



## STATE OF WASHINGTON

May 3, 2018

**TO:** Ross Hunter, Secretary, Department of Children, Youth, and Families  
Maia Bellon, Director, Department of Ecology  
Joe Stohr, Acting Director, Department of Fish and Wildlife  
John Wiesman, Secretary, Department of Health  
Sharon Ortiz, Director, Human Rights Commission  
Cheryl Strange, Secretary, Department of Social and Health Services  
Honorable Chris Reykdal, Office of Superintendent of Public Instruction  
John Batiste, Chief, Washington State Patrol

**FROM:** David Schumacher, Director  
Office of Financial Management

Rob St. John, Acting State Chief Information Officer  
Consolidated Technology Services (WaTech)

**SUBJECT: INFORMATION TECHNOLOGY (IT) INVESTMENT POOL PROCESS**

The [2018 supplemental operating budget](#) directs at least one of your IT projects to be subject to the project and financial oversight outlined in Section 713 of the 2018 supplemental operating budget or Section 724 of the 2017-19 operating budget. We are writing to share information on the IT Pool process, which integrates with standard Office of the Chief Information Officer (OCIO) approval and oversight processes with the additional element of gated funding.

To get started, your assigned OCIO oversight consultant will contact your project lead to set up a kick-off meeting to learn about the project, discuss the proposed project stages and associated deliverables, provide an overview of the IT Pool process, and make recommendations for the agency to navigate this process. This meeting should include your assigned OCIO oversight consultant and Office of Financial Management (OFM) budget analyst, and your agency's project lead, CFO/budget manager, and other agency staff as necessary.

To make the most of the kick-off meeting, please bring a proposal for how your project should be broken down into stages and any associated milestones or deliverables that you expect to accomplish within each stage. These stages must include, but are not limited to, planning, procurement, and implementation.

The OCIO and OFM will review the project and each of the documents below at every project stage when deciding whether to certify the project's progress and allocate funds for the next stage of the project. Helpful references are attached to this communication. In addition, examples are available on the [OCIO project dashboard](#). Document requirements include, but are not limited to:

- 1. Technology budget.** This is typically an Excel spreadsheet in your preferred format that identifies, from project initiation through estimated completion, the project costs, funding sources, schedule, and anticipated milestones and deliverables at each stage of the project. You should collaborate with OFM and the OCIO as you complete this document.

2. **Investment plan.** This is a [Word template](#) provided by the OCIO. You should collaborate with the OCIO as you complete this document. The initial planning request may not require a completed investment plan, if funding is needed to complete it. Subsequent requests require an approved investment plan to be in place. Each agency must include the following as part of its investment plan:
  - a. An organizational chart of the project management team, including each member's roles and responsibilities;
  - b. The OCIO staff assigned to the project;
  - c. An implementation schedule covering activities, critical milestones, and deliverables at each project stage for the life of the project; and
  - d. Performance measures used to determine that the project is on schedule and within budget, and is meeting expectations.
  
3. **Ongoing OCIO approval.** At each gate, the OCIO will be working closely with you to ensure that:
  - a. The project is consistent with the statewide enterprise architecture and policy;
  - b. The agency has the organizational capacity, preparedness, and leadership to implement the project successfully;
  - c. The agency has adequately assessed and minimized project risks;
  - d. The project has the management, staffing, and oversight resources for the cost, complexity, and risks associated with the project;
  - e. The project has implementation schedules and performance measures for timeliness, deliverables, quality and budget;
  - f. The agency has an adequate risk management plan that also enables the OCIO to assess, intervene, and take action necessary when performance measures are not being met; and,
  - g. For investments not using commercial off-the-shelf or software as a service technology solution, the proposed project represents the best business solution and should not be delayed.

When your agency is ready to request funding for the first stage, you will submit your application to [ocioconsultants@ocio.wa.gov](mailto:ocioconsultants@ocio.wa.gov). The OCIO will process applications for certification within 30 days of receiving all information from the agency. Once the OCIO certifies the project stage, OFM will then review the project to determine whether to allocate funds. Please allow 14 days after OFM approval to receive funds. If your project is already in progress, please be sure to work through the process quickly to receive authorization to continue spending on the current stage of your project.

If you have questions about this process, please contact the [OCIO oversight consultants](#), [your OFM budget analyst](#), or [Bryan Way \(OFM\)](#).

#### Attachments

cc: Charlie Gavigan, Staff Coordinator, House Appropriations Committee  
Michael Bezanson, Staff Coordinator, Senate Ways and Means Committee  
Jordan Clarke, Fiscal Analyst, House Appropriations Committee  
Claire Goodwin, Fiscal Analyst, Senate Ways and Means Committee  
Sue Langen, Acting Director, Office of the State CIO  
Bryan Way, Budget Assistant to the Governor, Office of Financial Management  
OFM Budget Analysts  
OCIO Consultants

