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# Quality Assurance Team

## Policy and Procedures Manual

Version 1.3 • 30 JUNE 2009



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## Version History

The Quality Assurance Team Policy and Procedures Manual is available on the QAT Web site.

Release Date	Version	Description
June 2009	1.3	Quality Assurance Team Policy and Procedures Manual revised. Updated Subprocess 2.2 – Define Monitoring Schedule to clarify under what conditions submission of the Monitoring Report ends. Updated Glossary to reflect legislative changes adopted in the 81st Legislative Session (2009). Updated Contact Information with current information.
August-2008	1.2	Quality Assurance Team Policy and Procedures Manual not revised.  Updated the following tool associated with the Policy and Procedures Manual: <ul style="list-style-type: none"><li>• Project Review Report to generalize Project Performance Status and provide description for QAT Action</li></ul>
April-2008	1.1	Quality Assurance Team Policy and Procedures Manual revised. Updated Manual Overview and Process Overview to clarify which information resources projects are addressed. Updated Manual Overview to include reference to Texas Administrative Code for project management practices. Updated Table of Content process names to coincide with graphical process names and identifiers. Updated QAT Actions to correct reference to Appendix C for the Corrective Action Plan. Updated Policy Statements to clarify project accountability for projects involving procurement. Updated Select Projects to clarify non-monitored projects must still adhere to Framework requirements. Updated Assess Project Performance to remove references to Project Plan and four separate plans (tools). Updated Project Review Meetings to clarify identification of meeting participants. Updated Glossary to correct reference to CAT members. Updated Contact Information with current information. Added new appendix for agency requirements.  Updated the following tool associated with the Policy and Procedures Manual: <ul style="list-style-type: none"><li>• Project Review Agenda to identify participants as requested by QAT</li></ul>
October-2007	1.0	Quality Assurance Team Policy and Procedures Manual released and superseded the Quality Assurance Review Guide for Major Information Resources Projects.
November-1996	1.0	Quality Assurance Review Guide for Major Information Resources Projects released and superseded the Guidelines for Quality Assurance Review.
February-1994	2.9	Guidelines for Quality Assurance Review released.

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## Preface

The 73rd Legislature (1993) enacted Article V, Section 133 of the General Appropriations Act. This Act established the Quality Assurance Team (QAT) comprised of representatives from the Legislative Budget Board (LBB) Office, the State Auditor's Office (SAO), and the Department of Information Resources (DIR) to approve and review major information resources projects. Approving agency expenditures for major information resources projects has an effect on SAO's compliance with certain auditing standards. Therefore, SAO delegates to the LBB voting authority on any decisions by the QAT to approve or not approve the expenditure of appropriated funds.

The 74th Legislature (1995) continued emphasis on quality assurance by including an Article IX rider in the General Appropriations Act that established a quality assurance review process that must be followed for all major information resources projects.

The LBB, SAO, and DIR adopted a charter that represents a common understanding of the authority and responsibilities of QAT. The QAT Charter is the basis for determining and fulfilling all actions executed by the QAT. Refer to the QAT Charter for additional information about QAT purpose, organization, roles, and responsibilities.

QAT, responsible for implementation of quality assurance review in Texas, continuously seeks to improve its processes. A publication, entitled *Guidelines for Quality Assurance Review*, was first issued to state agencies and universities in February 1994 to support the legislation enacted in the 73rd Legislative Session. A publication, entitled *Quality Assurance Review Guide for Major Information Resources Projects (Guide)*, superseded the *Guidelines for Quality Assurance Review* in November 1996 in entirety. The *Guide* represented the extension of the legislation directing statewide quality assurance review of major information resources projects.

Based on further experience with quality assurance review since 1994, QAT published this *Policy and Procedures Manual* in 2007, which superseded the *Guide* in entirety. This *QAT Policy and Procedures Manual* maintains the same intent of the *Guide*—clarifying QAT processes—by extending definition and description of all QAT policies and procedures.

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# 1.0 Introduction

## 1.1 Manual Overview

The QAT Policy and Procedures Manual (Manual) presents the entire scope of QAT processes and represents the structure by which QAT currently conducts standard quality assurance review. The Manual is not intended to replace, convey, or endorse specific project delivery methodologies and standards. As an extension to the QAT Charter, the Manual is revised continuously to complement the QAT Charter and to reflect current QAT processes established in response to legislative direction for the state of Texas.

The primary purpose of this Manual is to describe policy and procedures as established by the QAT. The Manual can also be used by agencies (state agencies and higher education institutions) as a basis for definition and implementation of internal practices that are impacted by QAT processes. Separate sources of information as follows should be used with the Manual for further clarification on topics, processes, and referenced documents that are outside the scope of QAT.

Source	Location
Texas Legislative Process	<a href="http://www.lbb.state.tx.us/Budget/TwoYearBudgetCycle_Graphic_0706.pdf">http://www.lbb.state.tx.us/Budget/TwoYearBudgetCycle_Graphic_0706.pdf</a>
Information Technology Detail	<a href="http://www.lbb.state.tx.us/ITD/ITD_Manual.pdf">http://www.lbb.state.tx.us/ITD/ITD_Manual.pdf</a>
Texas Project Delivery Framework	<a href="http://www.dir.state.tx.us/pubs/framework/index.htm">http://www.dir.state.tx.us/pubs/framework/index.htm</a>
Contract Advisory Team	<a href="http://www.cpa.state.tx.us/procurement/res/CAT/">http://www.cpa.state.tx.us/procurement/res/CAT/</a>
Project Management Practices (Texas Administrative Code §216)	<a href="http://www.dir.state.tx.us/projectdelivery/projectmgmt/index.htm">http://www.dir.state.tx.us/projectdelivery/projectmgmt/index.htm</a>

The Manual is organized by section to correspond with progression of quality assurance review processes throughout a project's life cycle. First, basic information for understanding QAT processes collectively is introduced, including a quality assurance review graphic. Second, QAT policy statements for application to agency project management practices are identified. Third, information for each major quality assurance review process is described in further detail. Overall, the Manual is organized as follows:

Section	Purpose
Introduction Process Overview	Provides foundational information and terminology for understanding QAT processes
Data Overview	Describes data methods and sources used by the QAT
Policy Statements	Identifies essential practices believed necessary by the QAT for successful delivery of information resources projects
Update State Project Portfolio	Describes how QAT maintains a single view of projects delivered in the state
Monitor Projects	Describes how and when QAT monitors projects

