by the Department.

5. The Department is also authorized to purchase all necessary materials, supplies, equipment, all other permanent personal property and miscellaneous capital, contractual services, and all other consumable products for most state agencies. The Department may delegate this authority to other agencies, but that agency must adhere to all purchasing requirements that are imposed upon DOA. Except for the UW System, DOA may not delegate purchasing authority for IT or telecommunications purchases until DOA reviews and approves the contract.

6. As part of each executive branch agencies' strategic plan, agencies are required to address the business needs of the agency and to identify all proposed IT development projects that would aid in those business needs. Agencies are also required to justify and prioritize these IT projects and identify any IT plans that will be included in an agencies' biennial budget request. DOA is required to approve the plans. No agency may implement a new or revised project until the plan is approved.

7. *Legislative Branch Requirements.* Under current law [s. 13.58 of the statutes], the Legislature is authorized to form the Joint Committee on Information Policy and Technology (JCIPT), which includes three majority and two minority members of the in each house. The Committee was authorized under 1991 Wisconsin Act 317. The Co-Chairs of the Committee are designated by each house. The powers and duties of the Committee include the following:

- Review information management and technology systems, plans, practices and policies of state and local units of government, including their responsiveness to the needs of state and local units of government for delivery of high-quality services on an efficient, effective and economical basis, their data security and integrity, their protection of the personal privacy of individuals and their provision of access to public records.

- Review the effects on the needs identified, after the review information management and technology systems, plans, practices and policies of state and local units of government, of proposals for the expansion of existing information technology and the implementation of new information technology by the state.

- Review the impact of proposed legislation on existing technology utilization by state and local units of government.

- Upon receipt of strategic plans from DOA, the Joint Committee on Legislative Organization and the Director of State Courts, review and transmit comments concerning the plans to the entities submitting the plans.
- Direct DOA to conduct studies or prepare reports on items related to the committee's duties.
- Make recommendations to the Governor, the Legislature, state agencies or local units of government regarding the policies, practices, proposals, legislation and reports reviewed by JCIPT.
- Direct the Board of Regents of the University of Wisconsin System to prepare and submit to the committee such reports as JCIPT requests pursuant to JCIPT's responsibilities.
- With the concurrence of the Joint Committee on Finance, JCIPT may direct DOA to report semiannually concerning any specific information technology system project which is being designed, developed, tested or implemented with an anticipated total cost exceeding \$1,000,000 in the current or any succeeding fiscal biennium. The report is required to include all of the following: (a) the major stages and substages of the project, including an assessment of need, design, implementation and testing stages and their major substages; (b) the scheduled, estimated and actual completion dates for each major stage and substage of the project; (c) the budgeted amounts and amounts actually expended on each major stage and substage of the project; and (d) an evaluation of the project, including any problems encountered or risks associated with proceeding to the next stage of the project, if any.

8. JCIPT has not been organized since the 2003-04 legislative session.

9. *Shared Requirements.* The IT Management Board was created under 2001 Wisconsin Act 16. The Board, attached to DOA, is authorized to advise DOA in the management of the state's IT assets and monitor progress on IT activities undertaken by DOA or executive branch agencies.

10. The Board consists of the Governor or his designee, the Co-Chairs of JCIPT or their designees, one member of the minority party from each house, the heads of two agencies that are appointed by the Governor, two other members appointed to serve four-year terms, and the DOA Secretary or his designee. Under current law, the Board is required to meet at least four times per year and additionally as required by the chairperson.

11. For any IT strategic plan referred to the IT Management Board by DOA, the Board is required to provide DOA with recommendations on any element of how an agency plans to utilize IT to carry out agency functions. Upon request of a state agency, the Board may review any IT decision made by DOA. The Board may affirm, modify, or set aside the decision of DOA. The Board may monitor progress in attaining goals for IT and telecommunications development set by any executive branch agency, other than the UW System, and may make recommendations to these agencies concerning the appropriate means of attaining those goals.

