

Instructions for Completing the IT Activity Business Case & Cost Analysis (IT ABC) Form

This document provides line-by-line instructions for populating the IT ABC Form. Completion of this form is **required** for IT activities/projects that are expected to have lifecycle costs over \$100K or if any of the boxes are checked under Section 2 (Information Security) of this form.

This form should be initially completed by the Business with support from the Agency's ADS IT Director or their designee to gather relevant information. 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 completion of the form.

Instructions for Section 1

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. *Quality Assurance refers to technical quality of the solution is not end-user specific. Please be sure to attach a completed Architectural Design document before routing this form for approval.*

| | | | |
|---|--|---|--------|
| Date Submitted | | Agency | |
| Person Completing Form | | Department | |
| IT Activity/Project Name | | Division | |
| Project Type | SELECT | Agency IT Lead | |
| Est. Project Start Date | | Est. Project End Date | |
| Sponsor | | Project Manager | |
| Business Lead | | Business Analyst | |
| Finance Manager | | Enterprise Architect | |
| ADS Delegate Admin | | IT ABC Form Version | SELECT |
| Program Code | | Billing Code | |
| High Level Project Description (Max 3 Lines) <i>To be completed by the BUSINESS LEAD</i> | | | |
| Describe the business problem you are trying to solve. <i>To be completed by the BUSINESS LEAD</i> | | | |
| What is your proposed solution and procurement plan (i.e., RFP, contract extension, sole source, etc.)? | | | |
| Will this project require a new contract? | SELECT | If yes, identify the contract owner. | |
| Does the Business/ADS have necessary resources to complete this project? | <i>(Yes or No, please explain your response here. You may use Section 10 if you need more room.)</i> | | |
| Architectural diagram completed? | SELECT | Business process re-engineering complete? | SELECT |

- **Date Submitted:** Date you email the form to the ADS Portfolio Manager.
- **Agency:** Your Agency acronym. *E.g. AHS*
- **Person Completing Form:** The person who has completed this form for submission.
- **Department:** Your Department acronym. *E.g. DVHA*
- **IT Activity/Project Name:** Name you are calling the IT Activity/Project (also VTHR TPID description).
- **Division:** The sub-group of your Department. *E.g. Long Term Care.*
- **Project Type:** Design, Develop & Implement (DDI) – traditional development project; Maintenance & Operations – minor revision or version update to existing product.
- **Agency IT Lead:** Enter the name of the IT Director for your Agency. If there isn't an IT Director designated, enter the name of the lead IT person for your Agency or Department. Note, we will ask this person to e-sign the form once the review process is complete.
- **Est. Project Start Date:** Date you expect the team to officially begin work
- **Est. Project End Date:** Date you expect the project to end and the system to be live.
- **Sponsor:** The Senior Management level individual authorizing the resources and funding for this IT Activity.
- **Project Manager:** The assigned Project Manager. This person is subject to approval by the EPMO based on Vermont statute.
- **Business Lead:** Primary business contact for this IT Activity.
- **Business Analyst:** The assigned lead Business Analyst. This person is subject to approval by the EPMO based on Vermont statute.
- **Finance Manager:** Name of the person who handles the finances for the named Agency/Department.
- **Enterprise Architect:** The assigned Enterprise Architect.
- **ADS Delegate Admin: The assigned Delegate Admin (for Salesforce solutions only)**
- **IT ABC Form Version:** Select which version of the IT ABC form is being submitted. Options are Initial, Updated or Final. The Final IT ABC form is submitted during the project close out phase.
- **Program Code:** The code the Business wants to use to designate this IT Activity on invoices for ADS services (Enterprise Architecture, Oversight Project Management, Contracted Services through ADS, etc.).
- **Billing Code:** Enter the customer code that should be listed on the invoice from ADS for work on this project.
- **High Level Project Description:** Provide the description as you would like it to appear on the annual reports that the EPMO creates for the legislature and on the quarterly portfolio reports that the EPMO posts on our website. This can be changed/edited as needed as the project progresses. ***This is to be completed by the Business Lead.***
- **Describe the Business Problem you are trying to solve:** Explain why you are pursuing this new solution. ***This is to be completed by the Business Lead.***
- **What is your Proposed Solution and Procurement Plan:** Explain your plan for addressing the business problem described above and your procurement plans. *E.g. Procure a system to automate business process x through competitive RFP. This should not include a specific technology solution unless provided by the IT Director or CTO's office.*
- **Will this project require a new contract?** Select yes or No
- **If yes, identify the contract owner.** Please identify if the contract will be owned by ADS or the business partner agency. As a reminder, ADS is under statute to provide oversight over all IT Activities, the expectation is that ADS will own all technology contracts. However, there may be times when a contract

is needed and the technology aspects of it are such that the business may own the contract. If the team is not able to agree on contract ownership, the project should come before ADS leadership to a decision.