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Section	Purpose
Verify Projects	Describes how and when QAT verifies projects
Conduct Project Reviews	Describes how and when QAT reviews projects
Report on State Project Portfolio	Describes how QAT reports on projects delivered in the state
QAT Actions	Describes steps QAT will execute in response to findings
Appendices	
Project Flow	Depicts flow of a project throughout quality assurance review
Quick Reference	Depicts quality assurance review processes in a single graphic
Tools	Identifies quality assurance review tools
Service Levels	Identifies QAT service commitments
Agency Requirements	Identifies agency actions based on internal practices that are impacted by QAT processes
Glossary	Describes terminology
Frequently Asked Questions	Provides questions frequently asked about quality assurance review
Contact Information	Identifies contact information

## 1.2 Process Overview

The quality assurance review process supports the primary purpose of the QAT, which is to review the status of major information resources projects and to make recommendations to the legislature to reduce risk of project overruns and failures. QAT defines project risk as the likelihood that a project will not deliver a quality solution based on the schedule, budget, and scope commitments made to state leadership. QAT conducts quality assurance review for projects designated as major information resources projects (part A) and other projects as identified by QAT (part B) as a result of the definition. A major information resources project, as defined in Texas Government Code §2054.003 (10), is:

- (A) any information resources technology project identified in a state agency's biennial operating plan whose development costs exceed \$1 million and that:
  - (i) requires one year or longer to reach operations status;
  - (ii) involves more than one state agency; or
  - (iii) substantially alters work methods of state agency personnel or the delivery of services to clients; and
- (B) any information resources technology project designated by the legislature in the General Appropriations Act as a major information resources project

QAT defines quality assurance review as continual assessment of overall project performance to determine whether the project satisfies quality standards. QAT defines project performance as the accomplishment of work based on effective integration of scope, schedule, and budget.

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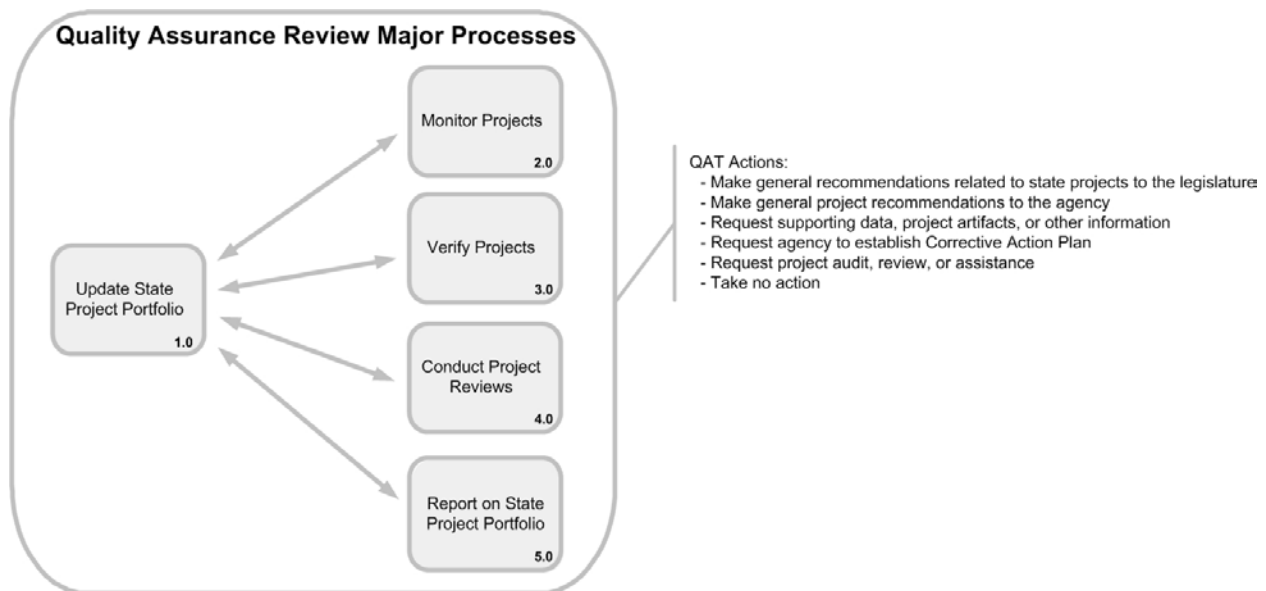
Effective control of a project's scope, schedule, and budget is fundamental to achieving a quality project. Quality assurance review comprises an entire suite of processes that include:

Process	Description
Update state project portfolio	Organization and tracking of a series of agency projects into a single portfolio
Monitor projects	Ongoing observation of projects by collecting data and using the data to assess project performance
Verify projects	Assessment of a project's ability to deliver results compared to the initial anticipated benefits
Conduct project reviews	Scheduled meetings with the agency to validate QAT analysis of project data
Report on state project portfolio	Compilation of summarized information that represents QAT opinion of the current status and performance of projects

Quality assurance review does not involve QAT functioning as a statewide project management office with responsibility for management and success of projects. When necessary, QAT takes different actions throughout quality assurance review to help reduce project risk. Refer to the QAT Actions section for more details. Possible QAT Actions are:

QAT Action	Description
Make legislative recommendations	Make general recommendations related to state projects to the legislature
Make project recommendations	Make general project recommendations to the agency
Request project information	Request supporting data, project artifacts, or other information
Request Corrective Action Plan	Request agency to establish a project Corrective Action Plan
Request project audit or assistance	Request SAO to audit or review the project, or Comptroller of Public Accounts to provide project cost verification
Take no action	Make no project recommendations or initiate any requests

Appendix A presents quality assurance review from the perspective of a project flow. The following high-level graphical view presents quality assurance review from the perspective of major processes, including a notation for each. Each notated major process expands and describes subprocesses in further detail as a section of this Manual. Refer to the Quality Assurance Review Process Quick Reference, Appendix B, to see major processes and subprocesses in a single graphical view.



### 1.3 Data Overview

QAT focuses on gathering and verifying project data from multiple sources. Although this Manual describes specific types and sources of data used by the QAT, QAT may request any supporting data, project artifacts, or other information from agencies at any time.

Data sources may include project deliverables submitted by agencies, project review results, Information Technology Details (ITDs) submitted with the Legislative Appropriations Request (LAR), Biennial Operating Plans (BOPs), Corrective Action Plans, SAO audit results, and other data sources as defined by QAT.

QAT data comes primarily from Texas Project Delivery Framework (Framework) deliverables submitted by agencies to QAT. The Framework captures a common set of project delivery data, and presents this data to agency and state leadership in such a way that project performance can be monitored based on uniform statewide quality standards and business needs.