12. Finally, with the assistance of executive branch agencies and the advice of the IT Management Board, DOA is required to manage the state's IT portfolio (IT systems, applications, infrastructure, information resources and human resources devoted to developing and maintaining IT systems) of the state government in accordance with a management structure that includes the following: (a) criteria for selection of IT assets to be managed; (b) methods of monitoring and controlling IT development and projects; and (c) methods to evaluate the progress of IT development projects and the effectiveness of IT systems, including the performance measurements for the IT portfolio.

13. The IT Management Board has been not organized since 2004-05.

Recommendations of the Legislative Audit Bureau

14. In April, 2007, LAB released an audit of the *Information Technology Projects*, which included recommendations on IT projects in general as well as specific recommendations for several large projects. The audit notes that there were 184 IT projects that were either completed in 2004-05 or 2005-06, or continued into 2006-07, with expected costs totaling \$291.7 million (all funds).

15. The audit generally states that DOA's oversight of IT projects has not been adequate. The audit recommends ways to improve DOA's collaboration with other agencies in identifying high-risk projects and establishing planning standards, including quantifiable performance measures, as well as ways to improve legislative oversight.

16. The Audit Bureau notes that state agencies have experienced a wide variety of difficulties in completing complex and costly IT projects within budget and as scheduled. These difficulties include: (a) inadequate planning, including underestimating a project's complexity and failing to adequately define the final desired functions of the program; (b) unanticipated costs; and (c) delays in implementation.

17. The audit indicates that there are a number of unique problems that develop in IT projects due to specific agency functions.

"However, a number of characteristics are common to agencies' difficulties in developing large, high-risk projects. For example, state IT projects must incorporate the ability to respond quickly and efficiently to changes in both law and policy, such as those governing voter registration and applications for various licenses or identification cards. Agencies may also receive and process data from many sources, including some whose supporting technology differs from that of the project or is no longer familiar to programmers. In addition, balancing ease of access with data security is a particular concern when projects aim to automate government services to the public, such as certain benefit programs or functions such as tax and fee collections, which require individuals to provide a social security number or other personal information. Finally, advancements in available technology supporting state agency systems may be made during the course of project development, necessitating project budget and time line modifications."

18. The Audit Bureau made several recommendations that were specific to ongoing high-risk projects. This paper focuses on the general oversight recommendations of the LAB, including:

- DOA should select, in collaboration with executive branch agencies, a prescribed format for annual strategic plans for IT and a methodology for identifying high-risk projects;
- DOA should, in collaboration with executive branch agencies and the IT Director's Council, plan standards for large, high-risk projects;
- DOA should enhance project monitoring;
- DOA should establish policies for the use of and monitoring of the state's master lease program for funding IT projects; and
- The Legislature and the Governor should consider reactivation JCIPT and the IT Management Board.

For both the project specific recommendations and the oversight recommendations, the LAB indicates that DOA should respond to the Joint Legislative Audit Committee by October 1, 2007.

19. *Planning for IT Projects in Strategic Plans.* Based on the LAB audit, it appears that a prominent feature in most of the cost over-runs and failed projects is an overestimation of savings related to new technology and an underestimate of staff resources necessary to implement the new program. It could be argued that the current state review process encourages short-term cost savings estimates and disregards potential long-term costs.

20. The Audit Bureau states "given the complexity of IT projects and rapidly changing technology, state agencies will likely continue to experience difficulties completing large, high-risk projects." These high-risk projects may include: (a) projects that would be undertaken by agencies that have not demonstrated the ability to manage complex projects; (b) projects with high costs; (c) projects that are related to essential functions of the agency; and (d) projects in which a significant delay would negatively affect the central functions of an agency.