- **Does the Business/ADS have necessary resources to complete this project?** As part of the IT ABC process, the Portfolio Manager or Project Manager will conduct a resource assessment to determine if the parties are prepared to accommodate the project’s resource needs.
- **Architectural Diagram Completed?** If an architectural diagram has not been completed, one needs to be done and attached to the IT ABC form for review. The CTO’s office will create the diagram. You should allow 2-5 business days for their staff to complete an architectural diagram. ***This is needed for initial, updated and final IT ABC forms and must be attached when submitted for review/approval.***
- **Business process re-engineering complete?** Ask the business if process re-engineering has been completed prior to submitting the IT ABC form. Please explain in section 10 the outcome of this activity and if one was not done, why.

Instructions for Section 2

ADS uses this section to determine if ADS’s Security group needs to be involved in this project and the review of the IT ABC form.

2. Information Security

This section identifies if the solution stores/transport/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? | | SELECT  |
| If “Yes” to the above, check all that apply below: | | |
| <input type="checkbox"/> Personally identifiable information | <input type="checkbox"/> Tax information obtained from the federal government | |
| <input type="checkbox"/> Information regarding credit card payments | <input type="checkbox"/> Information associated with minor children | |
| <input type="checkbox"/> Health related information | <input type="checkbox"/> Other sensitive, confidential, or non-public information | |

Does the solution store/transport/control access to confidential/sensitive/nonpublic information and/or represent significant reputational risk to the State? Select yes or no to provide an initial indication of risk for the State regarding data being processed. If “Yes” was chosen, check all applicable data types from the list provided.

Instructions for Section 3

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 |
|---|--|
| Enterprise Alignment and Readiness | Meets the goals of the Governor, Agency of Digital Services and/or business agency it supports. <i>(This question MUST be answered for the form to move forward.)</i> |
| Financial | A net decrease to State costs resulting from: a reduction in operating costs, State labor costs, and/or infrastructure costs. <i>(Section 8 of this form MUST show a decrease to claim a financial business value.)</i> |
| Customer Service | A new or improved customer service (for internal or external customers). <i>(Examples include service automation, improved access to information, improved service quality, faster turnaround times, etc.)</i> |
| 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. |
| Reduces Technical Debt | Results in reduction of costly, unsupported systems and applications. |
| Equity | The State of Vermont is committed to advancing equity for all those who live, work, play, and learn in Vermont. In this section indicate how this project aligns with the State's values and goals. <i>(For example, Does the project encourage or prioritize contractors led by members of marginalized groups does the project seek to reduce disparities for marginalized or underserved groups, does the project enhance services to underrepresented or underserved communities?)</i> |
| Operations | Will there be a significant improvement to current operations? For example: Increased and/or improved efficiencies. |

| Business Value | Business Value Description | How will Achievement be Measured? |
|---|----------------------------|-----------------------------------|
| Enterprise Alignment and Readiness <i>What about this activity is important to the Governor, ADS, or the Business in achieving the State's goals?</i> | | |
| SELECT | | |
| SELECT | | |

How does the project align to the State's overall vision, mission, and Strategy? What about this activity is important to the Governor, ADS, or the Business in achieving the State's goals? What is the business value you expect to achieve from the proposed solution? Categorize the business values you define into one of the 4 types: Financial, Customer Service, Risk reduction, or Compliance. (Definitions of each type are provided in the form.) Fill in the table with a minimum of 1 Business Value. There is space in this section to enter 6 different business values, but you don't have to enter that many. If you have more than 6 continue to list them in the Comments Section (10). **Please note:** the Enterprise Alignment and Readiness business value MUST be filled in for the IT ABC form to move forward.

