



ADMINISTRATIVE DIRECTIVE

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	EFFECTIVE DATE April 19, 2010	

I. PURPOSE

This directive defines the policy and procedures for making information technology investments throughout the City so that the optimum choices are made for the City. This policy will enhance leverage and minimize risks associated with technology choices, financial expenses, equipment stability, application interfaces, and vendor influence.

II. POLICY

The City's information technology strategy, direction, and related investment are central to accomplishing the City's service goals. In order to assure that strategic directions are supported by appropriate deployment of personnel, optimum choices of technology, and the most effective use of funds, all information technology investments must conform to standards and architectures established by the Information Technology (IT) Department (Note: IT refers to information technology in general as well as to the department.) These standards and architectures will be developed, and kept current, by the IT Department. Any departmental purchases and/or new implementations of information technology that are counter to the standards and architectures will be reviewed by the Chief Information Officer (CIO)/IT Director to assure that a compelling business case is made. The approval of the CIO/IT Director and the City Manager is required before proceeding with non-standard implementations. Any implementations that are counter to standards without approval may be removed under direction of the CIO/IT Director.

III. RESPONSIBILITY

Communications and information systems technologies are converging in many ways, but the responsibility for the maintenance of fixed and mobile radio communications equipment, including the Public Safety, Public Works, and General Service communications systems, rests with the Communications Division of the General Services Department (GSD). Also GSD is responsible for the maintenance of the fiber network. The CIO/IT Director and GSD Director will establish coordination policies and procedures as needed to ensure the necessary collaboration on requirements processing, engineering support and life cycle management of these two technologies.

The CIO/IT Director is responsible for coordinating the strategic directions for information technology in the City, for developing the standards and architectures in a collaborative manner, and for assuring that they are followed. The CIO/IT Director is responsible for appropriate procedures for the review and approval of information technology investments.

Department directors or designees are responsible for ensuring that their department needs are included in the overall planning activities and related architectures via the Service Agreement between IT and the department and through the Steering Committee recommendations and decisions. They are also responsible for ensuring that their department understands and conforms to this directive.



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IV. **DEFINITIONS**

- A. **Information Technology Systems** – All computer hardware, software, associated peripheral and support equipment, IP-based (internet protocol) equipment, computerized data and databases, communications equipment, web equipment and applications, security devices and software, vendor support and services, and technical agreements are components of an IT system. Such systems include all applications and equipment that are part of, connected to, or use the City's data network, as well as stand-alone or third-party hosted systems. Maintenance of the Public Safety radio equipment and the physical fiber network is the responsibility of the General Services Communications Maintenance Division per Administrative Directive 1.08-2, *Communications and Other Electronic Equipment*.
- B. **Architecture** – A framework for planning and decision-making for IT projects to ensure that each investment advances the overall goals of the City. IT will have multiple architectures – for networks, for servers, for desktop devices, for applications, and for IT personnel organization and staff assignment, among others. All these frameworks must integrate and support each other.
- C. **Information Technology Investments** – All equipment and services (as noted under Information Technology Systems definition above), all consulting services and all City staff associated with IT systems are considered investments.
- D. **City IT** – The IT staff throughout the City have been consolidated in the central IT group as of January, 2009. The only approved departmental IT groups are in City Courts and the City Clerk's Office.
- E. **City Network** – The City's network consists of the fiber components, microwave and radio components, and the wireless components. All are interconnected and are configured by IT and managed collaboratively with GSD's Communication Maintenance Division as a seamless network to ensure security and reliability.
- F. **IT Advisors** – A group of directors that serve as advisors to the CIO.
- G. **IT Steering Committees** – Committees established for Public Safety IT, Public Works IT, and Applications Services IT to provide direction and priorities to the associated IT applications division. Members represent the associated departments.
- H. **IT Plan** – Every two years, or as appropriate, IT will publish a plan with strategic directions and tactical actions. This plan will be developed with the input of the user departments, reviewed by the Steering Committees, Advisors Group, the Executive Leadership Team, and the City Manager's Office.