QAT maintains and uses an application to store and access data. The QAT application includes a repository with analytic, reporting, and administrative capabilities.

## 2.0 Policy Statements

QAT identifies and promotes a set of policy statements to guide successful delivery of information resources projects. The policy statements describe essential and foundational practices that, when acted upon effectively, will improve project performance and reduce project risk. In addition, QAT uses the following policy statements as a basis for performing quality assurance review:

### 1. Initiate projects that solve a business problem

Projects must deliver solutions that satisfy actual business needs and enhance an agency's ability to achieve its core mission. Information resources projects defined with "business process reengineering" or "technology migration" as the desired business outcome tend to



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have high project risk. Technology and process improvement changes should relate directly to enhancing business operations, thereby enabling measurement, control, and determination of project performance in terms of solving a business problem.

**2. Blend contracting practices with project management practices**

For projects involving procurement, practices used to award and administer contracts must be highly integrated with project management practices. Contract requirements, provisions, and stipulations as awarded are managed to closure from both a contract and technology perspective, regardless of whether the vendor-agency relationship was established for business process outsourcing or systems development only. Contracts must be written to comprehensively protect the interest of the state and agency, and must be managed seamlessly while project management is executed.

**3. Initiate projects with a manageable project schedule and scope**

Establishing a manageable project schedule and scope are key indicators for predicting the likelihood of successfully delivering a project. Since the state of Texas operates legislatively on a biennium basis, defining a project scope that is achievable within a two-year period aligns the project with legislative oversight, reduces the overall complexity of the project, enables incremental implementation based on discrete and standalone sets of deliverables, and reduces project risk.

**4. Meet, do not exceed, scope and quality expectations**

Projects are considered successful if they are completed on time, on budget, and meet project scope/quality requirements and specifications. Providing extra scope or quality, also referred to as gold plating, is a key indicator that project scope and quality expectations were poorly defined in terms of actual business needs. Project commitments should be met, thereby increasing the focus on delivering what was expected. Consider scope or quality process improvement during future efforts.

**5. Retain project accountability for projects involving procurement**

Project accountability to the state rests with the agency and not vendors contracted to assist with delivering products and/or services. Projects involving procurement must be planned and managed based on practices that promote agency ownership of project success and outcomes. First, agencies must ensure clear and concise high-level definition of project scope before pursuing procurement as an option for project delivery, allowing a better focus on business needs regardless of a technology solution.

Second, if a project manager is contracted to provide project management services, the project manager must report to an agency stakeholder who is accountable for project success and outcomes. The project manager must not have a relationship or conflict of interest with the vendor responsible for delivering products and/or services for the project. Industry best practices promote the project manager as having primary responsibility for the

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success or failure of projects. Project managers accomplish goals with help from project sponsors, the project team, management, and other stakeholders, one of which is the vendor.

**6. Complement use of the Framework with comprehensive project management practices**

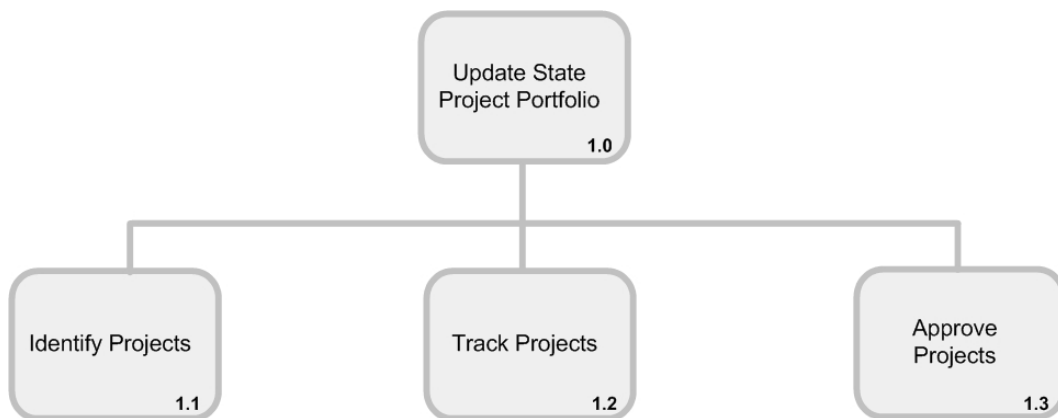
The Framework provides guidance and tools, not a specific methodology for project management. Agencies must define project and/or portfolio management methodologies to supplement use of the Framework. Processes critical for project success, such as establishing and following change control and risk management processes, must be implemented. Agencies must develop and use methods to control and measure project performance (schedule, budget, and scope) to limit unnecessary changes, and to balance tradeoffs among competing performance factors.

**7. Fully adopt a project life cycle approach**

Projects must clearly define and adopt a project life cycle for use throughout project delivery from beginning to end, thereby providing a comprehensive, organized, and focused approach to resource commitment and usage. A project life cycle is a collection of phases. A project phase is a collection of logically related project activities usually culminating in the completion of a major deliverable. One or more project management life cycles can be used essentially for any project life cycle and relate more to “how” the project will be accomplished. The project life cycle relates more to “what” needs to be done to produce the product. For example, before a project is implemented, establishing a project life cycle comprising specification, design, build, and deploy phases is the basis for project schedule, budget, and scope commitments.

## 3.0 Process 1.0 – Update State Project Portfolio

QAT maintains the state's project portfolio, which is a single view of all agency projects that meet the threshold for a major information resources project. Updating the state's project portfolio comprises ongoing project identification, tracking, and project approval, as illustrated below.



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### 3.1 Subprocess 1.1 – Identify Projects

QAT identifies projects for inclusion in the state's project portfolio from various sources based on submission requirements for different deliverables. Agencies designate projects in the ITD. Agencies submit Business Case and Statewide Impact Analysis project deliverables to the QAT for each major information resources project identified when the ITD is submitted, and through BOP amendments. The Contract Advisory Team (CAT) may notify QAT of a major contract (contract that exceeds \$1 million) that may be associated with a major information resources project. Regardless of the source, QAT acknowledges identification and addition of a project to the state's project portfolio via email or letter to the agency.

In addition, an information resources project involving a major contract may or may not meet the threshold for a major information resources project. The Framework is required for both major contracts and major information resources projects. QAT, however, identifies only major information resources projects for inclusion in the state's project portfolio based on statutory authority.

