Business Case

Template

  
Version 3.0, September 2021

Using This Template

To create a deliverable from this template:

1. Delete the template title page (previous page) and this page.
2. Replace [bracketed text] on the cover page (next page) with your project and agency information.
3. Replace [bracketed text] in the tool header area at the top of page i (Contents page) with the same project and agency information as on the cover page.

Note: Please do not remove or modify content in the footer area.

1. Complete the entire template. Each section contains abbreviated instructions, shown in italics, and a content area. The content area is marked with a placeholder symbol (Þ) or with a table. Relevant text from other project deliverables may be pasted into content areas.

Note: Please do not remove the italicized instructions.

1. Update the table of contents by right-clicking and selecting “Update Field,” then “Update entire table.”

Texas Project Delivery Framework

Business Case Template

***As a result of the 87th Legislature, Senate Bill 1541*** *defines “Business Case” as**a comparison of business solution costs and project benefits based on a solution assessment and validation for a major information resources project.*



[Agency/Organization Name]

[Project Name]

|  |  |
| --- | --- |
| Version: [VERSION NUMBER] | Revision Date: [MM/DD/YY] |

Approval of the Business Case indicates an understanding of the purpose and content described in this deliverable. Approval of the Business Case constitutes approval of the business case analysis results and hereby certifies the overall accuracy, viability, and defensibility of the content and estimates. By signing this deliverable, each individual agrees the proposed business solution has been analyzed effectively as described herein. According to Texas Government Code Chapter 2054.307, a state agency’s executive director, or the executive director’s designee, must approve.

|  |  |  |
| --- | --- | --- |
| Agency Head or Designee | | |
| [Name] | [Email] | [Telephone] |
| Signature | | [Date mm/dd/yy] |

**Agencies may add additional signatories depending on internal project management governance.**

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|  | | |
| [Name] | [Email] | [Telephone] |
| Signature | | [Date mm/dd/yy] |

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| [Name] | [Email] | [Telephone] |
| Signature | | [Date mm/dd/yy] |

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| Signature | | [Date mm/dd/yy] |

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# Section 1. Project Justification

## 1.1 Business Problem

Briefly describe the business problem that the recommended project would address, including any problems related to technology, processes and/or services, without describing how the problem will be addressed. Include a brief statement of any mandates that require processes and/or services not currently in place.

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## 1.2 Project Description

Describe the project and the approach the project will use to address the business problem. Describe the project methodology the team will exercise to carry out the project.

If known, indicate project methodology and product type:

|  |  |
| --- | --- |
| Project Methodology | Product Type |
| Agile/Iterative  Waterfall  Hybrid  Other  Unknown/Unplanned | *Custom Development*  Legacy Migration  Software as a Service (SaaS)  Commercial off the Shelf  Hybrid/Other (describe)  Unknown/Unplanned |

Enter narrative description here.Þ

### 1.2.1 QAT Best Practices

Select which QAT best practices identified in the QAT Annual Report were considered and which will be implemented for this procurement.

|  |  |
| --- | --- |
| QAT Best Practices Considered | Agency will implement |
| Divide large projects up into less than $10M smaller projects  Allocate adequate time to identify project requirements, procurement activities, and perform user-acceptance testing  DCS customers, engage DCS/STS team prior to posting solicitation  Leverage DIR’s Shared Technology Services Program for project delivery needs related to cloud, application development, maintenance, security, and other technology solutions  Use of Open Source software  Utilize agile development and user-centered design  Build IT systems using loosely coupled parts connected by open and   available Application Programming Interfaces (APIs)  Include security planning throughout project lifecycle  Engage in IV&V services for projects over $10M  Defer new scope to a later phase or follow-on project  Require remediation of system test defects and any performance-testing deficiencies before allowing project to proceed to the user-acceptance testing phase  Include network performance and capacity testing  Agile procurement  Include modular procurement  Assign a dedicated and empowered agency product owner |  |

### 1.2.2 New or Modified Processes and Services

Describe the processes and/or services that would be modified or automated by the project. Include processes and/or services for agencies and constituents and list the users of the system (agency, citizens, employers, other agencies).

| Processes/ Services | Description of Modifications/Automation | Users |
| --- | --- | --- |
| Example: Application for Services | Currently applications for services are completed on paper by citizens, and data entered into the system by staff. This project will create an online web application for services that can be accessed by home computer or kiosk at a field location reducing the need for internal staff to data enter the applications. | Agency & Citizens |
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### 1.2.3 Assumptions

List the assumptions relevant to the proposed project.

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### 1.2.4 Constraints

List the limitations or constraints relevant to the proposed project.

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### 1.2.5 Risks

List the initial set of known risks that may affect implementing the proposed project. Include any Risks identified from the Business Case Workbook, Evaluation tab, Section 5. Initial Risk Consideration.

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### 1.2.6 BOP Project Sequence Number(s)

Provide the project sequence number(s) for the project from the Biennial Operating Plan (BOP).

