FY 07-08 Information Technology Budget Proposals

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Overview

UC Berkeley’s Chief Information Officer (CIO)/Associate Vice Chancellor for Information Technology (AVC-IT) Shel Waggener has asked that Information Technology (IT) proposals be submitted using a specified format in order to:

• Build upon last year’s Phase II IT proposal process,
• Ensure alignment with the campus-wide IT Strategic Plan (http://technology.berkeley.edu/planning/strategic), and
• Enable review by the Campus Technology Council (CTC), UC Berkeley’s new, consolidated IT governance structure.

Requests need to consider the relationship to the IT Strategic Plan, impact, risks, innovation, and a sustainable multi-year funding model.

The IT proposals will be evaluated and prioritized by the newly formed Campus Technology Council (CTC: http://technology.berkeley.edu/planning/ctc/). The CTC, chaired by CIO Waggener, consists of 10 Associate CIOs representing different campus constituencies. It is advisable for project sponsors to discuss proposals with their respective Associate CIO (http://technology.berkeley.edu/planning/ctc/associate-cios.html) before submitting. IT proposals will be submitted with the Control Unit budget submissions to the Campus Budget Office. The IT proposals first will be evaluated and prioritized by the newly formed CTC. CIO Waggener will discuss the CTC recommendations with the Chancellor, Executive Vice Chancellor and Provost, Vice Chancellor-Administration, and Associate Vice Chancellor-Budget and Resource Planning. The Chancellor will make final allocation decisions.

Process details – questions and answers

1. How do I determine if a budget proposal should go through the IT budget proposal process?

The CTC will review and prioritize IT budget proposals that meet or exceed the budget threshold described below and will be paying particular attention to proposals that cross organizational boundaries to deliver IT and/or to serve a significant percentage of the campus community. If you believe your proposal meets the following criteria, the defined IT format should be followed.
a. Budget:
   - More than 30% of the proposal’s expenses will be used for IT-related expenses, including hardware, software, and staffing and either
   - IT-related expenditures exceed $50,000 in initial costs or
   - IT-related expenditures exceed $300,000 over three years.

b. Impact:
   - More than 50% of one division/school/college/control unit is affected or
   - More than one division/school/college/control unit is affected.

2. Is it advisable to talk with the Associate CIO for my constituency while formulating the proposal?

   Yes, this is strongly advised.

   For a list of Associate CIOs, see http://technology.berkeley.edu/planning/ctc/associate-cios.html. For the CTC’s mission, see http://technology.berkeley.edu/planning/ctc/charge.html.

3. What do I have to prepare for the IT budget submission?

   There are two forms to fill out, both of which are explained in more detail below:

   a. A narrative form that includes background, alignment with the IT Strategic Plan, impact, risk assessment, innovation, and a description of the sustainable funding model detailed in the multi-year budget template.

      **This narrative should be no more than one to three pages.**

   b. A multi-year budget form to present the funding model for this proposal.

4. If I was funded for FY 06-07 and I’m requesting the same amount this year, do I need to submit a request since the Chancellor has indicated that next year’s funding will continue at the same level as this year’s?

   Yes, funding requests for FY 07-08, even for an activity that was funded by central campus in FY 06-07, must be submitted. The spreadsheet for IT requests has columns to indicate any FY 05-06/FY 06-07 funding so that an historical perspective can be seen. For the FY 07-08 column, please include all funding requested.

   **Note:** Priorities may have changed, impacting the level of funding requested
in either direction. Likewise, funding sources other than central campus may have been identified for FY 07-08 that could lower the amount of central campus funding needed in FY 07-08 over what was funding in FY 06-07. For these reasons, please be inclusive and indicate all funding requested.

5. Are there any examples of what this kind of proposal looks like?

For an illustrative example of an IT proposal submission using the two forms, see http://technology.berkeley.edu/planning/it-budget/fy-2007-08/.

Instructions for completing the two required forms

1. First, a narrative in MS Word that describes your proposal according to the criteria delineated below is required.
   
a. Alignment with IT Strategic Plan
   
   How does this proposal specifically support the IT Strategic Plan, e.g., how does it specifically address components of the six critical issues? See http://technology.berkeley.edu/planning/strategic/critical.html for a full description of the six critical issues.
   
b. Impact
   
   How many people/units/business processes/systems are impacted? Who/what are they? How are they impacted? What is the probable strategic impact in five to 10 years?
   
c. Risk assessment
   
   What are the major risks, consequences, and the probability of their occurrence, i.e., the failure or liability that could occur if this activity is not approved and/or funded? Risk may be assessed at various levels and in several areas. Also, address the criteria for and probability of success. See Appendix A below for examples.

