**Project Name**

**Project Charter** (For Non-Major Large projects $1M and over)

|  |  |
| --- | --- |
| **Project Sponsor:** | **xxx** |
| **Author:** | **xxx** |
| **Version:** | **xxx** |
| **Revision Date:** | **xxx** |



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# Project Description

(Delete all instructions and update table of contents prior to finalizing document.)

## Project History

Briefly describe the project background. Include any historical information, research, or business information which would inform the reader of the path that got you to this point. This section should be written in a manner which is easily interpreted by a layperson unfamiliar with the technical terms and acronyms common to the business.

xx

## Strategic Alignment

Identify the department/agency initiative(s) this project supports, along with the corresponding department/agency strategic goal(s), and possibly Governor’s Office initiative(s).

Note… if this is a purely operational (“Run”) project, it’s possible that you won’t align to specific strategies. In that case, you can skip this portion of this section and go straight to the citizen experience prompt.

The project aligns with…

The project will improve citizen experience by…

## Business Need

What problem is the business trying to solve? Or what opportunity will it leverage to meet strategic goals?

Business needs are the whole foundation of the project. If you can’t easily articulate why you need this project, should you be doing it? Also, having agreement on specific reasons for the project will focus the team and help make future decisions (e.g., should we add a requested piece of scope if it doesn’t solve the business need?). One possible way to approach this is to ask the “Five Whys.”

Sometimes a project is regulatory – the agency is required to do it – but there is still a reason why they have to… maybe they will lose funding or be in violation of law.

This section is best formatted as a numbered list of descriptive, individual statements (e.g., Duplicate entry occupies a large amount of staff time and takes away time staff could spend with citizens).

1. xx
2. xx
3. xx

## Solution Statement

The solution statement should depict the general concept of how the business anticipates solving the business need (e.g., COTS solution, build from scratch, consortium, procurement, etc… of what thing?). The solution should be derived objectively vs. subjectively and how the business determined the appropriate solution should be explained.

xx

The project/solution will…

# Project Objectives and Measurements

*Each business need listed above should have at least one objective, however one objective could solve more than one business need.*

*Project objectives should be SMART (Specific, Measurable, Achievable, Relevant, and Time Bound). If the measurement of an objective requires a baseline measurement, define how/when the baseline will be defined.*

*If your project is regulatory, you can still have objectives for the project to be considered successful – maybe there are additional items or benefits you want from the project besides the regulatory requirement.*

Table 1: Project Objectives and Measurements

| **Objective** | | **Measurement(s)** |
| --- | --- | --- |
|  |  |  |
| 1 | xx  What is your goal? How are you going to show that you’ve solved one or more of the business needs? What indicates that your project was successful? (do not include functionality here such as “the system has the ability to…” or “users have the ability to…”, those should be listed as requirements)  Example: If the business need is that duplicate entry takes away time staff could spend with citizens, an objective could be that staff increases the amount of time they are spending with citizens by 25%. | xx  How are you going to prove that you met the objective? What actions are you going to take?  Include timeframes for the measurement. Maybe you need to do multiple measurements to show progress. If so, when will you take the first measurement? How often will you take measurements after that to prove success?  Ideally the project will stay open until the measurements (or at least the initial measurements) are done. So unless necessary, do not plan for measurements to be taken longer than three months after go live.  Example: At project start, the team will survey staff to determine the amount of time they are spending working directly with citizens to establish a baseline. One month after go live the agency will send out a followup survey to staff to determine how much their time with citizens increased, with the goal being 25%.  \*Note that measurement activities planned for during the project should be included on the project schedule and measurement activities happening after the project closes should be assigned an agency owner. |
| 2 | xx | xx |

Table 2: Anticipated Wins

| **Anticipated Wins** | |
| --- | --- |
|  |  |
| 1 | xx  Aside from solving the business needs, what additional benefits might the project produce? what things do you hope happen, but will be unable to measure or verify?  Example: By having the data stored electronically, other systems may be able to leverage and share this data in the future. |
| 2 | xx |

# Project Scope

## Scope Statement

This section should be developed as a paragraph statement and is a summary of the In Scope section below. It should contain a high-level description of what will be included in the project and what product(s) the project will produce (to be elaborated during the planning phase). Example: This project will procure and implement a new public-facing Drupal website. Work related to creating this website, interfacing with existing systems, and updating or implementing back-end applications will be included.