Here is an explanation for completing the table:

- **Enterprise Alignment and Readiness:** How does this project meet the goals of the Governor, Agency of Digital Services and/or business agency it supports? Responses to this question should inform how the project aligns to the Enterprise Strategy for the State of Vermont.
- **Business Value Type:** Select the Business Value Type from the dropdown list. See definitions of each type in the table above.
- **Business Value Description:** Describe the Business Value. If your Business Value Type = Financial, then you must provide the expected dollar savings or revenue increase. **Note, don't claim a Financial Business value if the new lifecycle solution costs are greater than the current costs.**
- **How will Achievement be measured?** Describe how you will be able to validate/verify that the Business Value was met. Examples:
 - **Financial:** Measurement will be a before and after comparison of costs or revenue.
 - **Customer Service:** Determine a before and after number that you can compare to verify that you succeeded at improving customer service. Examples include customer satisfaction rates (obtained via

a survey), turnaround time, # of new customers, # of customers served, # of something processed, wait time, hold time, # accessing certain data &/or web pages, etc.

- **Risk Reduction:** Provide a description of how you will know that the risk was reduced. If you succeed in reducing risk then you will have reduced the likelihood of a risk (or even eliminated it) and/or reduced the impact of the risk occurring.
- **Compliance:** Describe how you will verify that the compliance need was met. Examples: Audits identify unmet compliance requirements so the measurement of success could be no audit findings or verification from the auditor that the proposed solution met a previously identified audit finding.
- **Reduces Technical Debt:** Explain how this implementation may reduce the costs to the state by replacing unsupported systems and applications.
- **Equity:** Explain how this project aligns with the State's values and goals as it relates to equitable treatment of marginalized groups.
- **Operations:** Describe any significant improvements to current operations as a result of this project.

Instructions for Section 4

This section provides information about how other governmental entities are solving the same/similar business problem.

Are there other State, Federal or Municipal government entities using the proposed solution to meet a similar business need? Select yes or no from the dropdown list.

- **If yes to the above, what governmental entity or entities?** List the name or names of the government entities that are already using the proposed solution. Include any information about what their experience has been using this solution and how that entity is similar to VT (&/or your Agency, Department or State entity).
- **If no, why are we choosing a solution that no other government entity uses?** It is inconsistent with the State's IT Strategy to be the first to use a technology to meet specific needs. We want to see it work successfully elsewhere, have the kinks in deployment worked out and learn from the experience of others. If you responded No to the first question in this section, explain why we aren't using an already tried and true solution.

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? | | SELECT ▾ |
| 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? | | SELECT ▾ |
| If yes to the above, what governmental entity or entities? | | |
| If no, why are we choosing a solution that no other government entity uses? | | |

Instructions for Section 5

This section provides an assessment of risk. This is not necessarily related to project-level risks. What are the risks related to this initiative that the Governor, Legislature, ADS or Business leadership should be aware of.

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? | |

What are the risks of doing nothing (i.e., staying with the current solution)? Describe what is the worst thing(s) that can happen if we choose to stay with the current solution (i.e., what are the disadvantages to the State?).

What are the risks of moving forward with the proposed solution? Describe what could go wrong if a decision is made to go forward with the new solution. Please also describe your mitigation plan for any listed risks.

Instructions for Section 6

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 <i>(Max is 5 years excluding implementation.)</i> | | Years |
| Was a Request for Information (RFI) done? | | SELECT <input type="button" value="v"/> |
| 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 | | |
| Contracted Services for Business Analyst | | |
| 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 | | |
| ADS Quality Assurance Services 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 <i>(Please describe in section 10.)</i> | | |
| Sub-Total Costs | \$ 0.00 | \$0.00 |
| Total Lifecycle Operating Cost | | \$0.00 |
| Sub-Total IT Activity Costs | | \$0.00 |
| Estimated Independent Review Cost | | |
| Total Implementation | | \$0.00 |
| Total IT Activity Costs | | \$0.00 |

NOTE: Please refer to your EPMO Portfolio Manager for ADS IT staff hourly rates. These cost estimates do not include Business related costs as those are considered operational costs not specific to projects. Business costs may be further explained in Section 10.