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## 1.3 Current and Proposed Environment

### 1.3.1 Current Software

Describe the agency’s existing software that will be modified or replaced by the proposed project.

| Software Items | Description | Hosting  (On Prem,  DCS, SaaS, other) |
| --- | --- | --- |
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### 1.3.2 Current Hardware

Describe the agency’s existing hardware that will be modified or replaced by the proposed project.

| Hardware Items | Description | Hosted  (DCS,  On Prem,  IaaS, other) |
| --- | --- | --- |
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### 1.3.3 Proposed Hardware / Software

Describe the proposed hardware/software for the proposed project.

| Hardware/ Software Items | Description | Hosting  (On Prem,  DCS, SaaS, other) |
| --- | --- | --- |
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### 1.3.4 DCS/STS Consideration

Please select which Data Center Services and/or Shared Technology Services (STS) are being considered, if any, for this project:

|  |  |
| --- | --- |
| DCS | Backup as a Service  Compute and Storage  Disaster Recovery as a Service  Mainframe Services  Microsoft O365 Subscription Services  Network and Security  Print & Mail  Public Cloud Services  Remote File  Salesforce.com  Texas Imagery Services  Wide Area Application Service  ☐ Application Development  ☐ Application Maintenance  ☐ Application Rate Card |
| Managed Security Services | Digital Forensics  Endpoint Management System Systems  Intrusion Detection and Prevention Systems  Malware Detention and Prevention  Managed Firewall and Web Application Firewall (WAF) Services  Penetration Testing  Risk and Cloud Compliance Assessments  Security Incident and Response Management Services  Security Information and Event Management (SEIM) |
| Texas.gov | Texas.gov Application Services  Texas.gov Payment Services |
| Texas Open Data Portal | Texas Open Data Portal |

## 1.4 Data Classification and Retention

According to Texas Government Code 2054.161, on initiation of an information resources technology project, including an application development project and any information resources projects described in this subchapter, a state agency shall classify the data produced from or used in the project and determine appropriate data security and applicable retention requirements under Section 441.185 for each classification.

Answer the following questions regarding data classification and retention requirements for the data produced from or used in the project.

| Data | Yes/No | Agency Comment |
| --- | --- | --- |
| Has all data in scope been identified? |  |  |
| Has all data in scope been classified? |  |  |
| Are there data retention requirements already established? |  |  |
| Have all data owners and/or stewards, custodians been identified? |  |  |
| Has a data life cycle plan been created? |  |  |
| Have you developed a formal data governance program to mange the data in scope? |  |  |
| Have you conducted a data maturity assessment for the data in scope? |  |  |

## 1.5 Security

Answer the following questions regarding the security that will be used in your project.

| Data | Definition | Yes/No |
| --- | --- | --- |
| Will this project use, store, or transmit Personally Identifiable Information (PII) or Sensitive Personal Information (SPI)? | Personally identifiable information (PII), or Sensitive Personal Information (SPI), as used in Texas and US privacy law and information security, is information that can be used on its own or with other information to identify, contact, or locate a single person, or to identify an individual in context. |  |

| Is the data used in this project governed by any of the following standards? | | |
| --- | --- | --- |
| Data Standard | Description of Data Standard | Yes/No |
| Minimum Acceptable Risk Security and Privacy Controls for Exchanges (MARS-E, CMS) | <https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/#MinimumAcceptableRiskStandards> |  |
| Health Insurance Portability and Accountability Act (HIPAA) | <http://www.hhs.gov/hipaa/for-professionals/security/> |  |
| Family Educational Rights and Privacy Act (FERPA) | <https://studentprivacy.ed.gov/Security> |  |
| Payment Card Industry Data Security Standard (PCI DSS) | <https://www.pcisecuritystandards.org/pci_security/standards_overview> |  |
| Internal Revenue Service Publication 1075 (IRS) | <https://www.irs.gov/pub/irs-pdf/p1075.pdf> |  |
| Criminal Justice Information Services (CJIS, FBI) | <https://www.fbi.gov/services/cjis/cjis-security-policy-resource-center> |  |
| Social Security Administration (SSA) | <https://www.ssa.gov/dataexchange/security.html> |  |
| Other (Describe) |  |  |

| What is the risk to the agency, state, or constituents if the system has a security event? | | | | |
| --- | --- | --- | --- | --- |
| Type | Level | Description. Use the highest that may apply.  Low / Moderate / High should be defined by the agency. | Risk  (Enter Low, Medium, High) |
| Legal | Low | No or Low legal risk. |  |
| Medium | Moderate legal risk. |
| High | Severe legal risk. |
| Financial | Low | No or Low financial risk. |  |
| Medium | Moderate financial risk. |
| High | Severe financial risk. |
| Business Processes | Low | No or low impact to business processes in the event of a security breach. |  |
| Medium | Moderate chance of impact to business processes. |
| High | High chance of impact to business processes. |
| Data | Low | No or low chance of non-regulated, non-PII data loss or leakage. |  |
| Medium | Moderate chance of non-regulated, non-PII, or confidential data loss or leakage. |
| High | Regulated, PII, or confidential data may be lost or leaked. |
| Resources | Low | Low amount of resources would be required to return to normal business operations. |  |
| Medium | Moderate amount of resources would be required to return to normal business operations. |
| High | Significant amount of resources would be required to return to normal business operations. |