This project will…

## In Scope

The in-scope elements are high level and should be elaborated during the planning phase. Change as applicable.

* Project Scope
  + Procurement
  + Project Planning
  + System Implementation
  + User Training
  + Organizational Change Management
* Product Scope What systems, functionality, interfaces, or features will the product have?
  + xx
  + xx

## Out of Scope

*Sometimes it is as important to state what is out of scope for the project as it is to state what is in scope to ensure complete understanding of the scope of the project when entering the planning phase. A good rule of thumb is that if there was a decision to specifically not include something in your project, list it here. This section should also include any standard processes the agency chooses or receives permission to bypass. These out-of-scope items often have an associated risk that should be documented.*

*The list included with this template should be modified to meet the needs of the individual project.*

Any element not listed as “in scope” is considered out of the scope of the project. However, specifically, the scope of the project does not include:

Examples:

* The <component> of the <COTS product> was not purchased and will not be implemented
* The interface to the <system> will not be developed

# Cost Analysis

OMB has requested information on where the agency is getting their funds to pay for the project and the spending authority granted by the legislature. Please adjust the following as necessary to document the entire amount of the project budget funding known at this time. The agency’s fiscal office needs to work with their OMB fiscal analyst to confirm the information below.

The table below illustrates the project funding. The state legislature has given spending authority for $X.

Table 3: Project Funding

| **Funding Source** | **Funded Amount** | **Funding Explanation** |
| --- | --- | --- |
|  |  |  |
| General Funds | $0 | Explain (Reallocating? Appropriated?) |
| Federal Funds | $0 | Explain |
| Special Funds | $0 | Explain |
| Other Funds | $0 | Explain |
| **Budget Total** | **$0** |  |

Then, pick one of the following options and delete what you don’t use. The first option is to be used when there are too many unknown factors to estimate the budget. The second option may be used when enough is known about the scope and/or project to determine an estimated budget during the project initiation phase OR when an initial budget must be determined at a high level for the purpose of requesting funds. Delete any tables or verbiage in the option you are not using.

**Option 1** – Use the statement below when there are many unknown factors which will not allow an estimated budget to be developed prior to project planning.

\*\*Reminder that the project budget includes the implementation costs plus the first year of hosting, licenses and/or maintenance and support.

The following will be used as budgeting guidelines during the planning phase of the project:

* The total funds available for the project are estimated to be $X.
* The initial risk contingency percentage to be used for project planning will be X%. The actual risk contingency percentage may change during the project planning phase per the identified risks and with the approval of the final budget by the sponsor with a possible recommendation from the Project Advisory Team (PAT).

**Option 2** – If enough is known about the project scope to determine an estimated budget or if an initial budget must be developed for funding requests, use the table below in addition to the table above.

The costs shown in the table below are for estimating and guidance purposes. The project budget will be finalized during the project planning phase and approved by the sponsor with a possible recommendation from the Project Advisory Team (PAT).

Fill in/change as applicable.

\*\*Reminder that the project budget includes the implementation costs plus the first year of maintenance.