Lifecycle of Proposed Solution: Enter how many years you plan to use the proposed solution before investing dollars in substantial upgrades or going back out to RFP. The max you can enter is 5 years.

Was a Request for Information (RFI) done? Select yes or no.

- **If no RFI, indicate your cost estimate source:** Doing an RFI is a good way to find out what products are in the marketplace as well as get some realistic cost estimates. If no RFI was done, what source provided the cost information to complete the IT ABC. **Cost Estimates Entered By (Name/Role):** Name of the person who validated and entered the data in this section.

List all of the estimated implementation and annual operating costs for the new solution.

| Cost | What to populate for Implementation costs | What to populate for Annual Operating Costs |
|--|---|---|
| Vendor Installation / Implementation / Configuration | List any one-time vendor costs for configuring, installing and/or implementing the solution. | N/A leave blank unless otherwise defined by contractual agreements. |
| Contracted Services for Project Management | If you plan to <i>contract</i> for PM services, enter the estimated costs. | N/A leave blank. |
| Other Contracted Professional Services for Implementation | Include the costs for any other professional services used for the implementation of your new solution. | N/A leave blank unless otherwise defined by contractual agreements |
| ADS EPMO Project Oversight & Reporting | 3% of the Sub-totaled Implementation Costs to provide an estimate for this project. This is only an estimate; ADS will bill for actual hours which may be less. | N/A leave blank. |
| ADS EPMO Project Manager for Implementation | If your Project Manager is a State employee, enter the estimated labor hour cost for utilizing that resource for this project. Consult your Portfolio Manager for the current hourly rate. | N/A leave blank. |
| ADS EPMO Business Analyst for Implementation | If your Business Analyst is a State employee, enter the estimated labor hour cost for utilizing that resource for this project. Consult your Portfolio Manager for the current hourly rate. | N/A leave blank. |
| ADS Enterprise Architect Staff for Implementation | Enter the estimated labor hour cost for utilizing these resource(s) for this project <u>in implementation</u> Consult your Portfolio Manager for the current hourly rate. | N/A leave blank. |
| ADS Security Staff for Implementation | Enter the estimated labor hour cost for utilizing these resource(s) <u>in implementation</u> . | N/A leave blank. |
| ADS Quality Assurance Services for Implementation | Enter the estimated labor hour cost for utilizing these resource(s) <u>in implementation</u> . Note: This is for technical QA, not user acceptance testing. | N/A leave blank. |
| Other ADS IT Labor for Implementation | Enter the cost of the ADS State labor to implement the solution. | N/A leave blank. |
| Software/Licenses | List any one-time software/license costs needed to implement/use the solution. (Enter any annual software/license costs in the Annual Operating Costs column.) | List the annual licensing costs. |

| | | |
|--|---|---|
| Hosting | Leave blank in the implementation column unless there are any one-time starter fees. | If you are planning to pay the vendor or a third party to host the data for this IT Activity, enter that estimated annual cost. |
| Hardware | List any one-time hardware costs to implement the solution. (Enter any on-going hardware costs in the Annual Operating Cost column.) | If you expect that you will need to purchase hardware for your IT Activity at some point during the lifecycle (or even at multiple points during the lifecycle), estimate the total cost of all that hardware and divide it by the # of years of your lifecycle. This will result in a pro-rated annual cost for that hardware. Example: We anticipate that we will need to purchase \$8,000 in new hardware every 5 years over a 20 year lifecycle. Estimated total costs are \$8,000 (year 5) + \$8,000 (year 10) + \$8,000 (year 15) + \$8,000 (year 20) = 32,000 divided by 20 years = \$1,600. Enter \$1,600. |
| Equipment or Supplies | List any one-time equipment or supply costs required to implement the new solution. | List any on-going equipment or supply costs. Pro-rate costs over the lifecycle so that you can list an annual cost. |
| Vendor Annual Maintenance/Service Costs | Leave blank in the implementation costs column, unless there are any one-time starter fees. | Enter the amount that you estimate you will pay a vendor for annual maintenance (if applicable). |
| State IT Labor to Operate & Maintain the Solution | N/A leave blank. | Estimate the cost of State labor to maintain the solution. You may estimate labor costs using \$55 per hour multiplied by the number of hours to maintain the new solution. |
| Other Costs | Describe and list any other implementation one-time costs that haven't already been entered. Provide an explanation of the cost in Section 10 (example: cost is for transportation to/from implementation site) | Describe and list any other annual operating costs. |
| Sub-Total Costs | This is an auto-calculated field | This is an auto-calculated field |
| Total Lifecycle Operating Costs | N/A leave blank. | This is an auto-calculated field. It will multiply the Sub-Total costs (Annual Operating Costs column) by the lifecycle. |
| Sub-Total IT Activity Costs | This is an auto-calculated field. It will sum the Total Lifecycle Operating Costs and the Sub-Total Costs (Implementation Costs column) | N/A leave blank. |