21. The Audit Bureau states that project failures and cost overruns could be significantly reduced if there was better DOA oversight. To that end, the Committee could require DOA, in consultation with other executive branch agencies, to adopt specific, uniform written policies for IT projects that are in excess of \$1 million or that are vital to the functions of an agency. The procedures could include: (a) prescribing a standardized format for IT projects that are included in an agency's annual strategic plan; and (b) requiring all ongoing and planned IT projects be included in the annual strategic plan. The Committee could specify that the initial report on these policies be provided to executive branch agencies, the Joint Legislative Audit Committee (JLAC) and JCIPT (if organized), by January 1, 2008, and any subsequent updates also be provided to these agencies and Committees. If the Committee wishes to ensure the Legislature's role in determining how the IT

project policies would be implemented, and ensure that adequate information would be submitted regarding high-risk projects, it could also specify that JCIPT, if organized, or JLAC, if JCIPT is not organized, have approval authority over the written policies.

22. *High-Risk Projects and Cost Projections.* It could be argued that DOA should establish rules for identifying large, high-risk IT projects. Once these projects have been identified, performance measures could be formalized under administrative rule for executive branch agencies. For example, the federal Office of Management and Budget has established project expectations and accurate scheduling estimates, and specifies that projected costs and schedules must be within 110% of those estimates. The Audit Bureau has recommended that DOA report to the Joint Legislative Audit Committee by October 1, 2007, on its progress in developing a similar plan that would include the following: (a) establishing standardized, quantifiable project performance measures for large, high-risk projects; (b) implementing policies and procedures for routine monitoring of these projects; (c) developing a formal process for modifying project specifications when doing so is necessary because of changes in program requirements; and (d) developing methods for failing IT projects that would allow an agency to either discontinue the project or make the necessary corrections in the performance of the project. In addition, the rules related to high-risk projects should require agencies to report to DOA and JCIPT, if JCIPT is organized, or the JLAC, if JCIPT is not organized, whenever an IT project is modified, identifying in plain language the reason for the change, and the estimated change in cost and timeline.

23. It was also noted that there are wide variances in the reporting of estimated costs. Many cost estimates are reported early in the development process, before the scope of the project and implementation problems are clearly identified. To address this, DOA could identify a standard point in the development of IT projects at which to fully document the estimated project costs and timelines so that realistic expectations of completion time and costs can be reported to DOA and the Legislature. This would give DOA and the Legislature a means to judge whether projects are meeting their deadlines within budget.

24. After considering any recommendations of the Joint Legislative Audit Committee, DOA could be required to promulgate administrative rules by June 30, 2008, that include these LAB recommendations.

25. *Use of Off-the-Shelf Systems.* The LAB notes that DOA has had less time to collaborate and oversee large IT projects in other agencies due to its focus on email and server consolidation projects. Of particular concern to the LAB was agency development of their own, uniquely developed computer systems.

26. Off-the-shelf software is sold as a finished product that is commercially tested and readily implemented. If it meets agency needs, it can be more easily maintained because the vendor would provide staff to make upgrades, resolve problems, and address user questions.

27. While agency specific systems can be built or adjusted to meet an agency's needs, the long-term and short-term costs are potentially much greater because construction and maintenance costs are largely unknown. An agency may also face difficulty in maintaining and

upgrading the system should the main developers of the program leave the agency.

28. The IT audit notes that agencies often assume that there are no off-the-shelf systems that will meet their needs. The LAB recommends that agencies should review their business plans to ensure that only the software functions that are necessary to meet the essential program requirements are part of the project. In addition, agencies should routinely determine whether off-the-shelf software will meet agency needs. The Department could be required to establish administrative rules that specify when agencies must use off-the-shelf systems, and ensure that agencies have reviewed all commercially available IT products and justified to DOA that these off-the-shelf systems would not meet the needs of the agency.

29. *Use of Master Leases.* According to the audit, master leases have been used on several significant IT projects since 1992, with total financing costs of \$294,540,300 through September, 2006. Generally, a master lease is a method for agencies to finance certain projects over a period of years. The Audit Bureau notes that DOA has not developed formal policies and procedures for financing IT systems through master leases. The LAB states that the lack of reporting requirements makes it difficult to determine which projects have been financed, the total amounts approved for projects, and which vendors have received payments because this information is maintained separately by DOA's Capital Finance Office, DOA's Division of Enterprise Technology, and the agencies that are managing the projects.

