

Office of Enterprise Technology Review of Large Projects

[This document contains excerpts from laws governing OET review of large state agency information and telecommunications technology projects. The excerpts focus on laws that give OET control or approval authority over projects]

16E.01, subdivision 3

(a) The office shall...

(2) **approve state agency and intergovernmental information and telecommunications technology systems and services** development efforts involving state or intergovernmental funding, including federal funding, provide information to the legislature regarding projects reviewed, and recommend projects for inclusion in the governor's budget under section 16A.11;...

...(c) A state agency that has an information and telecommunications technology project with a total expected project cost of **more than \$1,000,000, whether funded as part of the biennial budget or by any other means, shall register with the office** by submitting basic project startup documentation, as specified by the chief information officer in both format and content, before any project funding is requested or committed and before the project commences. State agency project leaders must demonstrate that the project will be properly managed, provide updates to the project documentation as changes are proposed, and regularly report on the current status of the project on a schedule agreed to with the chief information officer.

(d) The chief information officer shall **monitor progress on any active information and telecommunications technology project with a total expected project cost of more than \$5,000,000 and report on the performance of the project in comparison with the plans for the project in terms of time, scope, and budget. The chief information officer may conduct an independent project audit of the project.** The audit analysis and evaluation of the projects subject to paragraph (c) must be presented to agency executive sponsors, the project governance bodies, and the chief information officer. All reports and responses must become part of the project record.

(e) For any active information and telecommunications technology project with a total expected project cost of **more than \$10,000,000, the state agency must perform an annual independent audit** that conforms to published project audit principles promulgated by the office.

16E.03

Subdivision 2: The chief information officer shall...

...(2) **coordinate, review, and approve all information and telecommunications technology projects** and oversee the state's information and telecommunications technology systems and services;

Subd. 3. Evaluation and approval. **A state agency may not undertake an information and telecommunications technology project until it has been evaluated according to the procedures developed under subdivision 4. The chief information officer shall give written approval of the proposed project. When notified by the chief information officer that a project has not been approved, the commissioner of finance shall cancel the unencumbered balance of any appropriation allotted for the project.**

Subd. 4. Evaluation procedure. The chief information officer shall establish and, as necessary, update and modify procedures to evaluate information and communications projects proposed by state agencies. The evaluation procedure must assess the necessity, design and plan for development, ability to meet user requirements, feasibility, and flexibility of the proposed data processing device or system, its relationship to other state data processing devices or systems, and its costs and benefits when considered by itself and when compared with other options.

16E.04

Subdivision 1. Development. **The office shall develop, establish, and enforce policies and standards for state agencies to follow in developing and purchasing information and telecommunications technology systems and services** and training appropriate persons in their use....

Subd. 2...

...(c) The office shall assist state agencies in the planning and management of information systems so that an individual information system reflects and supports the state agency's mission and the state's requirements and functions. The office shall **review and approve agency technology plans to ensure consistency with enterprise information and telecommunications technology strategy...**

(d) **The office shall review and approve agency requests for funding for the development or purchase of information systems equipment or software** before the requests may be included in the governor's budget.

Subd. 3. Risk assessment and mitigation. (a) A risk assessment and risk mitigation plan are required for all information systems development projects undertaken by a state agency in the executive or judicial branch or by a constitutional officer. **The chief information officer must contract with an entity outside of state government to conduct the initial assessment and prepare the mitigation plan for a project estimated to cost more than \$5,000,000.** The outside entity conducting the risk assessment and preparing the mitigation plan must not have any other direct or indirect financial interest in the project. The risk assessment and risk

mitigation plan must provide for periodic monitoring by the commissioner until the project is completed.

(b) **The risk assessment and risk mitigation plan must be paid for with money appropriated for the information and telecommunications technology project.** The chief information officer must notify the commissioner of finance when work has begun on a project and must identify the proposed budget for the project. The commissioner of finance shall ensure that no more than ten percent of the proposed budget be spent on the project, other than the money spent on the risk assessment and risk mitigation plan, is spent until the risk assessment and mitigation plan are reported to the chief information officer and the chief information officer has approved the risk mitigation plan.

16E.0465

Subdivision 1. Application. This section applies to **an appropriation of more than \$1,000,000** of state or federal funds to a state agency for any information and telecommunications technology project or for any phase of such a project, device, or system. For purposes of this section, an appropriation of state or federal funds to a state agency includes an appropriation:

- (1) to a constitutional officer;
- (2) for a project that includes both a state agency and units of local government; and
- (3) to a state agency for grants to be made to other entities.

Subd. 2. Required review and approval. (a) A state agency receiving an appropriation for an information and telecommunications technology project subject to this section **must divide the project into phases.**

(b) The commissioner of management and budget **may not authorize the encumbrance or expenditure of an appropriation of state funds to a state agency for any phase of a project, device, or system subject to this section unless the Office of Enterprise Technology has reviewed each phase of the project, device, or system, and based on this review, the chief information officer has determined for each phase that:**

- (1) the project is compatible with the state information architecture and other policies and standards established by the chief information officer;
- (2) the agency is able to accomplish the goals of the phase of the project with the funds appropriated; and
- (3) the project supports the enterprise information technology strategy.