| | | |
|--|---|---|
| Estimated Independent Review Cost | This is an auto-calculated field. \$25,000 for projects >\$1 million in lifecycle cost. | |
| Total Implementation | This is an auto-calculated field | N/A leave blank. |
| Total IT Activity Costs | N/A leave blank. | This is an auto-calculated field. It will sum the Sub-Total IT Activity Cost and Estimated Independent Review Cost. |

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

| Fiscal Year | Implementation Costs | | Lifecycle Operating Costs | | |
|--------------|----------------------|-------------|---------------------------|-------------|--------|
| | Federal Funds | State Funds | Federal Funds | State Funds | Total |
| SFY | | | | | \$0.00 |
| SFY | | | | | \$0.00 |
| SFY | | | | | \$0.00 |
| SFY | | | | | \$0.00 |
| SFY | | | | | \$0.00 |
| SFY | | | | | \$0.00 |
| SFY | | | | | \$0.00 |
| TOTAL | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

Use the cost allocation methodology for this project to determine the split between Federal Funds and State funds for Implementation Costs and Lifecycle Operating Costs.

E.g. A 90/10 project that is implemented halfway through SFY2 with 75/25 match for Operating costs will show operating costs starting in SFY2. If the annual operating cost is \$100,000, the table will look like below.

| Fiscal Year | Implementation Costs | | Lifecycle Operating Costs | | |
|--------------|----------------------|-------------|---------------------------|--------------|--------------|
| | Federal Funds | State Funds | Federal Funds | State Funds | Total |
| SFY | \$90,000.00 | \$10,000.00 | | | \$100,000.00 |
| SFY | \$45,000.00 | \$5,000.00 | \$37,500.00 | \$12,500.00 | \$100,000.00 |
| SFY | | | \$75,000.00 | \$25,000.00 | \$100,000.00 |
| SFY | | | \$75,000.00 | \$25,000.00 | \$100,000.00 |
| SFY | | | \$75,000.00 | \$25,000.00 | \$100,000.00 |
| SFY | | | \$75,000.00 | \$25,000.00 | \$100,000.00 |
| SFY | | | | | \$0.00 |
| TOTAL | \$135,000.00 | \$15,000.00 | \$337,500.00 | \$112,500.00 | \$600,000.00 |

Instructions for Section 7

This section provides a summary of the current costs for meeting this business need.

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 | \$ 0.00 |
| Total Current Lifecycle Cost | \$ 0.00 |

Current Solution Costs to the State

| | |
|--|----------------|
| % of Current Operating Costs paid for with State funds | % |
| Total Lifecycle Costs to be paid with State funds | \$ 0.00 |

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

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

Software/Licenses: Enter the annual software/license costs.

Hosting Provider: Enter the annual cost you pay a vendor or a third party to host the data for the current solution.

Hardware: If you were to maintain the current solution for the stated lifecycle in Section 4, estimate your hardware costs. Pro-rate your total hardware costs over the number of years in the lifecycle to determine an annual cost. *Example: We will need to purchase \$8000 in new hardware every 5 years over a 20 year lifecycle. Estimated total costs are \$8,000 (year 5) + \$8,000 (year 10) + \$8,000 (year 15) + \$8,000 (year 20) = \$32,000 divided by 20 years = \$1,600. Enter \$1,600.*

Equipment or Supplies: Enter the average annual costs for any equipment or supplies that will be needed to operate the current solution.

State Labor Cost to Operate & Maintain the current Solution: Enter the cost of State labor to maintain the current solution. You may estimate labor costs using \$55 per hour multiplied by the number of hours.