30. The federal government may prohibit the state from charging federal funds for IT projects that are in their developmental stages. In most cases, these developmental costs on large projects are funded through master lease, and the federal appropriations are assessed only when the project has been completed, and the federal government is receiving a benefit from the program operations. These requirements help ensure that federal funds are not used to support failed IT programs. It could be argued that projects like server consolidation and integrated business information system (IBIS), where all agencies and all fund sources are likely to be used are potentially susceptible to even larger state funding loss. A project that has significant cost overruns or is not completed will likely not recover any portion of the losses from federal sources, which increases the potential losses in the GPR, PR, and SEG accounts.

31. The Audit Bureau states that it is important for DOA to establish clear guidelines governing use of master leases in order to improve monitoring and increase the likelihood that financed projects will be successfully completed. The LAB has recommended that the Department report to the Joint Legislative Audit Committee by October 1, 2007, on the progress in the following: (a) establishing policies and procedures for the use of master leases to finance IT system costs, as well as maintaining IT systems projects financed under the program; and (b) creating an annual report on IT systems projects financed under program that include the amounts financed in the previous year, the specific financing amounts that have been approved for future years, principal and interest paid by agencies on projects funded from master leases compared to total financing originally approved, and a summary of the repayments completed in the previous fiscal year.

32. The Committee could specify that this report would be provided annually by October 1, of each year for the previous fiscal year's IT activities. The report would be sent to the

Governor, the Joint Legislative Audit Committee, and JCIPT, if organized. In addition, the policies and procedures for the use of master leases for IT projects could be set in administrative rules.

33. *Vendor Contracts.* The Audit Bureau reviewed 19 IT vendor contracts to determine the extent to which penalties or contract incentives were used to either discourage poor performance or encourage vendors to meet certain benchmarks. Of the 19 cases reviewed, nine included penalties for poor performance, but LAB notes that these penalties were seldomly invoked. Four of the 19 vendor contracts reviewed by LAB contained holdback requirements, which allow an agency to withhold a portion of the payment until the contractor has met certain guidelines.

34. State agencies may be responsible for many of the contract changes that occur during an IT project. Some of the changes occur because of federal or state regulations that change the needed elements within an IT project. In other instances, contracts must be modified because agencies have not thoroughly reviewed all of the specifications that are included in the original bid to ensure that agency IT needs would be accomplished. Better tracking of the development and implementation of IT projects by DOA, would help correct some of these problems. However, it could be argued that a third problem, vendor failure, also leads to incomplete projects or cost overruns.

35. Vendors who agree to provide a service should be held responsible for providing the promised services. Given DOA's statutory duties, some would argue that the Department should ensure that all IT vendor contracts that have potential costs of greater than \$1 million or are otherwise determined to be high-risk should include clauses that require vendors to complete projects without additional recompense, once the state has paid the agreed cost.

36. If an agency believes that such a stipulation would negatively impact IT contract negotiations or limit the number of bidders on a specific contract, the agency could be allowed to bypass these requirements. In such a situation an agency would be required to provide DOA with a plain language explanation of the reason for excluding this clause, and the contract would be submitted to JCIPT, or to JLAC, if JCIPT is not organized, for approval under 14-day passive review. DOA and legislative review could ensure that there are sufficient safeguards in place to allow for the contract to be completed on time and within budget.

37. Alternatively, it could be argued that such stipulations would significantly hinder agency negotiations. Vendors may demand higher rates of return under contracts that specify penalties or non-payments for poor service. Additionally, it could be argued that agencies already have an interest in retaining vendors that will complete IT projects on time and within budget.