   If another activity needs to be decreased or eliminated in order for resources to be available for the proposed activity, what are the risks and consequences involved in discontinuing or decreasing the other activity?
   
d. Innovation
   
   To what degree is the project innovative? Does it involve the exploration or study of the feasibility of a disruptive technology? If it does, please describe how.
   
e. Funding model
   
   Does the model for this project include life cycle funding? To what extent are the sponsoring unit funds, including matching funds, leveraged over the project life cycle? To what extent have internal funding trade-offs been considered? Is the funding model viable and sustainable?
What efficiencies or cost savings can be realized? If there are any, what is the proposed reinvestment plan for those resources?

2. Multi-year budget form in Excel to present the funding model for this proposal.

There are two pages to this form. The first is a formula-driven summary. NO DATA NEED BE ENTERED. The second is the detailed summary of expenses and funding that rolls up to the first page.

This form requests both historical data and projections – if the proposal activity has been active before FY 07-08 or will be active after FY 07-08.

- **Actual** expenses and funding for FY 05-06 are required, if applicable.
- For FY 06-07, **projected** expenses and funding are required, again if applicable.
- Then a three-year view, from FY 07-08 to FY 09-10, is required.
- If this is a one-year project proposal, then fill in only the FY 07-08 column.

Please include, wherever applicable, temporary/development and permanent/on-going expenses and funding. If the amount is zero (0) in any category, leave the cell blank.

Finally, differentiation between funding sources – the Control Unit, the department, other sources, and central campus – is requested. For all funding sources other than central campus, explanatory notes are expected.

The first tab on the file contains more notes about titles and labels on the spreadsheet found on the second tab.

**For more assistance**

Questions? Please contact Dianne Walker, Financial Planning and Technology Investment Services (FPTIS) in the Office of the CIO, dwalker@berkeley.edu, 3-0290.
Appendix A: Examples of risks to consider

Many of the examples come from considerations in previous proposals.

1. Regulatory requirements
   Is the activity designed to meet a new regulatory requirement? Is compliance jeopardized?

2. Dependencies or prerequisites
   How are other activities dependent on this project? Does this project serve as a prerequisite for current or future planned high priority projects?

3. Security
   How does this project affect campus network and system security? What is the risk of exposure of loss of sensitive data?

4. Alignment with campus IT architecture
   Does the proposed architecture propose any risks with respect to the campus IT architecture directions?

5. Success factors
   What is the probability of success? Have success criteria been developed, with projected milestones? What are the benchmarks for success, using what metrics?

6. Recruiting and retention (students, faculty, staff)
   What effect will this activity have on recruiting and retention?

7. Business resumption
   What is the risk associated with business resumption and the continuation of UCB’s continuation of students and their progress towards degrees as well as the continuation of research?

8. The University’s reputation
   How could this activity affect the University’s reputation in a positive or negative way?

9. Strategic advantage
   Will a tactical approach prevent or delay a strategic solution (e.g., building multiple front ends to a legacy system rather than replacing the system) and be a waste of time and money? How?
10. Old technology/new technology

What are the risks associated with supporting old technology? With adding new technology? Is the proposed technology solution sound?

11. Business Process Analysis

Will current insufficient understanding of data relationships and unsubstantiated business process assumptions result in longer and more costly systems implementations? How likely are misinterpretations of data due to non-standard definitions and unaligned data models?

12. University competition for research, gift, and/or endowment funding

How could this project (or lack of doing this project) influence the ability to compete for outside funding, either positively or negatively?

13. Meeting customer needs and expectations

Will system(s) collapse or degrade without enhancements? What would be the consequence? Would service level be limited? Would there be extended service outages due to database failures and uncoordinated or insufficient resumption planning?

14. Maintaining current contract commitments

Without funding, what is the effect on current commitments, such as contracts for support and maintenance? (e.g., non-payment could cause a breach of contract and could result in a voided contract.)

15. Funding priorities

If this project is a priority, what is the risk of moving funding from other activities to this one?

16. Skill sets needed

Are necessary skill sets available? If not, how may they be acquired within a reasonable time frame?