### 3.2 Subprocess 1.2 – Track Projects

QAT tracks specific information for projects included in the state's project portfolio. At a minimum, QAT tracks a quality assurance review status and a quality assurance review project risk for each project.

QAT assigns and maintains a quality assurance review status, which reflects QAT assignment of the project's state throughout quality assurance review. A review status is first assigned when a project is included in the state's project portfolio. A review status is not synonymous with project status. Possible review statuses are:

Review Status	Description
Justification (default)	Initial state when a project is first identified for inclusion in the state's project portfolio
Approved	State of an approved project
Unapproved	State of an unapproved project
Waived	State of an approved project not selected for project monitoring
Monitored	State of an approved project selected for project monitoring
Hold	State of a monitored project placed on hold as communicated by the agency and confirmed by the QAT
Closed	State of a closed monitored project as communicated by the agency and confirmed by the QAT
Cancelled	State of a cancelled monitored project as communicated by the agency and confirmed by the QAT
Complete	State of a project after all quality assurance review requirements are satisfied and project is removed from the state's project portfolio

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An agency must communicate a change in the status of a project to QAT when a project is placed on hold, closed, or cancelled. QAT then confirms the change and assigns the appropriate review status.

QAT assigns and maintains a review project risk for each project based on analysis of various sources of project information. A review project risk indicates QAT's assessment of the project's risk factors and is first assigned when a project is approved. A review project risk is tracked throughout the quality assurance review life cycle and is indicated as:

Review Project Risk	Description
High	Major risk factors impact the likelihood the project will not deliver a quality solution based on the estimated schedule, budget, and scope
Medium	Moderate risk factors impact the likelihood the project will not deliver a quality solution based on the estimated schedule, budget, and scope
Low	Minimal risk factors impact the likelihood the project will not deliver a quality solution based on the estimated schedule, budget, and scope

### 3.3 Subprocess 1.3 – Approve Projects

QAT reviews and analyzes a project's risk to determine whether to approve the project before the agency expends funds. Projects are approved based primarily on analysis of the Business Case, with a specific focus on the identified initial risk considerations. Other sources of information, such as the Statewide Impact Analysis and Biennial Operating Plan, are used as supporting information for project approval.

QAT evaluates project information, including the Business Case, using the Business Case Evaluation tool identified in Appendix C. QAT defines evaluating as assessing project deliverables and other sources of project information to identify missing data and determine the clarity of content, gauge the level of risk to which the project may be subject, determine the current performance, and assess the progress of the project.

QAT assigns a review project risk to each project based on evaluation of the various sources of project information, including the Business Case Evaluation tool results and findings. The review project risk is used to approve projects.

Although projects approved by QAT typically match projects approved by the LBB, the QAT may make general project recommendations to the agency or legislature before the project is approved based on the assigned review project risk. These project recommendations are based on QAT's impact analysis of changes resulting from the legislative process. Legislatures may have made changes to the funding and scope of projects submitted in the ITD. For example, funding may have been appropriated for only 50% of the agency's requested amount. Reduced funding would have a definite impact on the proposed project scope and would require rescoping.

QAT communicates approval of the project to the agency via letter no later than September 1 following the legislative session for those projects identified in the BOP. QAT approval of projects occurs after LBB approval of projects as identified in the BOP. QAT also communicates approval

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of a project within 30 calendar days from when a BOP amendment is approved by the LBB and the project is therefore identified for inclusion in the state's project portfolio.

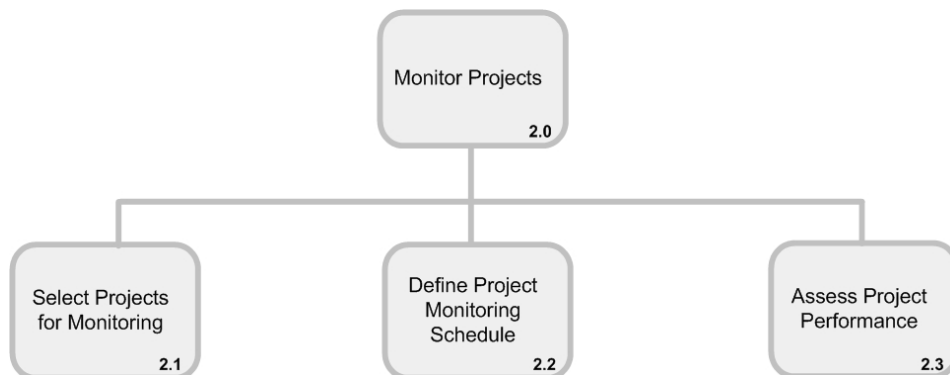
## 4.0 Process 2.0 – Monitor Projects

QAT continually monitors certain projects by collecting data and using the data to assess project performance once the project is initiated. Project monitoring comprises selection of projects for monitoring, definition of a monitoring schedule, and ongoing assessment of project performance, as illustrated below.

Projects are monitored once a project is approved by the QAT, regardless of when and if a project is initiated. Essentially, QAT monitors approved projects not yet initiated to assess status and expenditure of funds. Once initiated, project performance is monitored for the entire project life cycle through closure, regardless of the reason for closure.

During monitoring, QAT takes action based on factors such as the current review project risk, and project performance issues and risks. QAT notifies the agency via email or letter of QAT Actions when necessary.

During monitoring, projects may have a review status of monitored, on hold, closed, or cancelled. A project may have been chosen for monitoring by the QAT and the agency later determined the project should be on hold, closed, or cancelled. QAT confirms the agency's determination and acknowledges a change of review status for monitoring via email or letter to the agency.



### 4.1 Subprocess 2.1 – Select Projects

QAT selects which projects will be monitored when new projects are approved after inclusion in the state's project portfolio. Projects not selected for monitoring are assigned a review status of waived. Projects previously selected for monitoring that span biennia continue to be monitored without reselection. Projects not selected for monitoring must still adhere to Framework requirements.

QAT analyzes various sources of project information, such as the Business Case, Statewide Impact Analysis, and BOP, to determine whether the project is monitored. Projects are selected based on factors such as the review project risk assigned during project approval, legislative direction, and project type and size.

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## 4.2 Subprocess 2.2 – Define Monitoring Schedule

Once a project is selected for monitoring, QAT defines a monitoring schedule for the project. The monitoring schedule provides the reporting frequency for Monitoring Report submission and any other information requested by the QAT. Agencies submit a Monitoring Report and other requested information to the QAT based on the reporting frequency. The reporting frequency may be monthly, quarterly, every two months, every six months, or some other schedule as determined by the QAT. QAT determines and may change the reporting frequency based on factors such as the review project risk assigned during project approval, technology implications, and project type and size.