38. Further, some may argue that agencies should avoid open-ended contracts that guarantee an ongoing hourly rate for services in favor of sum-certain project costs for high-risk projects. Open-ended contracts are often used when the final scope of the project is not known. It could be argued that agencies should more thoroughly develop their IT projects before requests for proposals are even issued, so that needed services and cost expectations are known before the project begins. Once the scope of the project is known, and those expectations are expressed in a contract, then it should be the responsibility of the vendor to fulfill that agreement without seeking

additional payments from the state.

39. The Committee could require executive branch agencies that have IT contracts that include open-ended clauses to make quarterly reports to DOA stating the amounts expended on the IT project. An open-ended contract would be defined as stipulations in which a maximum payment is not specified or a stipulation that pays an hourly wage to a vendor without specifying the number of hours required for completing the project. The Committee could additionally require DOA to annually compile these agency submissions for submission to JCIPT (if organized) and JLAC.

40. *Review by the Legislature.* It is often difficult to determine the long-term benefits and costs of information technology projects given the high level of technical expertise that is needed to install and maintain these systems. In a budget review process, the Legislature may have dozens of proposed IT projects, many of which are funded within agencies' existing budgets using master leases for equipment purchases along with annual software licensing, maintenance, and support staff costs. Because of these difficulties, it may be necessary to improve the way in which information is presented to the Legislature, and to ensure that the Legislature is informed on an ongoing basis regarding agency progress in implementing a program and the amounts of funding that has been expended on a project.

41. To this end, the Committee could grant additional oversight duties to JCIPT or JLAC on all significant IT projects conducted by state agencies. The current statutes grant JCIPT authority to require DOA to submit reports semiannually on projects over \$1 million. The Committee could, additionally, specify that JCIPT have review authority for all IT projects conducted by the state in excess of \$1 million or that are considered high-risk by DOA. If JCIPT is not organized this authority could be provided to the Joint Legislative Audit Committee. Agencies could be required to submit a plain language plan for completion of each IT project to DOA, which in turn, could compile these records on a semiannual basis and provide this information to the members of JCIPT or JLAC. The plans could include the tasks that would be performed, a projected completion date, a total budget for the project, the reason why there was a change to previous cost or timeline estimates, any penalties or incentives that are included in a contract with the vendor (if applicable), the progress of any stage of the project, or any additional information needed by JCIPT or JLAC to adequately evaluate an IT project. Further, JCIPT or JLAC could be allowed to make recommendations to the Legislature and the Governor on whether to continue certain IT projects.

ALTERNATIVES TO BASE

1. *Planning for IT Projects in Strategic Plans.* Require DOA, in consultation with other executive branch agencies, to adopt written policies for executive branch information technology projects that are in excess of \$1 million or are otherwise vital to the functions of an agency. Specify that the policies must: (a) prescribe a standardized format for information technology projects that are included in an agency's annual strategic plan; and (b) require all ongoing and planned information technology projects be included in the annual strategic plan. Specify that an initial copy of these adopted policies must be provided to the Joint Legislative Audit Committee and the Joint Committee on Information Policy and Technology (JCIPT), if it is

organized, by January 1, 2008, and specify that subsequent updates to these policies must be provided to these Committees.

2. In addition to Alternative 1, specify that the Joint Committee on Information Policy and Technology, if it is organized, or the Joint Legislative Audit Committee, if JCIPT is not organized, must approve the written information technology policies established by the Department of Administration.

3. *High-Risk Projects and Cost Projections.* Require the Department of Administration to establish administrative rules by June 30, 2008, that would include the following: (a) a methodology for identifying large, high-risk information technology projects; (b) standardized, quantifiable project performance measures for monitoring large, high-risk projects; (c) policies and procedures for routine monitoring of these projects; (d) a formal process for modifying project specifications when doing so is necessary because of changes in program requirements; (e) requirements for reporting cost or time-line changes to high-risk information technology projects to the Department and the Joint Committee on Information Policy and Technology or the Joint Legislative Audit Committee; (f) methods for discontinuing projects or modifying projects in such a way to correct the performance problems of failing information technology projects; (g) policies and procedures for the use of master leases to finance new information technology system costs, and to maintain current information technology systems; and (h) establishment of a consistent reference point in the development of all IT projects in which an accurate estimate of the costs and timeline can be presented to the Department of Administration and the Joint Committee on Information Policy and Technology, or the Joint Legislative Audit Committee, if JCIPT is not organized. Require the Department to consider recommendations of the Joint Legislative Audit Committee and the Legislative Audit Bureau in creating these rules.

