

## Comparison of State IT Governance Elements: Budgetary Authority

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The ability to shape IT decision-making is often tied to access and oversight of fiscal resources. Once again, the states vary in their approach to designating budget authority among actors from the legislative and executive branches of government. Below are excerpts from state legislation outlining the budgetary authority for IT decisions within the state and a summary of the authority vested in the State CIO.

Table 5. Enterprise IT Governance: Budgetary Authority for IT Decisions		
State	Legislation Language	CIO Budgetary Authority
California	<p>a. The office of the State Chief Information Officer shall be responsible for the approval and oversight of information technology projects, which shall include, but are not limited to, all of the following:</p> <ol style="list-style-type: none"> <li>1. Establishing and maintaining a framework of policies, procedures, and requirements for the initiation, approval, implementation, management, oversight, and continuation of information technology projects.</li> <li>2. Evaluating information technology projects based on the business case justification, resources requirements, proposed technical solution, project management, oversight and risk mitigation approach, and compliance with statewide strategies, policies, and procedures. Projects shall continue to be funded through the established Budget Act process.</li> <li>3. Consulting with agencies during initial project planning to ensure that project proposals are based on well-defined programmatic needs, clearly identify programmatic benefits, and consider feasible alternatives to address the identified needs and benefits consistent with statewide strategies, policies, and procedures.</li> <li>4. Consulting with agencies prior to project initiation to review the project governance and management framework to ensure that it is best designed for success and will serve as a resource</li> </ol>	<p>The State CIO is responsible for project approval and oversight based on project plans and periodic reviews. Has the power to cancel a project and advise the Department of Finance to pull funding.</p>

	<p>for agencies throughout the project implementation.</p> <ol style="list-style-type: none"> <li>5. Requiring agencies to provide information on information technology projects including, but not limited to, all of the following: <ol style="list-style-type: none"> <li>A. The degree to which the project is within approved scope, cost, and schedule.</li> <li>B. Project issues, risks, and corresponding mitigation efforts.</li> <li>C. The current estimated schedule and costs for project completion.</li> </ol> </li> <li>6. Requiring agencies to perform remedial measures to achieve compliance with approved project objectives.</li> <li>7. Suspending, reinstating, or terminating information technology projects. The office shall notify the Joint Legislative Budget Committee of any project suspension, reinstatement, and termination within 30 days of that suspension, reinstatement, or termination.</li> <li>8. Establishing restrictions or other controls to mitigate nonperformance by agencies.</li> </ol>	
Florida	<p><b>14.204 Agency for Enterprise Information Technology</b></p> <ul style="list-style-type: none"> <li>• In consultation with the Division of Purchasing in the Department of Management Services, coordinate procurement negotiations for software that will be used by multiple agencies.</li> <li>• In coordination with, and through the services of, the Division of Purchasing in the Department of Management Services, develop best practices for technology</li> </ul>	<p>The State CIO does not appear to have budgetary or project approval authority. The State CIO is charged with developing IT procurement best practices and negotiating multi-agency procurement contracts, but is not in charge of procurement for the agencies.</p>

