



MONTANA LEGISLATIVE BRANCH

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Director
AMY CARLSON

DATE: June 9, 2016
TO: Legislative Finance Committee
FROM: Kris Wilkinson
RE: Proposed Changes to the IT Project Portfolio Report

State agencies report to the Legislative Finance Committee (LFC) on the status of information technology projects using the IT Project Portfolio Report. The report included four measurements of project health:

- Scope - definition of work to be completed;
- Schedule - list of project tasks with duration and effort for planned work;
- Budget - current budget estimate;
- Risk - status of risks that have been identified.

The reporting data were self-reported by the agencies but were gathered and summarized by the State Information Technology Services Division (SITSD).

SITSD is proposing to replace the previous measurement criteria with objective, summarized project health measurements related to project cost and schedule using established IT performance measurement techniques. Earned values is a project management technique for measuring project performance and progress in an objective manner. The objectives are to:

- Relate budget to planned work
- Compare work progress to a baseline plan
- Provide information for project management analysis and action

The measurements proposed for the report include:

- Planned value - budgeted costs for work scheduled;
- Earned value – budgeted costs for work performed.

One advantage of the proposed measurements is that projects that are re-baselined (changed in project schedule, scope, and/or budget) would be required to report on the changes for the re-baselining.

If the LFC approves the proposed changes to the IT Project Portfolio Report they would become effective at the September LFC meeting. SITSD has begun the process to train state agencies on the measurement process in anticipation of the change.