## 1.6 Major Project Milestones

List the project’s preliminary major milestones, deliverables, and target dates (mm/dd/yy). Include Framework Deliverables listed in the table below. Detailed project milestones will be revised in the Project Plan during the project planning phase.

| Milestones/Deliverables | Target Date mm/dd/yy |
| --- | --- |
| QAT Approval of Business Case |  |
| Project Start Date |  |
| Project Plan Submitted to QAT |  |
| Acquisition Plan Submitted to QAT (Projects valued $10M and above) |  |
| Solicitation Posted (If necessary) |  |
| Vendor Contract Executed (if necessary) |  |
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| Go Live |  |
| Project Stabilization/Warranty e.g. 30 days w/o major issues/impact period (optional) |  |
| Project Completion |  |
| Post Implementation Review of Business Outcomes  (due within 6 months of Completion) |  |

## 1.7 Business Objectives and Expected Benefits

*Describe the project’s business objectives and expected benefits (i.e., what does the project need to accomplish?). Ensure the objectives support business needs. Describe how you will measure the outcomes to know if the project succeeded. Identify when the outcome results are available to measure (e.g., after user acceptance testing or 6 months after implementation). Note: Objectives and expected benefits identified in this section will be refined in the Project Plan Performance Register or Quality Assurance Surveillance Plan, tracked throughout the life of the project, and addressed in the Post Implementation Review Business Outcomes (PIRBO).*

| Business Objectives  (What does the project need to accomplish?) | Expected Benefits | Project Outcome Measures (How will you know you succeeded?) | Outcome Results Timing (When are results available?) |
| --- | --- | --- | --- |
| Allow for citizen access to submit an application 24/7 reducing the need for data entry clerks. | Enhanced user experience. Increased customer satisfaction. | System availability target 24/7 with 99.9% uptime.  3 FTE reassigned duties from data entry to other higher need tasks. | System availability will be measured monthly upon project completion in 2018.  Reduction manual data entry will be measured in 90 days after implementation, and then monthly reporting after that. |
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## 1.8 Cost (Budget Estimate)

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| --- | --- |
| Informational Cost | $ |
| Capital Cost | $ |
| Total Project Cost | $ |

While this budget estimate used in the QAT Annual Report is a static number, agencies are allowed to rebaseline, especially after a vendor procurement is completed. The updated project cost will be used to calculate performance metrics that are published to a public dashboard as required by Texas Government Code Chapter 2054.159.

## 1.9 Alternatives Analysis

Describe alternative options, including the option of not implementing any project at all and at least one non-selected project option. State the reasons for not selecting each alternative. If at least one rejected alternative is not included, explain why. Consider including options for cloud computing, Software as a Service (SaaS), or reuse of other agency systems.

| Alternative Options | Reasons For Not Selecting Alternative |
| --- | --- |
| Status Quo | Not implementing this project would require the  division to continue to spend staff time tracking data  on new service programs manually or through  contracts with outside entities. Tracking data in this  fashion increases turnaround times for needed  reporting and oversight. Complete project as  envisioned. CMBHS is already the system of record  for most MHSA related programs, so it will be the  most cost effective option to consolidate other  needed functions into the existing system. |
| Commercial Off the Shelf (COTS) Software |  |
| Cloud Computing (i.e., Hosted Solution) |  |
| “As a Service” model  (e.g. software as as service, system as service, infrastructure as a service etc.) |  |
| Other State or Agency Solutions |  |
| [Add other option considered, if applicable.] |  |

## 1.10 Justification

Justify why the recommended project should be implemented. Provide a compelling argument by summarizing key quantitative and qualitative information from the Business Case Workbook’s Evaluation Factors sheet, such as statutory fulfillment, and section 1.6 Business Objectives and Expected Benefits.

|  |
| --- |
| Justification Summary – Check All that Apply |
| State legislative mandate or regulation  Federal mandate or regulation  Avoidance of funding loss or payment of penalties  Financial benefit (ROI) to the state/agency  Replacement of legacy technology solution  Security  Service improvement for Texans  Other (describe) |

Enter narrative justification here.Þ

## 1.11 Third-Party Readiness Assessment (Optional)

*Texas Government Code 2054.003 (2-a) (B) allows agencies to submit:*

*“a readiness score of the project using an evidence-based scoring method delivered by an independent third party that includes measurement and corrective actions for the state agency's operational and technical strengths and weaknesses related to the project.”*

If an agency chooses to conduct a readiness score analysis, consult with DIR to discuss reporting elements. Please attach the report as an appendix to the Business Case.

# Section 2. Glossary

Define all terms and acronyms required to interpret the Business Case properly.

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# Section 3. Revision History

Identify changes to the Business Case.

| Version | Date mm/dd/yy | Name | Description |
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# Section 4. Appendices

Include any relevant appendices.

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