Agencies continue to submit a Monitoring Report per the monitoring schedule for the entire project life cycle through closure, regardless of the reason for closure. Based on project closure, a Monitoring Report is no longer required but must be submitted until information included in the report does not change. For example, total cost expended on the project may change following project closure, so submission of the Monitoring Report may still be necessary.

QAT communicates the monitoring schedule for a selected project to the agency via letter no later than October 1 following the legislative session for those projects approved in the BOP. QAT also communicates the monitoring schedule for a selected project within 30 calendar days from when the project is approved following amendment to a BOP.

## 4.3 Subprocess 2.3 – Assess Project Performance

QAT continually assesses project performance to help projects have the means to achieve the stated outcomes. Project performance assessment is also intended to aid the agency in identifying areas of high risk and possible failure points for projects.

As part of an *initial* project performance assessment, QAT first evaluates project planning information using the Initial Project Assessment Evaluation tool identified in Appendix C. Agencies submit a Project Plan before spending more than 10% of project funds or issuing a solicitation. Agencies also submit an Acquisition Plan during planning and implementation before issuing a solicitation. Agencies use internal methods to track and determine whether the 10% threshold is satisfied. QAT evaluates project cost information and collaborates with CAT and the Comptroller of Public Accounts to monitor proper submission of Project Plans and Acquisition Plans.

As part of *continual* project performance assessment, QAT evaluates current project information, including submitted Monitoring Reports, using the Continual Project Assessment Evaluation tool identified in Appendix C. During continual assessment, QAT reassigns a review project risk to each project based on analysis of various sources of project information, including the Continual Project Assessment Evaluation tool results and findings. QAT analyzes the effectiveness of scope, schedule, and budget control, which is fundamental to achieving a quality project. QAT recognizes that understanding and managing the interrelationship of these three elements largely depends on agency monitoring and control of project risks.

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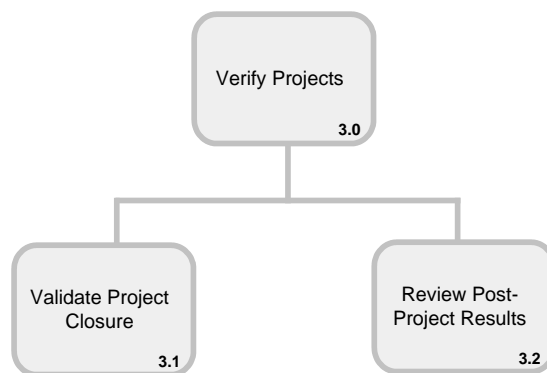
QAT also evaluates contract information to monitor contract amendment and change order changes during continual assessment of project performance. Agencies use internal methods to obtain agency head approval of amendments or change orders that change the monetary value of the contract by more than 10% of the initial contract amount or significantly change the contract completion date, including use of the Contract Amendment and Change Order Approval tool. Agencies notify the QAT when a 10% or greater change occurs via letter and submission of the Contract Amendment and Change Order Approval. QAT determines the extent of a “significant” change to the contract completion date on a project-by-project basis based on project size, scope, and schedule.

In addition, for contracts having a total value in excess of \$1 million, an amendment to the contract that changes the total value of the contract or any element of the contract by more than 10% of the total value of the contract requires QAT approval. QAT communicates approval of the amendment via letter. Without this approval, the contract is invalid.

## 5.0 Process 3.0 – Verify Projects

Project verification comprises validation of closure and review of post-project results, as illustrated below.

During project verification, QAT takes action based on factors such as the current review project risk, and project verification issues and risks. QAT notifies the agency via email or letter of QAT Actions when necessary.



### 5.1 Subprocess 3.1 – Validate Project Closure

QAT validates project closure based on analysis of various sources of information, including a specific focus on the planned project life cycle described in the Project Plan. QAT may request an agency to provide factual and objective proof of closure, such as demonstration of system functionality or signed project artifacts. QAT establishes the validity of the agency’s interpretation of full project closure based on current project evidence.

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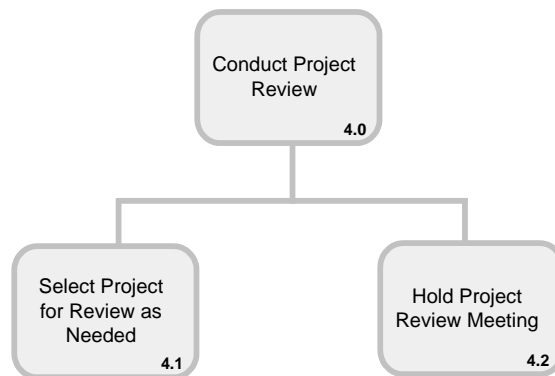
## 5.2 Subprocess 3.2 – Review Post-Project Results

QAT reviews project results following project closure. Agencies submit a Post-Implementation Review of Business Outcomes within six months after project closure. QAT reviews project information, including the Post-Implementation Review of Business Outcomes, using the Post-Project Evaluation tool identified in the Appendix C.

QAT acknowledges exclusion of a project from the state's project portfolio via email or letter to the agency, indicating all quality assurance review requirements are satisfied. Acknowledgement occurs following QAT completion of a post-project review.

## 6.0 Process 4.0 – Conduct Project Reviews

QAT conducts project reviews as needed. Project reviews are scheduled meetings with the agency held to specifically validate QAT analysis of project data from various sources. Project reviews establish formal contact with agency project teams and help to identify issues and risks that are unknown to QAT. Conducting project reviews comprises selection of projects for review and holding project review meetings, as illustrated below.



### 6.1 Subprocess 4.1 – Select Projects for Review

QAT selects projects for review as needed based on project performance or issues identified during monitoring. QAT may schedule one or more project review meetings for a project. QAT notifies the agency when a project has been selected for review by initiating a project review meeting.

### 6.2 Subprocess 4.2 – Hold Project Review Meetings

QAT coordinates with each agency to schedule a project review meeting. QAT prepares and forwards a meeting agenda to the agency using the Project Review Agenda tool identified in Appendix C. The Project Review Agenda identifies whether the meeting will be held on-site at a location determined by the agency or off-site at a location determined by the QAT. QAT uses the Project Review Agenda as a standard agenda for all project reviews, requesting additional information on a project-by-project basis as needed. The agency uses the Project Review Agenda to anticipate, prepare, and address specific agenda items.