4. *Use of Off-the-Shelf Systems.* Require the Department to establish administrative rules that do the following: (a) specify when executive branch agencies must use off-the-shelf systems; (b) ensure that agencies have reviewed commercially available information technology products to determine whether an off-the-shelf system would meet agency information technology needs; and (c) before the system is modified or built in-house, an executive branch agency must provide information as to why an off-the-shelf system does not meet the agency's needs, to the satisfaction of the Department of Administration.

5. *Use of Master Leases.* By October 1, of each year, require the Department of Administration to provide to the Governor, the members of Joint Committee on Information Policy and Technology, if it is organized, or the members of the Joint Legislative Audit Committee, if JCIPT is not organized, a report on the previous fiscal year's information technology projects funded through master lease. Specify that the report must include: (a) the amounts financed in the previous year; (b) the specific financing amounts that have been approved for future years; (c) principal and interest paid by agencies on projects funded from master leases compared to total financing originally approved; and (d) a summary of the repayments completed in the previous fiscal year.

6. *Vendor Contracts.* Require the Department of Administration or any executive branch agency that is given procurement authority by the Department to ensure that all IT vendor

contracts, that have potential costs of greater than \$1 million, or are otherwise determined to be high-risk, include clauses that require vendors to complete projects without payments that are in addition to the original agreed upon cost. Allow an executive branch agency to exclude these clauses if such a stipulation would negatively impact the contract negotiations or limit the number of bidders on a contract. Specify that if such a clause is excluded, the agency must submit a plain language explanation to the Department of Administration which states the reason why such a clause was not included and what other safeguards would be included under the contract to ensure that the information technology project would be completed on time and within budget. Require the Department to submit the requested exclusion to the Joint Committee on Information Policy and Technology, if the Committee is organized, or to the Joint Legislative Audit Committee, if JCIPT is not organized, for approval of the modified contract elements under 14-day passive review.

7. Require executive branch agencies that have information technology contracts that include open-ended clauses to make quarterly reports to DOA stating the amounts expended on the IT project. Define "open-ended contracts" as stipulations in which a maximum payment is not specified or a stipulation that pays an hourly wage to a vendor without specifying the number of hours required for completing the project. Require DOA to annually compile these agency submissions for submission to the Joint Committee on Information Policy and Technology, if the Committee is organized, or to the Joint Legislative Audit Committee, if JCIPT is not organized.

8. *Joint Committee on Information Policy and Technology Review.* Allow the Joint Committee on Information Policy and Technology, if it is organized, or the Joint Legislative Audit Committee, if JCIPT is not organized, to review all executive branch information technology projects with an actual or projected cost of at least \$1 million or considered high-risk by the Department of Administration. Require semiannual reports from the Department of Administration to the Joint Committee on Information Policy and Technology or the Joint Legislative Audit Committee that document the following for each project: (a) original and updated projections for project costs; (b) original and updated projections for the date of completion of any stage of the project; (c) the reason for cost or timeline changes under points (a) and (b); (d) contractual information related to an information technology project; (e) the funding sources for the project; (f) the amount of funding provided under a master lease; (g) information on the expected and actual completion of any stage of an information technology project; and (h) any additional information considered important by the Committee related to information technology projects. Allow the Joint Committee on Information Policy and Technology or the Joint Legislative Audit Committee to make recommendations to the Legislature and the Governor related to whether an information technology project should be implemented or continued.

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