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	<p>procurements.</p> <ul style="list-style-type: none"> <li>• Coordinate procurement negotiations for hardware and software acquisition necessary to consolidate data center or computer facilities infrastructure.</li> </ul>	
Georgia	<p><b>SB 465: Georgia Technology Authority - GeorgiaNet Division, Section 1250-25-7.1(a)</b> The authority is authorized and directed to establish a technology empowerment fund to be administered by the authority. The fund shall consist of such moneys appropriated or otherwise available to the authority as the board may determine from time to time to deposit therein. Subject to the appropriations process, the decision-making and priority-setting responsibilities for allocating these funds are vested in the chief information officer and the director of the Office of Planning and Budget. (b) The chief information officer is authorized to identify and select individual projects, initiatives, and systems to improve service delivery to be funded through the technology empowerment fund. Such projects shall demonstrate, to the satisfaction of the chief information officer, reduced costs through the use of technology. In identification and selection of such projects, initiatives, and systems, the chief information officer shall give priority to those which provide demonstrable cost savings and improved service delivery on a recurring basis through the employment of technology and training. Eligible projects, initiatives, and systems to receive disbursements from the technology empowerment fund may be selected from agency budget requests. Quarterly reports of the operations of the technology empowerment fund shall be required to be made to the board, the Office of Planning and Budget, and the Legislative Budget Office to ensure proper oversight and accountability. (c) Each project or initiative developed and supported from the technology empowerment fund shall employ technology that is compatible with the architecture and</p>	<p>GTA is responsible for enterprise technology contracts providing products and services to all state agencies. They advise agencies about planning and preparing their technology-related procurements. GTA helps agencies evaluate vendor responses. The State CIO also operates the Technology Empowerment Fund in partnership with the director of the Office of Planning and Budget. The goal of the Fund is to improve service delivery and reduce costs via technology investments. The decisions regarding funding are made in consultation with the Technology Empowerment Fund Steering Committee.</p>

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	<p>standards established by the authority and shall be accounted for by a discrete account established for the individual project or initiative item in the operating budget and capital budget. 50-25-7.2 (a) All agencies shall contract through the authority for any technology resource purchase of such agency exceeding \$100,000.00; provided, however, that the provisions of this Code section shall not have application to full-time state personnel tasked with the planning, implementation, and support of technology. The authority shall be authorized to act as the agent of any agency for such purposes. No agency shall divide purchases so as to avoid the thresholds provided for in this Code section and Code Section 50-25-7.3. (b) Any agency whose direct or indirect appropriation for technology resources is less than \$50,000.00 shall not be required to contract through the authority for the purchase of such technology resources.</p>	
<b>Kansas</b>	<p>Whenever an agency proposes an information technology project or makes amendments or revisions to a previously submitted project, the agency shall submit a project budget estimate to the Chief Information Technology Officer for that branch of government. This process and the core information requirements are outlined in statute. Not later than July 1 of each year, the Chief Information Technology Officers (CITOs) for the three branches of government will submit the proposed project estimates and revisions to previously submitted projects to the Legislative Research Department and the Budget Division. Specific submission requirements are included in the budget instructions published by the Budget Division. The legislative CITO will review these project budget estimates and plans and make recommendations to the Joint Committee on the merit thereof and appropriations therefore. The executive chief information technology officer shall: (1) Review and consult with each executive agency regarding information technology plans, deviations from</p>	<p>The Executive CIO has project approval for projects above \$250,000 and bid specification approvals for bids above \$250,000. The Executive CIO reviews agency 3-year IT plan updates and submits his or her recommendations to the Division of the Budget as to the technical and management merit of information technology project estimates and information technology project changes and overruns submitted by executive agencies. He or she submits the same information to the Joint Committee on Information Technology.</p>

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	<p>the state information technology architecture, information technology project estimates and information technology project changes and overruns submitted by such agency pursuant to K.S.A. 1998 Supp. 75-7209 and amendments thereto to determine whether the agency has complied with: (A) The information technology resource policies and procedures and project management methodologies adopted by the information technology executive council; (B) the information technology architecture adopted by the information technology executive council; (C) the standards for data management adopted by the information technology executive council; and (D) the strategic information technology management plan adopted by the information technology executive council; ...</p> <p>(3) Submit recommendations to the division of the budget as to the technical and management merit of information technology project estimates and information technology project changes and overruns submitted by executive agencies pursuant to K.S.A. 1998 Supp. 75-7209 and amendments thereto, based on the determinations made pursuant to subsection (b)(1);</p> <p>(4) Monitor executive agencies' compliance with: (A) The information technology resource policies and procedures and project management methodologies adopted by the information technology executive council; (B) the information technology architecture adopted by the information technology executive council; (C) the standards for data management adopted by the information technology executive council; and (D) the strategic information technology management plan adopted by the information technology executive council.</p>	
<b>Kentucky</b>	<p>"Reviewing and overseeing large or complex information technology projects and systems for compliance with statewide strategies, policies and standards, including alignment with the Commonwealth's business goals, investment, and other risk management policies. The</p>	<p>The State CIO must approve all projects above \$600,000. The agency CIO approves the project first; once he or she approves it, the project is sent to the central IT office for approval by CIO. For project above \$1 million, a peer review group might be assembled by the</p>