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QAT and the agency determine who will attend the project review meeting. Attendees may include agency and contractor project personnel, subject matter experts, project sponsors, executive leadership, and other stakeholders.

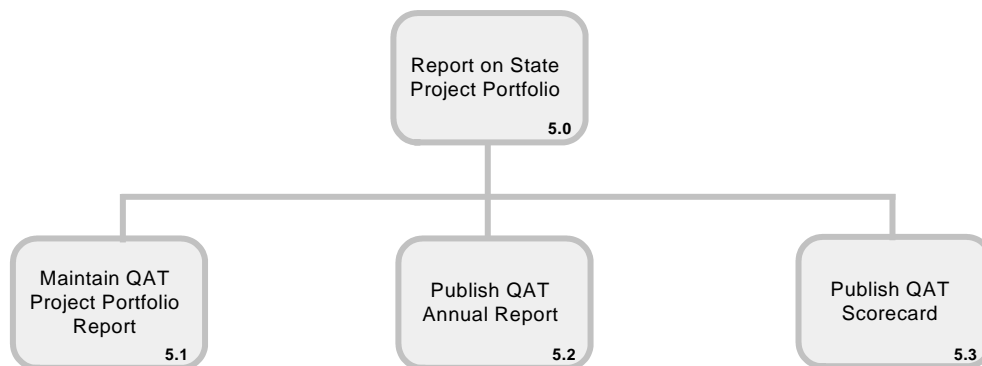
QAT documents project review results and findings using the Project Review Report tool in Appendix C. The Project Review Report summarizes project performance and any Monitoring Report discrepancies. QAT uses the Project Review Report as a standard report for all project reviews, providing additional information on a project-by-project basis as needed.

QAT also documents QAT Actions in the Project Review Report. QAT takes action based on factors such as the current review project risk, and project performance issues and risks. QAT notifies the agency via email or letter of QAT Actions when necessary.

## 7.0 Process 5.0 – Report on State Project Portfolio

QAT reports on the state's project portfolio. Reporting is a compilation of summarized information that represents QAT opinion of the current state and performance of projects for different purposes. Certain reporting is required by the legislature and certain reporting is necessary for effective quality assurance review. State project portfolio reporting comprises maintaining a QAT project portfolio report, publishing a QAT Annual Report, and publishing a QAT scorecard, as illustrated below.

While reporting on the state's project portfolio, QAT takes action based on factors such as the current review project risk, and project performance issues and risks. QAT notifies the agency via email or letter of QAT Actions when necessary.



### 7.1 Subprocess 5.1 – Maintain Project Portfolio Report

QAT maintains a QAT Project Portfolio Report as a baseline of projects included in the state's project portfolio. Although various reports are used by QAT, the QAT Project Portfolio Report is critical to quality assurance review. The Report provides a current snapshot of project information, useful for understanding the status of projects as they progress through the quality assurance review life cycle.

At a minimum, QAT continually tracks the following information provided in the Report:

- 
- Project Name
  - Agency Name
  - Review Status
  - Review Project Risk
  - Initial Project Costs
  - Other data as defined by QAT

## **7.2 Subprocess 5.2 – Publish Annual Report**

QAT publishes an annual report by December 1 of each year. The QAT Annual Report summarizes trends based on issues identified with the state's project portfolio. The Report presents a summarized status of projects, including QAT assignment of project risk, estimated total project costs, expended total project costs, and other information.

QAT submits the QAT Annual Report to state leadership and archives for future reference. Before publishing, QAT collaborates with agencies to resolve reporting anomalies and allow agencies to respond to requests for additional information or clarification.

## **7.3 Subprocess 5.3 – Publish Scorecard**

QAT plans to publish a scorecard on the QAT Web site as a summary of project performance for monitored projects for the preceding quarter. QAT uses various sources of project information, such as the Monitoring Reports, Project Review Reports, and the BOP, to produce the scorecard.

QAT plans to publish the scorecard 30 days after the end of each quarter to allow QAT to resolve reporting anomalies, and allow agencies to respond to requests for additional information or clarification before publishing.

More scorecard information will be provided in a future iteration of this Manual.

# **8.0 QAT Actions**

Throughout quality assurance review, QAT makes decisions regarding which steps should be executed by QAT in response to findings. Descriptions of each QAT Action follow:

### Make legislative recommendations

QAT may identify and communicate general recommendations related to state projects directly to the legislature. While the agency retains responsibility for project management and success, QAT may provide recommendations to enhance the agency's ability to satisfy commitments made to state leadership. For example, QAT may recommend that the legislature review initial project commitments and provide agency feedback, thereby establishing clearer project goals and expectations.

### Make project recommendations

QAT may identify and communicate general project recommendations directly to the agency. While the agency retains responsibility for project management and success, QAT may pinpoint recommendations to reduce project risks. For example, QAT may recommend that the agency

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consider additional project phases, thereby establishing a manageable project schedule and scope for each phase.

#### Request project information

QAT may request additional information (e.g., supporting data, project artifacts) to perform a more comprehensive analysis of current project data. For example, although an agency has already submitted a Project Plan, QAT may request an updated version to better understand a revised project scope.

#### Request Corrective Action Plan

QAT may request the agency to develop, submit, and act upon a Corrective Action Plan. Agencies may use the Corrective Action Plan tool identified in Appendix C. Once an agency establishes and submits the Corrective Action Plan, QAT uses those plans to further evaluate the project as part of quality assurance review. For example, QAT may use the Corrective Action Plan as a basis for project reviews.

#### Request project audit or assistance

QAT may specifically request SAO to perform independent audits, reviews, and non-audit services at the request and on behalf of the QAT. SAO provides input to QAT from an independent advisory perspective, inviting LBB and DIR to participate as needed. SAO performs the audit or review based on SAO policies, procedures, and practices that are outside the scope of QAT policies, procedures, and practices. Separate and distinct from QAT project reviews, execution of these services requires SAO to maintain a neutral role as a member of QAT. For example, during an SAO audit or review, which may include participation by DIR or the LBB, SAO represents SAO (independent of QAT); and during a QAT project review, SAO participates as a member of QAT.

QAT may also specifically request the Comptroller of Public Accounts to verify the accuracy of project cost information provided by state agencies and to determine an agency's compliance with quality assurance review from a financial perspective. For example, QAT may request the Comptroller of Public Accounts to provide vendor expenditures for a project.