	1. ORIENTATION (1-time)	2. RESEARCH & DOCUMENTATION	3. FUNDING REVIEW & APPROVAL	4. ACCESS APPROVED FUNDS	5. IMPLEMENTATION (RETURN TO #2)
Agency	<p>If the final budget places your project in or subject to the IT pool, follow these steps.</p> <p>Attend kick-off meeting to discuss the project and IT Pool process. This meeting differs from any decision package consultation meetings with the OCIO you may have had during your budget development.</p>	<p><b>IMPORTANT:</b> Agencies must apply to the OCIO for approval before proceeding with <u>each</u> stage.</p> <p>Develop/update a technology budget with OFM and OCIO. It must incorporate financing recommendations from the Treasury if \$2,000,000. Funding must include separate gates, including planning, procurement, and implementation at a minimum.</p> <p>If this is after the planning stage, develop/update your investment plan with the OCIO.</p> <p><b>PROJECTS &gt;\$2,000,000 OR &gt;1 BIENNIUM</b> Contact Treasury to identify available financing options.</p>	<p>Send your investment plan to the OCIO for review and approval.</p> <p>Send your technology budget to OFM and OCIO for review and approval. OFM will review from a budget standpoint, and the OCIO will review to ensure that your technology budget includes a timeline, gates, and deliverables/performance metrics.</p>	<p><b>Do not spend IT pool funds for stages that have not received approval. You must receive a formal approval letter from the Director of OFM before you can begin spending funds.</b></p> <p>If you received this letter, create and submit your allotment packet for your approved gate amount to OFM matching the amount included in your approval letter.</p> <p>If Treasury options are included as part of your project, collaborate with the Treasury to obtain financing.</p>	<p>Commence approved stage.</p> <p>After completing all milestones and deliverables, restart the process again beginning at step 2, <i>research and documentation</i> for the next stage unless the project is complete.</p> <p>Notify the OCIO and OFM if the projects has ended.</p> <p><b>PROJECTS &gt;\$2,000,000 OR &gt;1 BIENNIUM</b> Ensure quality assurance reports independently to the OCIO.</p> <p>Must consult with the contracting division of DES for a review of all contracts and agreements related to the project's information technology procurements.</p>
OCIO	<p>Schedule and lead the kick-off meeting to discuss the project and IT Pool process.</p>	<p>Collaborate with the agency in the development and maintenance of their investment plan, technology budget, and application.</p> <p><b>PROJECTS &gt;\$2,000,000 OR &gt;1 BIENNIUM</b> Review and, if necessary, revise the project to ensure its flexible and adaptable to advances in technology.</p>	<p>Certify that the project complies with state information technology and security policy and strategies.</p> <p>If approved, send certification letter to OFM and must post technology budget, investment plan, and OCIO certification letter on OCIO dashboard for legislative fiscal committee review.</p>		<p>Begin preparation and gather information to certify project's next stage.</p> <p>Determine if the project is not meeting or expected to meet anticipated performance measures. If so, collaborate with OFM and the agency to decide whether to suspend or terminate the project.</p>
OFM	<p>Attend kick-off meeting to discuss the project and IT Pool process. Provide guidance on technology budget expectations.</p>	<p>Collaborate with the agency in the development and maintenance of their technology budget ensuring that it makes sense from a budget standpoint. No more than 30% of any TRE financing can be for payroll costs.</p>	<p>Review technology budget and OCIO certification letter. If approved, send approval letter to legislature authorizing funding for next gate only.</p>	<p>Review and approve the allotment packet for the next gate only. The allotment total should match the approval letter.</p>	<p>If project is terminated, OFM must terminate the agency's allocation from fund 447 and the agency shall return any remaining funds to the account to be reallocated to other IT Pool projects.</p>
Treasury		<p><b>PROJECTS &gt;\$2,000,000 OR &gt;1 BIENNIUM</b> Evaluate early in the procurement process whether products or services to be solicited and the responsive bids may be financed.</p>			<p><b>PROJECTS &gt;\$2,000,000 OR &gt;1 BIENNIUM</b> Assist agencies through the process of accessing available financing options identified previously.</p>
Enterprise Services					<p><b>PROJECTS &gt;\$2,000,000 OR &gt;1 BIENNIUM</b> Review all contracts and agreements related to the project's IT procurements.</p>

Agency	Decision Package Title	OCIO Oversight Consultant	OFM Budget Analyst
CHILDREN, YOUTH, AND FAMILIES, DEPARTMENT OF	Time and Attendance System	Rich Tomsinski	Rayanna Williams
ECOLOGY, DEPARTMENT OF	Modernizing & Migrating Business Applications to SDC or Cloud	Laura Parma	Linda Steinmann
FISH AND WILDLIFE, DEPARTMENT OF	Enforcement Records Management	Rich Tomsinski	Leslie Connelly
FISH AND WILDLIFE, DEPARTMENT OF	Rebuild WDFW Network Infrastructure	Laura Parma	Leslie Connelly
HEALTH, DEPARTMENT OF	Comprehensive Hospital Abstract Reporting System	Pamela Davis-Taggart	Bryce Andersen
HEALTH, DEPARTMENT OF	Syringe Service Data Tracking	Rich Tomsinski	Bryce Andersen
HUMAN RIGHTS COMMISSION	New Case Management Database	Amy Pearson	Ramona Nabors
SOCIAL AND HEALTH SERVICES, DEPARTMENT OF	Time, Leave and Attendance Scheduling	Amy Pearson	Robyn Williams
SUPERINTENDENT OF PUBLIC INSTRUCTION	Data Center Migration	Laura Parma	Cynthia Hollimon
SUPERINTENDENT OF PUBLIC INSTRUCTION	Web Site Upgrade to ADA Compliance	Whitney Dickinson	Cynthia Hollimon
WASHINGTON STATE PATROL	Dedicated State Network	Laura Parma	Kathy Cody

Consultants	Email	Phone
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