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	<p>commissioner of COT is authorized to grant or withhold approval to initiate these projects." All executive branch agencies, under direct authority of the Governor, initiating IT projects or initiatives where the estimated cumulative project cost is \$600,000 or more from concept through implementation must use the Enterprise IT Approval Process. The review of proposed project initiatives will focus on:</p> <ul style="list-style-type: none"> <li>• Coordinating IT investments across the enterprise to avoid duplicate investments wherever possible,</li> <li>• Validating that IT investments align with the Commonwealth's strategic plan and with the Enterprise Architecture Principles and Standards, and</li> <li>• Ensuring that the Commonwealth considers potential project risks and only undertakes projects with a level of risk that we can knowingly assume and manage, and</li> <li>• Verifying that standard Commonwealth project management practices are employed when initiating projects.</li> </ul> <p>Once the submitted project has been approved, the sponsoring agency must submit quarterly Enterprise Project Status Reports to the commissioner of COT. Enterprise IT Project approval employs a tier review process based on the estimated cumulative project cost. Tier 1: Agency specific projects with estimated cumulative project cost equal to or greater than \$600,000 and less than \$1,000,000 (&gt; \$600,000 and &lt; \$1,000,000) Tier 2: Projects with estimated cumulative project cost equal to or greater than \$1,000,000 (&gt; \$1,000,000) or projects that have an enterprise impact</p>	<p>CIO to review the project. The State CIO can grant exemption to the review process.</p>
<b>Maine</b>	<p>Legislative text on the IT budget process in Maine was not readily available online.</p>	<p>State CIO has complete power over project approval and budget planning.</p>
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<b>Minnesota</b>	<p>A state agency receiving an appropriation for an information and telecommunications technology project subject to this section (more than one million dollars) must divide the project into phases. (b) The commissioner of finance may not authorize the encumbrance or expenditure of an appropriation of state funds to a state agency for any phase of a project, device, or system subject to this section unless the Office of Enterprise Technology has reviewed each phase of the project, device, or system, and based on this review, the chief information officer has determined for each phase that:</p> <ul style="list-style-type: none"> <li>• (1) the project is compatible with the state information architecture and other policies and standards established by the chief information officer;</li> <li>• (2) the agency is able to accomplish the goals of the phase of the project with the funds appropriated; and</li> <li>• (3) the project supports the enterprise information technology strategy.</li> </ul>	<p>The CIO's Office reviews and approves state agency and intergovernmental IT efforts and provides information to the legislature regarding projects reviewed and recommends projects for inclusion in the Governor's budget. They also coordinate, review, and approve all IT projects over \$1 million. The CIO's Office submits to the legislature an explanation of any IT project included in the Governor's budget that involves collaboration between state agencies and an explanation of how the budget requests of the several agencies collaborating on the project relate to each other. For any project approval, the State CIO must ensure that the project is compatible with the state information architecture; that the agency is able to accomplish the goals of the phase of the project with the funds appropriated; and the project supports the enterprise information technology strategy. The State CIO has the power to approve or veto projects and inform the DOB to withhold the appropriated funds.</p>
<b>New York</b>	<p>Requests under \$100,000 will be exempt, and reviews of remaining transactions will be guided by the thresholds outlined below:</p> <ol style="list-style-type: none"> <li>1. Purchase requests between \$100,000 and \$500,000. Proposed procurements in this category will be subject to a standard review by OCIO/OFT for consistency with statewide policies and an evaluation of the potential for collaboration with other agencies. (Goal: OCIO/OFT action within 5 days)</li> <li>2. Purchase requests of \$500,000 or more. This category of projects will be subject to both the standard OCIO/OFT review, as well as a peer review by other CIOs participating under the auspices of the CIO Council. This review process is intended to run in parallel with an agency's internal process to</li> </ol>	<p>The State CIO reviews all agency Plans to Procure. State agencies must notify CIO/OFT of any purchases of technology and technology-related products or services meeting the following guidelines:</p> <ul style="list-style-type: none"> <li>• any technology goods or services equal to or greater than \$50,000;</li> <li>• any aggregate commodity contract or any enterprise/universal licensing contract purchase regardless of dollar amount; or</li> <li>• any exception to an aggregate or enterprise contract regardless of dollar amount.</li> </ul>