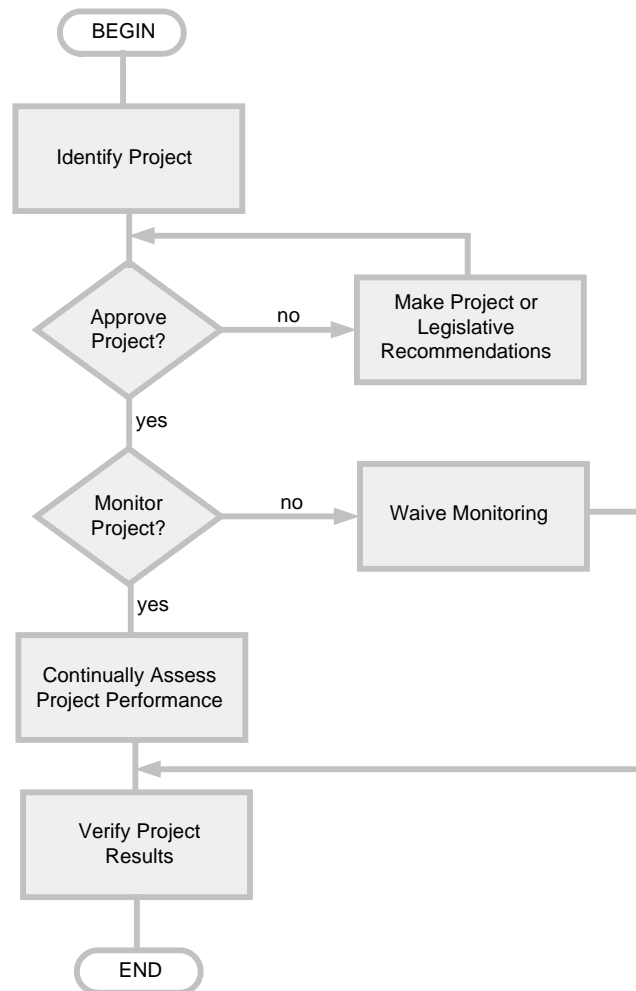
#### Take no action

QAT may deliberately not take action such as initiating a request for additional project information or making project recommendations to the agency. For example, although a project is experiencing turnover of key resources, QAT may determine the project has satisfactory risk management plans and will take no further action while continuing to monitor the project.

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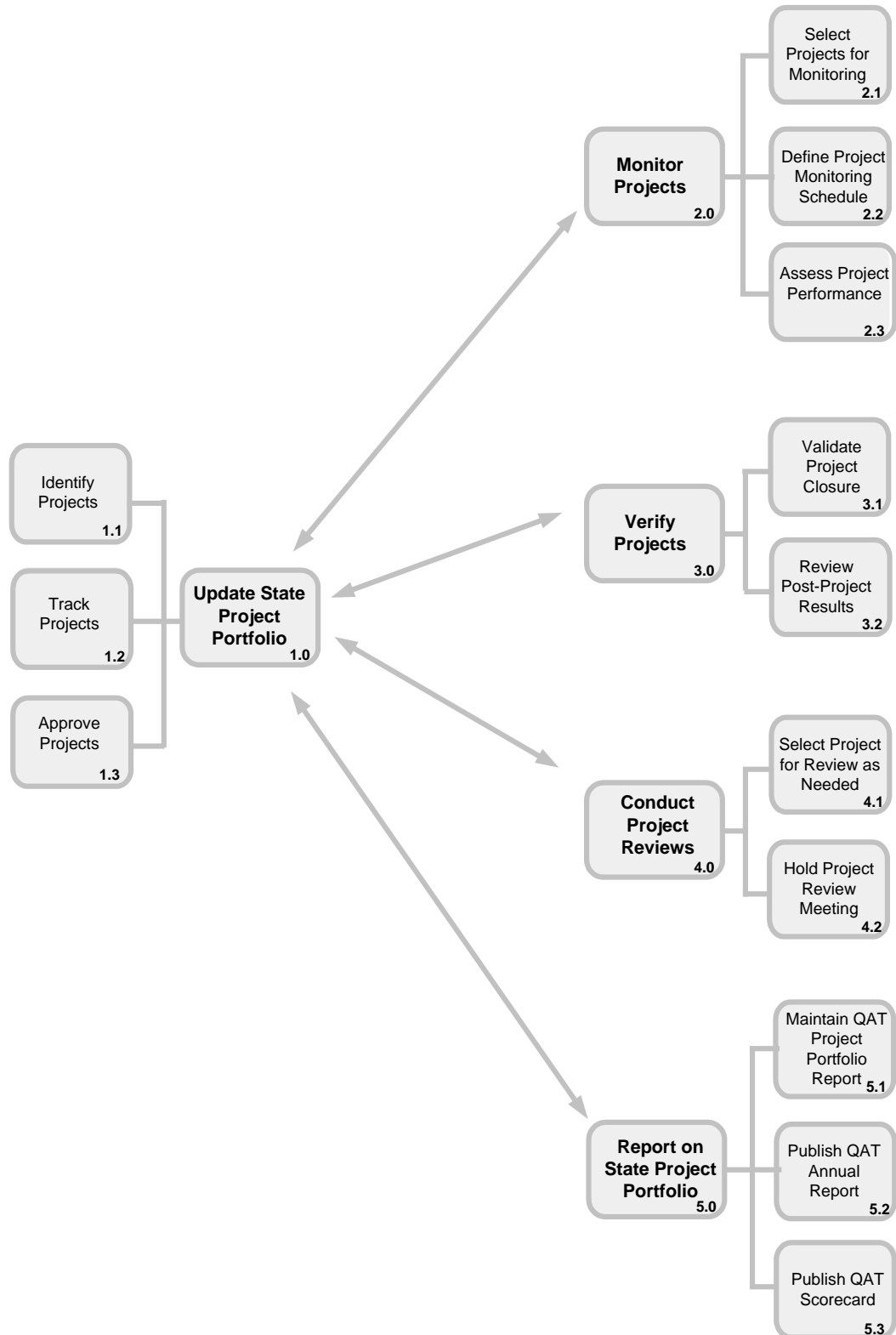
## Appendix A – QA Review Project Flow

The following graphic depicts quality assurance review from the perspective of a *project flow*.



## Appendix B – QA Review Process Quick Reference

The following graphic depicts major processes and subprocesses for quality assurance review in a single representation. The graphic is available as a separate tool on the QAT Web site.



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## Appendix C – Tools

The following tools are used during quality assurance review either by the agency or QAT. Current versions, as associated with the current version of the Manual, are identified. The tools are available at <http://qat.state.tx.us/pubs.htm>.