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V. **SCOPE**

The scope of the policy covers all information technology strategies and investments in the City.

VI. **PROCEDURES**

- A. **Strategic Directions** - Strategic directions will be presented to the Executive Leadership Team prior to approval by City Manager's Office. These directions will be reviewed every budget cycle. An IT plan will be developed and updated every two years. This plan will include the tactical activities to achieve the strategic directions.
- B. **Development of Architectures and Standards** - The CIO/IT Director will convene a group to develop and annually review the architectures and standards.
- C. **Review and Approval of Acquisitions** - The IT Department will review, and must give prior approval to, acquisitions or projects which are associated with an IT system or investment which involves a license, a maintenance contract or a tracked asset. This includes any outsourcing of development or support of a system and annual renewals of maintenance contracts. Maintenance contracts and outsourcing efforts will be reviewed in collaboration with the associated department. Tracked assets include items such as personal computers that are not tracked by the financial inventory system but that are important for IT to track for software licensing and hardware life cycle management.

After the IT Department review is completed, City Courts and City Clerk IT staff will approve purchases for their departments, and the IT Department will approve purchases for the rest of the departments. Those activities and related acquisitions that are included in the City IT Plan are thereby approved.

Any other acquisitions must be submitted to the IT Department via the Technology Acquisition Form (Attachment A) for review and approval. This includes:

- 1. Any licensed software
Rationale: The IT Department is responsible for maintaining a central record of all software licensed to the City.
- 2. Purchase or replacement of a system server - This includes any type of server, such as network, application or database, and includes any major hardware or software upgrades and component replacements.
Rationale: Any installation of, or change to, a server that connects to the City's data network can impact the network performance and security.
- 3. Connection to the City's data network
Rationale: Hardware and software systems (including printers) that connect to the City's data network can impact network performance and security.



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4. Third party services

Rationale: Any consulting, hosting, advising or temporary programming can impact the City's overall directions and investments.

An approved list of IT commodities that can be purchased without IT Department review (though Procurement rules still apply) will be maintained and posted via a link on the IT Department's intranet web site. These items would include keyboards, mice, etc. The standards and specifications will be noted. All items which do not require IT Department pre-approval may be purchased with a pCard. If a department wishes to work through the IT Department for such items, the Customer Service Desk staff will provide support.

D. Prioritization of Activities – Activities will need prioritization if and only if they are an exception to the City IT Plan. All major technology projects should be included in the City IT Plan. If a major project must be addressed outside of the plan, the sponsoring department must present the project to the IT Advisors group for prioritization in case the project might now or later compete for IT staff and/or equipment resources. The appropriate IT administrator, in conjunction with the requesting department, should prepare an IT Project Summary (Attachment B) and review it with the relevant steering committee. If the project requires resources beyond that of the associated IT division, then the form should be submitted to the IT Deputy Director for inclusion in the materials for the IT Advisors' review.

If a project is not recommended by the IT Advisors and the requesting department feels strongly that the rationale for the project is sufficient, the IT Advisors' recommendation may be appealed to the CIO/IT Director and City Manager for re-consideration.

E. Tracking of Investments - Investments and operating expenses for technology will be summarized across the City by the CIO/IT Director. As far as possible, this will be included in the City IT Plan.

New projects/investments will be presented and justified on a minimum of a five year fully loaded cost to the City. The funds for initial purchase and five year upkeep, including full support, incremental personnel costs and services, must be evaluated and provision for funds identified before the project is undertaken. For projects funded by the General Fund the incremental budget dollars are to be incorporated in the IT Department budget on an annual basis. If funds are not available to the IT Department in future years, the project is to be cancelled.

For projects with an initial investment of greater than \$1,000,000, or a lifetime investment of greater than \$4,000,000, the project team must follow a formal project management process with a dedicated project manager. The project manager can be either a qualified internal staff member or an externally contracted resource. The IT Department will take at least a co-management role. Project managers are encouraged for all projects no matter the size.