A couple of explanations:

* Risk Contingency is included in the baseline project budget and is used for the “known unknowns” such as those items that are identified as project risks (e.g., missed business requirements, cost overruns, additional resources, and known potential additional scope); use of these funds shifts dollars from Risk to another line item
* Management Reserve is above and beyond the baseline project budget, and is funding the agency has identified in advance to be used for the “unknown unknowns” such as those items the agency couldn’t predict they would need as part of the project (e.g., additional scope they didn’t foresee); use of this funding increases the baseline project budget – note that this is OPTIONAL and the agency may not have a dollar amount or funding identified for this purpose

Table 4: Project Budget Estimate

| **Line Item** | **Estimated Project Budget** |
| --- | --- |
|  |  |
| Hardware | $0 |
| Software/Licenses | $0 |
| Consulting | $0 |
| Training | $0 |
| Project Management | $0 |
| Change Management | $0 |
| Travel | $0 |
| EPMO Fee | $0 |
| **Sub-Total** | **$0** |
|  |  |
| Risk Contingency | $0 |
| **Baseline Sub-Total** | **$0** |
|  |  |
| Management Reserve | $0 |
| **Budget Total** | **$0** |

# Business Risk Analysis

As opposed to the typical risk analysis conducted during the planning phase and related to project activities/deliverables, this is an analysis of the risk(s) to the business of either approving or not approving the proposed project.

## Risks of Performing the Project

What risks does the agency take on if they do this project? (e.g., What impact might this project have on other programs, projects, or areas of business?). Use the Response section to note how the agency will deal with that effect on the business if it occurs. Note that these are higher-level risks to the agency for taking on this project vs. the lower-level risks that you will identify for the project risk register, though typically risks identified here drive one or more project risks at that lower level.

Example: Risk is that the agency staff are dividing time between multiple projects. Impact is those projects may be delayed if we do this project. Response is that the agency will accept those delays and will adjust all project schedules to account for lower allocation of staff.

Table 5: Risks of Performing the Project

| **Risk** | **Impact** | **Response** |
| --- | --- | --- |
|  |  |  |
| xx | xx | xx |
|  |  |  |

## Risks of Not Performing the Project

What will happen if the agency doesn’t do the project? (e.g., Will they lose funding? Will they be unable to improve service?) Use the Response section to note how the agency will handle those items – the backup plan as to how they will continue to do work without this project.

Example: Risk is that the agency will lose 20% of their federal funding if they don’t do this project. Impact is a loss of $3,000,000. Response is that the agency will need to request and obtain additional funding from the legislative emergency commission or will need to phase out certain services.

Table 6: Risks of Not Performing the Project

| **Risk** | **Impact** | **Response** |
| --- | --- | --- |
|  |  |  |
| xx | xx | xx |
|  |  |  |

# Resource Analysis

This is a list of the resources required to conduct project planning only. Resources required to execute the project will be determined and approved during the planning phase. The % Time Expected is the percentage of time during their day/week that resource will need to work on project planning.

The following identifies the resources required for planning only. It also includes the percentage of time that will be required from each resource for the planning period.

|  |  |  |  |
| --- | --- | --- | --- |
| **Planning Start Date:** | **x/xx/xxxx** | **Estimated Planning End Date:** | **x/xx/xxxx** |

Table 7: Resource Analysis

| **Role** | **Name** | **% Time Expected** |
| --- | --- | --- |
|  |  |  |
| Sponsor | xx | x% |
| Project Manager | xx | x% |
| Subject Matter Expert | xx | x% |
| Enterprise Architect | xx | x% |
| Security Representative | xx | x% |
| Change Practitioner | xx | x% |
| Vendor Project Manager | xx | x% |

# Project Authority

## Assumptions and Constraints

The project team will conduct planning as if the assumptions were true and the constraints fixed.

Managerial goals, targets, or preferences should not be included in this area, but can be documented separately.

### Assumptions

Assumptions are factors that, for planning purposes, are considered to be true, real, or certain without proof or demonstration.

The project has the following assumptions:

Assumptions are not typically related to functionality of the system (e.g., the system will have a module that can do x, or the system will be user friendly). If you want those things, they should be part of the system requirements.

* xx (examples: “The agency will be awarded the xyz grant to continue project funding,” “The legislature will approve carry over funding to finish the project,” or “xyz project will finish on x date so that agency staff can be allocated to this project”)
* xx

### Constraints

Constraints are an internal or external restriction or limitation to the project that affects the planning or performance of the project.