Vendor Annual Maintenance/Service Costs: Enter the annual amount that you currently pay a vendor for maintenance on the current solution. If the solution is maintained internally, enter the State Labor costs on the "State Labor Costs to Operate & Maintain the current Solution" line.

State Labor Costs that will be eliminated as a result of automation provided by the new Solution: if positions will be eliminated and/or overtime costs will be reduced as a result of automation, then enter those cost savings on this line. Leave this line blank if the automation won't result in actual dollar/budget savings (i.e., if the freed-up resources will just be reallocated to other work). Do mention these reallocated resources as a Business Value that will be obtained in Section 3.

Other Costs/Cost Avoidance: Describe and list any other annual costs that will be reduced or eliminated once the new solution is implemented.

Total Annual Current Cost: This field is auto calculated. It sums the total costs entered above.

Total Current Lifecycle Cost: This field is auto calculated. It multiplies the Total Annual Current Cost by the Lifecycle entered for the new solution. This allows for apples to apples comparison between Current and Proposed Solution costs.

% of Current Operating Costs paid for with State funds: Enter the % of the Total Operating Costs that are currently paid for with State funds.

Total Lifecycle Costs to be paid with State funds: This is an auto-calculated field. The form will multiple the Total Lifecycle Operating Costs by the percentage you enter above to determine the amount of State dollars needed to fund the on-going operating costs of this solution.

Instructions for Section 8

The purpose of this section is to assess whether implementing your new IT Activity will increase, decrease or have no impact on State costs.

8. Net Impact to State Costs

| Cost | Dollar Amount |
|---|---------------|
| Proposed Solution Lifecycle Costs to be paid by the State | \$ 6.50 |
| Current Solution Lifecycle Costs to be paid by the State | \$ 0.00 |
| Net Change to State | \$ 6.50 |

Proposed Solution Lifecycle Costs to be paid by the State: This is an auto-calculated field. The form obtains the total from Section 4.

Current Solution Lifecycle Costs to be paid by the State: This is an auto-calculated field. The form obtains the total from Section 5.

Net Change to State: This is an auto-calculated field. The form subtracts the current Solution Lifecycle Costs from the Proposed Solution Lifecycle Costs to determine the net positive/negative impact to the State's costs.

Instructions for Section 9

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? | SELECT |
| If State funding is required do you have the money to pay for this year's costs out of your current fiscal year budget? | SELECT |
| 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? | SELECT |

Are your Business Office & Commissioner aware of this project and the plans for funding it? Select yes or no from the dropdown list.

If State funding is required, do you have the money to pay for all the current fiscal year costs of this IT Activity/Project out of your current budget? Select yes or no to indicate if you already have the funding to cover the costs that you expect to incur this fiscal year.

If you answered No to the above, what is your plan to obtain funding? Document the source of the funding for this fiscal year for this IT Activity/project.

Was this IT Activity included in your budget submission to Finance & Management for the current fiscal year? Select yes or no to indicate if you have already budgeted for this IT Activity.

Instructions for Section 10

Use this section to provide any additional explanations or information for consideration in the approval of this business case. The business may include their cost considerations in section 10 of the form but the estimates in the core document will be ADS's best understanding regardless of budget/APD amounts

10. Comments and Additional Information

Please enter any additional comments or business justifications that should be taken into consideration. This should include any ADS Quality Assurance scope related to the project. Show Your Work from Section 6 above here, including cost calculations (Hours, Rates, Resources). For Updated forms, detail what has changed from the previous version (revision history). Also, please list out any applications/systems that will be impacted by this activity. ***By signing this form, the business is certifying that the proposed system estimate includes all the costs to replace the required functionality of the system being replaced.***

Instructions for Section 11

The Business does not need to fill anything in this section. For projects with a lifecycle >\$100k, the assigned Portfolio Manager (or IT Director if the lifecycle cost <\$100k) will facilitate the review and approval and inform you (i.e. the submitter) when it has been approved or if any additional information is being requested.

11. Final Approvals

| Approver | eSignature/Date |
|--|-----------------|
| Agency IT Director/Lead | |
| Agency Finance Lead | |
| ADS Chief Technology Officer | |
| Agency/Department Appointing Authority | |
| State CIO & ADS Secretary | |