	<p>develop a procurement, providing input during that development process, and is not envisioned to add to the overall length of time required to complete a procurement. (Goal: OCIO/OFT Action within 10 to 30 days)</p> <p>3. Major requests over \$1 million will be subject to a more intensive review. Meetings will be held between OCIO/OFT and the agency project team to examine the scope and business justification of the proposed initiative, project timeline, critical success factors, risks and risk management strategy. DOB representatives will be included in these meetings, and must approve all requests over \$1 million.</p> <p>C. Required Reporting OCIO/OFT will report quarterly to DOB on procurement requests approved, and the associated expenditures anticipated by fiscal year. The OCIO/OFT PTP process is expected to:</p> <ul style="list-style-type: none"> <li>• Verify the utility of such purchases, both on an agency-specific and statewide basis;</li> <li>• Assure coordination and consolidation, when appropriate, with other agencies' technology purchases;</li> <li>• Assure technology requests represent best value and are appropriate for the purposes for which they are requested;</li> <li>• Promote compatibility with State technology standards, including privacy, confidentiality and data security safeguards;</li> <li>• Ensure consistency with the statewide strategic technology plan and the requesting agency's own technology plan; and</li> <li>• Promote best practices.</li> </ul> <p>OCIO/OFT will provide agencies with feedback related to their review, to afford the greatest opportunity for each project to be modified to achieve an approval to proceed.</p>	
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<p><b>North Carolina</b></p>	<p>The State CIO shall: Review all State agency information technology projects that cost or are expected to cost more than five hundred thousand dollars (\$500,000), whether the project is undertaken in a single phase or component or in multiple phases or components. If the State Chief Information Officer determines a project meets the quality assurance requirements established under this Article, the State Chief Information Officer shall approve the project. (b) Project Implementation. – No State agency shall proceed with an information technology project that is subject to review and approval under subsection (a) of this section until the State CIO approves the project. If a project is not approved, the State CIO shall specify in writing to the agency the grounds for denying the approval. The State CIO shall provide this information to the agency within five business days of the denial. (c) Suspension of Approval. – The State Chief Information Officer may suspend the approval of any information technology project that does not continue to meet the applicable quality assurance standards. This authority extends to any information technology project that costs more than five hundred thousand dollars (\$500,000) to implement regardless of whether the project was originally subject to review and approval under subsection (a) of this section. If the State CIO suspends approval of a project, the State CIO shall specify in writing to the agency the grounds for suspending the approval. The State CIO shall provide this information to the agency within five business days of the suspension. The Office of Information Technology Services shall report any suspension immediately to the Office of the State Controller and the Office of State Budget and Management. The Office of State Budget and Management shall not allow any additional expenditure of funds for a project that is no longer approved by the State Chief Information Officer. Agency Request for Review. – In any instance where the State CIO has</p>	<p>The State CIO develops the State Information Technology Plan and has authority (session Law 2004-129) to review and approve all state IT projects that cost \$500,000 or more; projects that are denied have a dispute resolution process, which includes a review process with the State Comptroller, Budget, and Secretary of Administration. Agencies manage their own IT projects; however, they must identify an IT project manager who meets specific qualifications and who is subject to review and approval by the State CIO.</p>
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	<p>denied or suspended the approval of an information technology project, or has denied an agency's request for deviation pursuant to G.S. 147 33.84, the agency may request a committee review of the State CIO's decision. The agency shall submit a written request for review to the State Controller within 10 working days following the agency's receipt of the State CIO's written grounds for denial or suspension. The agency's request for review shall specify the grounds for its disagreement with the State CIO's determination. The agency shall include with its request for review a copy of the State CIO's written grounds for denial or suspension. (b) Review Process. – The review committee shall consist of the State Controller, the State Budget Officer, and the Secretary of Administration. The State Controller shall serve as the chair of the review committee. If the chair or one of the members of the review committee is an official of the agency that has requested the review, that person is deemed to have a conflict of interest and is ineligible to participate in the consideration of the matter, and the two remaining members of the review committee shall select an alternate official to serve as a member of the review committee for that specific matter.</p>	
<b>Pennsylvania</b>	<p>Legislative text on the IT budget process in Pennsylvania was not readily available online.</p>	<p>The central IT office reviews and approves all agency IT projects over \$100,000. The budget creation process is as follows: each agency's Secretary must approve and rank his or her agency's technology projects (by ROI, risk, with strategic business priorities and collaboration across agencies); then these ranked projects go to the appropriate Community of Practice (CoP), where they are discussed and prioritized. Once the CoPs rank the IT projects falling into their domain, the Enterprise IT Governance Board reviews the projects and makes funding decisions for the Governor's budget. <b>Office of Administration</b> Reviews, approves and negotiates all IT contracts. Its IT Contracts Office manages all IT procurements for agencies under the jurisdiction of</p>