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- F. **Management of Software Licenses and Maintenance Expenses** - All software licenses and associated maintenance contracts will be reviewed by the IT Department to assure optimum terms, mitigation of risk and cost leveraging across the City. For those applications that are citywide, the licenses and maintenance contracts will be centralized under the IT Department. Funding for associated expenses will be either allocated to the IT Department through the budget process or the appropriate department account will be charged. In either case the process will flow through the IT Department. This will allow for consolidation of contracts and consistent negotiation on terms. In addition, this will allow for a review of overall technology spending in the City. Exceptions to this license and maintenance consolidation can be negotiated among the relevant department director, the CIO/IT Director, and the Assistant City Manager.

- G. **Review of Procedures** - On a bi-annual basis, or whenever directed by the City Manager, these procedures will be reviewed by Internal Audit to ensure that they are effective and achieving the intended goals.

Attachments

A - Technology Acquisition Form
B - IT Project Summary

References

Administrative Directive 1.08-2, *Communications and Other Electronic Equipment*

Review Responsibility and Frequency

The Chief Information Officer/Information Technology Director will review this directive annually, based on date of publication.

Authorized



City Manager

5-5-10
Date

TECHNOLOGY ACQUISITION FORM

This form is used to obtain prior Information Technology (IT) Department approval for acquisitions of hardware and software as defined in Section VI.C of the Administrative Directive 1.02-7, *Information Technology Investments*. To complete the form, check every box below which applies to your technology acquisition. In the spaces labeled "Description/estimated cost narrative" for each category, list the specific details of the purchase (such as vendor, model or release, configuration, services) and the estimated cost. Completed forms should be emailed to the IT Director. This form is available online at IT's Intranet web page.

Department: _____ **Date Submitted:** _____

Contact Name: _____ **email:** _____ **Phone:** _____

Hardware

- PC
- Server
- Switch
- Router
- Printer
- Other (specify)

Description/estimated Cost Narrative

Software

- Operating System
- Office Suite
- Desktop Database
- Other (specify)

Description/estimated Cost Narrative

Accessories & Peripherals

- Input Device (mouse, keyboard)
- Memory
- Memory Stick
- Add USB Accessories
- Repair/upgrade Parts (specify)
- Other (specify)

Description/estimated Cost Narrative

Consulting

- Analysis/Assessment
- Project Management
- Implementation
- Conversion
- Technical Assistance

Description/estimated Cost Narrative

Maintenance/Service Agreement

- Renewal
- New agreement

Description/estimated Cost Narrative

Note: CIO/IT Director approval is required before an RFP, IFB or PO is issued.

IT Reviewer/Approval: _____

IT Approval Code: _____

IT PROJECT SUMMARY

Overview

This document explains the process for obtaining approval for a City technology investment. A technology investment is defined as any expenditure of City funds related to the acquisition, development or deployment of information or communications systems or technology, or any consultation or service related to evaluating or assisting in such expenditure. Departments must consult with the Information Technology (IT) Department on projects, to help define departmental needs and formulate solutions.

Why is Chief Information Officer (CIO) Approval Required?

The CIO/IT Director has responsibility for the coordination and cost-effective deployment of the City's technology and information systems investments. To do this, the CIO reviews and approves new technology projects, especially for those expenditures that involve risk or significant investment.

When is CIO Approval Required?

If a project is not on the City IT Plan, the CIO must review and approve the project prior to any commitment of funds or the issues of an RFP, IFB, or PO. A Technology Acquisition Form should be completed and submitted with the IT Project Summary.

NOTE: CIO approval is required before an RFP, IFB, or purchase order can be issued.

The IT Project Summary can be drafted in memo format and must include the following sections:

1. **Investment or Project Title** - Include the investment or project title and a short description.
2. **Originating Department and Contact Information** - Provide the department name, and the project manager or department sponsor's name and phone number.
3. **Financial Information** - Include the following investment information:
 - A. **Budgeted Investment Costs** - When available, these costs should be broken out by hardware acquisitions (be specific), software licenses (indicate the scope or number of proposed users), implementation services (include analysis, training, implementation, development, etc.), and required purchases.
 - B. **Five (5) Year Fully Loaded Budget Summary** - This begins with the initial acquisition and implementation costs (see 3. A. above) and should include ongoing operational and hardware and software maintenance costs for the full five year period. Five year cost must include anticipated City staff support time needed (in IT or in the department).

