

## BUDGET POLICY AND REPORTING MANUAL

<i>Date</i> 3/26/2008	<i>Subject</i> <b>Annual Technology Planning (ATP) Process</b>	<i>Item</i> H-300A
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### 1. Purpose and Scope

#### A. Improved Coordination of Information Technology (IT) Investments

State agencies and other State government entities shall engage in an Annual Technology Planning (ATP) process to promote the use of technology to improve public services, to permit the statewide coordination of technology initiatives, and to ensure the most cost effective acquisition of technology and related services. This process will facilitate a dialogue among operating agencies, the Division of the Budget (DOB) and the Office of the Chief Information Officer/Office for Technology (OCIO/OFT) regarding each agency's overall technology strategy and plans for specific projects. The review of such plans will ensure consistency with both a statewide technology strategy and the budget process.

#### B. The Budget Reform Act: Adherence to Legislative Requirements

The ATP process is also the source of data necessary for DOB to meet the reporting requirements of the Budget Reform Act of 2007. This legislation requires projects funded in the Executive Budget, having a total development cost of \$10 million dollars or greater and involving one or more contracts, to be reported annually to the Legislature. The report must include for each project:

- Project summary, including project purpose, proposed approach, key milestones, current status, timetable;
- Proposed method of procurement, including whether the project will use Office of General Services (OGS) centralized, agency-developed or sole-source contracts;
- Proposed funding source;
- Proposed financing method; and,
- Estimated costs by fiscal year.

### 2. OCIO/OFT Responsibility for Statewide Technology Strategy

OCIO/OFT has overall responsibility for statewide technology policy, planning, coordination and related issues. Consistent with this responsibility, OCIO/OFT will maintain a statewide strategy for technology. Based on that strategy, OCIO/OFT will provide assistance and guidance to State agencies, public authorities, and

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public benefit corporations throughout the ATP planning process and will coordinate participation in statewide IT initiatives.

### 3. The ATP Process

On an ongoing basis, each agency shall maintain an ATP in a format defined by the OCIO/OFT. This Plan will be considered an essential preliminary step in the development of the agency's budget, and will be utilized in the development of the Governor's Executive Budget recommendations for the next fiscal year. While agencies are encouraged to keep their ATPs up-to-date at all times, deadlines for updating information will be imposed as part of the budget development process.

An ATP shall include:

- A managerial-level explanation of how the agency's technology strategy furthers the agency's mission and programmatic goals;
- A review of the status of major technology initiatives currently in development and an assessment of how well those initiatives are meeting their stated goals;
- A detailed proposal for each new initiative which, at a minimum, identifies the business need being addressed; evaluates the impact on agency programs; describes the alternatives evaluated, the expected benefits and how success will be measured; assesses risks; and estimates current and future costs. Proposal descriptions should summarize the types of goods and services to be acquired and the planned method of acquisition;
- An overview of expected future initiatives;
- A summary of the distribution of current information technology resources; and
- A detailed inventory of budgetary fund sources, bonding or financing mechanisms (if applicable), and methods of procurement for each project.

Agencies shall include in their ATPs all new and ongoing technology projects and initiatives, regardless of cost. If funds are expected to be expended to purchase goods or services in support of the technology project or initiative, the agency should include the estimated spending amounts in the plan.

### 4. Linkage to "Enterprise Contract" Procurements

A central goal of the ATP process is to identify opportunities to develop "enterprise contracts," which aggregate the purchases of multiple agencies together or

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establish enterprise licensing agreements, thereby leveraging the State's collective buying power. The reviews conducted by OCIO/OFT, DOB, and OGS will result in an annual list of candidates for enterprise-wide procurements designed to increase efficiencies and achieve savings.

## **5. Linkage to the Plan to Procure (PTP) Process**

Agencies are required to notify OCIO/OFT when they initiate plans to procure technology or related services in support of their ATP. To the extent a project has already been incorporated within the ATP, required reviews by OCIO/OFT and DOB of the proposed procurement will proceed more swiftly. Please see BPRM H-300 for additional information on the PTP process.

## **6. Critical Issues for Consideration**

Evaluations of technology initiatives advanced as part of an ATP should consider the following:

- Potential for service improvements and benefit to the public;
- Impacts on other State agencies, local governments, or non-profits;
- Conformance with State policies and standards;
- Opportunities for leveraging investments and sharing resources and solutions;
- Creation of, or adoption as, a "best practice";
- Proposed impact on State financial resources; and,
- Proposed approach to procurement.

Specific instructions for development of ATPs are available on the OCIO/OFT web site: <http://www.oft.state.ny.us>

## **7. Review of Agency Technology Plans**

OCIO/OFT will evaluate plans with respect to the technology approach, policy and planning goals outlined above, including the enterprise architecture principles in OCIO/OFT Policy 04-001, and identify opportunities for interagency cooperation in collaboration with DOB and OGS. OCIO/OFT will discuss any concerns with agencies and will communicate suggested revisions to the agencies and to DOB.

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As part of the annual development of the State Budget, DOB will review each agency's ATP. DOB's review will focus on the degree to which proposed technology initiatives support the core mission of the agency; the present and future affordability of the initiatives within the context of the agency and overall State budgets; the relative cost of proposed financing mechanisms; the effectiveness of proposed initiatives in reducing or avoiding costs; and the evaluation of the plans by OCIO/OFT. DOB will communicate feedback or requests for modifications or additional information to the agency, as well as whether funding has been advanced as part of the Budget.

Reviews by both OCIO/OFT and DOB will be ongoing, due to the "living" nature of the ATP; however, certain mandatory deadlines for updates may be set in order to align reviews with the annual budget process. At a minimum, agencies will need to ensure their ATP is updated at the time information is drawn to compile the required annual report to the Legislature, on major technology projects, due 30 days after the Executive Budget is submitted.