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		the Governor and implements the IT consolidation effort in order to maximize the deployment of cost-effective quality IT services.
<b>Texas</b>	<p><b>Government Code, Title 10. General Government, Subtitle B. Information and Planning, Chapter 2054 Information Resources</b>  Sec. 2054.053. LEGISLATIVE BUDGET INSTRUCTIONS; APPROPRIATION REQUESTS.  (a) The department may identify, develop, and recommend to the Legislative Budget Board issues related to information resources management to be considered when developing the legislative budget instructions to state agencies. The department shall inform the Governor of issues that are recommended to the Legislative Budget Board under this subsection.  (b) At the request of a state agency, the department may assist the agency in the preparation of projects to be submitted as part of the agency's legislative appropriation request and may make recommendations on any proposed projects. The recommendations under this subsection apply to a project and not to a specific procurement or set of specifications.  Sec. 2054.008. CONTRACT NOTIFICATION. (a) In this section "major information system" includes:</p> <ol style="list-style-type: none"> <li>1. one or more computers that in the aggregate cost more than \$100,000;</li> <li>2. a service related to computers, including computer software, that costs more than \$100,000; and</li> <li>3. a telecommunications apparatus or device that serves as a voice, data, or video communications network for transmitting, switching, routing, multiplexing, modulating, amplifying, or receiving signals on the network and costs more than \$100,000.</li> </ol> <p>(b) A state agency shall provide written notice to the Legislative Budget Board of a contract for a major information system. The notice must be on a form prescribed by the</p>	<p>The State CIO advises agencies on their technology plans as requested and communicates information resources management issues to the Legislative Budget Board for incorporation into their budgetary advice to the agencies. Individual agencies are responsible for bringing their technology budgets to the Legislative Budget Board, which then submits them to the Legislature for review and appropriations. Further details about project approval is available in the Texas Project Delivery Framework.</p>

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	Legislative Budget Board and filed not later than the 10th day after the date the agency enters into the contract.	
<b>Virginia</b>	Legislative text on the IT budget process in Pennsylvania was not readily available online.	The State CIO reviews and can disapprove projects between \$100,000 and \$1 million that do not conform to the statewide information plan or to the individual plans of state agencies. He or she also reviews and approves all procurement solicitations involving major IT projects.