The project has the following constraints:

Constraints are things that cannot move. For example, if you say that your project cannot exceed $x, it means that you cannot go over that amount. If the agency has additional money that they can throw at the project, the budget is not a constraint.

* xx (examples: “Federal regulations require that this project be completed by 12/31/2023” or “Business resources on this project cannot exceed 25% of their time”)
* xx
* **Option 1:** Cost, schedule, scope, and quality are often in conflict during projects. The sponsor elected to prioritize as follows: Consult with sponsor and arrange according to project priority.

1. Quality
2. Scope
3. Cost
4. Schedule

* **Option 2:** Cost, schedule, scope, and quality are often in conflict during projects. The sponsor elected to prioritize these constraints as displayed in the following matrix: Consult with sponsor and arrange the “X” according to project priority.

Table 8: Constraint Matrix

| **CONSTRAINT** | **Accept** | **Flexible** | **Fixed** |
| --- | --- | --- | --- |
|  |  |  |  |
| Cost |  | X |  |
| Schedule | X |  |  |
| Scope | X |  |  |
| Quality |  |  | X |

**Constraint Matrix General Guidelines:**

* Accept: The constraint is the first place to adjust to account for a change in the project
* Flexible: A change can occur in this constraint only after the options that made changes in the constraint marked “Accept” are exhausted
* Fixed: No changes are desired in the constraint unless all other options have been exhausted

**Constraint Matrix Rules:**

* Each constraint can be in only one column (Accept, Flexible, or Fixed)
* There can be only one Flexible constraint
* There can be only one Fixed constraint

## Project Advisory Team (PAT)

Use of this team is a recommendation from the CIO for all projects over $100,000 that don’t have the formal Oversight Committee. Sponsors are encouraged to have this team in place to support their work and executive communication during the project.

The Project Advisory Team (PAT) exists to provide strategic guidance and support the sponsor throughout the project. The purpose of the team is to leverage individuals who can offer valuable insights, facilitate decision-making, assist in navigating challenges, and ensure the project aligns with organizational objectives. The PAT membership may change as the project progresses, depending on the needs of the PAT and the project. The sponsor will chair the PAT.

For this project, the PAT will initially consist of the following roles: project sponsor, project compliance coordinator, state procurement officer, … (examples of other possible roles: fiscal analyst, executive stakeholder), and will meet monthly. (meeting cadence can be decided by the sponsor or the PAT)

The PAT will be informed and/or provide recommendations that include the following:

Following are typical items that the PAT may want to be informed on or provide input on. Add or change these items with the input of the sponsor and/or the PAT (can be an agenda item during the first meeting prior to finalizing this charter). If the PAT is not able to meet prior to finalizing this charter, the sponsor can make the preliminary determination, and the PAT can modify this list later in the project plan.

* Initial project direction, project objectives, scope, budget, and timeline
* Procurement(s) and changes in procurement approach
* Baselined project scope, budget, and schedule
* Ongoing project status
* Key risks and issues
* Cancelling a contract
* Cancelling the project
* Changes in project direction
* Significant changes in project budget, schedule, and scope
* Significant changes in ongoing costs

## Authority/Escalation

This section of the document describes the levels of authority throughout the planning process. It identifies who is involved with the project and their expected authority, who can resolve decision conflicts, and who will provide overall direction to project efforts. It should also identify any known governing body or steering committee to which the project is accountable and how they are accountable. An organizational chart may also be a helpful item to include in this section.

Authority to proceed with this charter is granted to the project manager. The sponsor must approve any diversion from the scope which would materially impact the overall scope or incur cost with a possible recommendation from the PAT.

The project manager is authorized to use the resources necessary to plan the project based on the information above and will be required to receive sign-off on the project plan prior to execution.

# Approval

|  |  |  |  |
| --- | --- | --- | --- |
| Project Sponsor Signature: |  | Date: |  |