4. **Investment Justification** - A high-level description of the investment, including the scope of the investment and the criteria by which the project will be measured. Criteria that may be used to justify an investment include:
- A. **Financial**
For each benefit listed below, estimate the effect of the investment in dollars, hours or both.
 - (1) revenue enhancement
 - (2) cost reduction
 - (3) human resource reallocation and reprioritization
 - B. **Risk Management**
Identify what risk(s) will be, or will need to be, managed by this investment. For each risk:
 - (1) Determine the severity of the risk (low/medium/high/extreme).
 - (2) Estimate the likelihood of the risk happening (low/medium/high).
 - (3) Assess whether the risk varies with time (increases or diminishes).
 - (4) Determine whether the risk is (a) avoided, (b) mitigated, or (c) eliminated by the project, and indicate in what way and to what degree the risk is reduced.
 - C. **Business Environment**
Investments are often needed to support expansion or introduction of initiatives that the City government supports. For each initiative:
 - (1) Identify the changes in the business environment or process(es) which require support (public access, new technology, new City initiatives, change in City organization, etc.).
 - (2) Identify the effect of supporting, not supporting, or delaying the investment.
 - D. **Mandates**
Changes in regulation, law or City policy may require new investment in order to become complaint. For each mandate:
 - (1) List the specific legal necessities which drive the investment and/or deadline (cite specific statutes, Administrative Directives, etc.).
 - (2) Assess the possibility and effect of (a) non-compliance, or (b) non-timely compliance.
 - E. **Beneficiaries**
Higher priority may be assigned to specific beneficiaries of investment. Classify this investment (with supporting explanation) by one of these types:
 - (1) Serving the public
 - (2) Increasing financial sustainability
 - (3) Facilitating multi-departmental productivity
 - (4) Enhancing single departmental efficiency
5. **Fit with the Strategic Plan** - A short discussion of how the investment supports the focus areas and projects in the City Strategic Plan (a copy of the current plan can be found on the IT Department's page on the City Intranet).

6. **Implementation Strategy** - At a high-level, explain the major investment phases and the implementation strategy. This should cover key points such as: will the investment be implemented in all locations simultaneously or will it be phased in; will the existing system or process be run in parallel to the new software. (The existing system or process would be primarily manual if the process has not been automated before.)
7. **Technical Standards Compliance** - If the solution intentionally may or will not comply with existing technical standards, include an explanation of the standards that the solution does not meet and a justification for non-compliance. Contact the IT administrators for the current standards.
8. **Interface Requirements** - List any other City systems with which the proposed solution must exchange data and describe the business nature of those interfaces.
9. **Other Risks, Dependencies and Obstacles** - If the investment is dependent on the completion of other activities, or requires the availability of other technologies, list and explain all of the dependencies. Explain the risks of not completing the investment if the dependencies and obstacles cannot be overcome.
10. **Signatures** - The following signatures are required on the Project Summary:
 - Department Director (project approval)
 - IT Department (review)
 - Budget and Internal Audit Office (review)
 - CIO (investment approval)

Review and Approval

1. The Project Summary must be signed by the department director.
2. The Project Summary is then routed to the IT Department's deputy director, who will select the appropriate IT manager or administrator to help evaluate the project; IT may contact the department for clarifications. Once the review is complete, IT will forward the Project Summary to the Budget and Internal Audit Office.
3. The Budget and Internal Audit Office will review the Project Summary. If there are no questions, the budget analyst will sign the Project Summary and forward it to the CIO and IT advisors for final approval.
4. The CIO will either approve the investment or return the Project Summary to the requesting department for further clarification. Upon approval, a copy of the Project Summary will be forwarded to the Procurement Department.