Tool Name	Version	Used By
Quality Assurance Review Process Quick Reference	1.0	agency
Business Case Evaluation	1.0	QAT
Initial Project Assessment Evaluation	1.0	QAT
Continual Project Assessment Evaluation	1.0	QAT
Post-Project Evaluation	1.0	QAT
Project Review Agenda	1.1	QAT, agency
Project Review Report	1.1	QAT
Corrective Action Plan	1.0	agency

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## Appendix D – Service Levels

QAT commits to the following services:

Service	Commitment
Project Identification	Notifies
Project Approval	Notifies: <ul style="list-style-type: none"><li>• No later than September 1 following a legislative session for BOP projects</li><li>• Within 30 calendar days from when a BOP amendment is approved</li></ul>
QAT Action	Notifies when applicable
Review Status	Notifies to confirm agency's determination of a project status change
Monitoring Selection	Notifies: <ul style="list-style-type: none"><li>• No later than October 1 following a legislative session for approved BOP projects</li><li>• Within 30 calendar days from approval of a project following BOP amendment</li></ul>
Contract Amendment Approval	Notifies
Project Exclusion	Notifies
Project Review	Notifies

## Appendix E – Agency Requirements

The following identifies agency actions based on internal practices that are impacted by QAT processes:

Major QAT Process / Action	Agency Action
Update State Project Portfolio	<p>Designate projects in the Information Technology Detail</p> <p>Submit Business Case and Statewide Impact Analysis deliverables for each major information resources project identified when the ITD is submitted, and through BOP amendments</p> <p>Communicate if a project is placed on hold</p> <p>Communicate if a project is closed</p> <p>Communicate if a project is cancelled</p>
Monitor Projects	<p>Communicate if a project is placed on hold</p> <p>Communicate if a project is closed</p> <p>Communicate if a project is cancelled</p> <p>Submit a Monitoring Report and other requested information based on the reporting frequency</p> <p>Submit a Project Plan before spending more than 10% of project funds or issuing a solicitation, and also submit an Acquisition Plan before issuing a solicitation</p> <p>Notify when a 10% or greater monetary contract value change occurs via letter and submission of the Contract Amendment and Change Order Approval</p>
Verify Projects	<p>Provide factual and objective proof of project closure, such as demonstration of system functionality or signed project artifacts</p> <p>Submit a Post-Implementation Review of Business Outcomes within six months after project closure</p>
Conduct Project Reviews	<p>Use the Project Review Agenda to anticipate, prepare, and address specific agenda items</p> <p>In collaboration with QAT, determine who will attend a project review meeting</p>
Report on State Project Portfolio	<p>In collaboration with QAT, resolve reporting anomalies and respond to requests for additional information or clarification before the QAT Annual Report or scorecard is published</p>
QAT Actions	<p>Use internal methods to determine and define agency actions in response to QAT recommendations made to the legislature or the agency</p> <p>Provide supporting data, project artifacts, or other information as requested</p> <p>Establish a Corrective Action Plan as requested</p> <p>Participate in project audit, review, or assistance as directed by Comptroller of Public Accounts or SAO</p>



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## Appendix F – Glossary

QAT uses the following terms:

**agency:** as defined in Texas Government Code, Chapter 2054, a department, commission, board, office, council, authority, or other agency in the executive or judicial branch of state government that is created by the constitution or a statute of this state, including a university system or institution of higher education

**BOP:** Biennial Operating Plan provided by agencies as an ITD prior to a legislative session and is the approved ITD following a legislative session

**business:** activities that achieve the core mission(s) of the organization. The activities include providing direct services to constituents, and indirect support such as accounting and information resources management.

**business outcomes:** results of a project that improve the ability of the organization to achieve its mission. Outcomes may include things such as fulfilling broad organizational goals, attaining specific operational objectives, and providing specific, measurable operational improvements.

**CAT:** Contract Advisory Team created to assist agencies in improving contract management practices comprised of four members, one from each of the Office of the Attorney General, Comptroller of Public Accounts, Department of Information Resources, and Office of the Governor. The Legislative Budget Board and the State Auditor's Office serve as technical advisors to the CAT.

**CPA:** Texas Comptroller of Public Accounts

**DIR:** Texas Department of Information Resources

**evaluating:** assessing project deliverables and other sources of project information to identify missing data and determine the clarity of content, gauge the level of risk to which the project may be subject, determine the current performance, and assess the progress of the project

**finding:** results of evaluating collected project information against quality assurance review standards; includes observations, opportunities for improvement, or noncompliance issues

**ITD:** Information Technology Detail provided by agencies that describes plans for information technology projects for the upcoming biennium

**LBB:** Legislative Budget Board

**major information resources project:** as defined in Texas Government Code, Chapter 2054, any information resources technology project identified in a state agency's biennial operating plan whose development costs exceed \$1 million and that:

- requires one year or longer to reach operations status;
- involves more than one state agency; or

- 
- substantially alters work methods of state agency personnel or the delivery of services to clients;

and any information resources technology project designated by the legislature in the General Appropriations Act as a major information resources project

**project:** as defined in Texas Government Code, Chapter 2054, an initiative that provides information resources technologies and creates products, services, or results within or among elements of a state agency; and is characterized by well-defined parameters, specific objectives, common benefits, planned activities, a scheduled completion date, and an established budget with a specified source of funding

**project costs:** as defined in the Information Technology Detail (ITD) instructions, a total of all costs that are associated with a project, including all Information Resources (IR) internal staff costs and all IR procurements, whether purchased, rented, leased, leased for purchase, or licensed, for all hardware, software, and services, regardless of source of funding or method of procurement. The project life cycle costs include all development costs until a project is placed in production. End-user staff members advising the project team on user requirements are not included in the project cost unless more than half of their time is devoted to the project.

**project risk:** likelihood that a project will not deliver a quality solution based on the schedule, budget, and scope commitments made to state leadership

**project performance:** accomplishment of work based on effective integration of scope, schedule, budget, and quality parameters of a project

**project performance management:** processes for comprehensively planning, measuring, and controlling the performance of projects

**QAT:** Quality Assurance Team created to perform quality assurance review comprised of representatives from the Legislative Budget Board, State Auditor's Office, and Texas Department of Information Resources

**QAT action:** specific activities triggered in response to implementing quality assurance review, excluding ongoing administrative activities and actions

**quality:** degree to which the project fulfills the stated requirements and specifications

**quality assurance review:** continual assessment of overall project performance to determine whether the project satisfies quality standards

**quality management:** processes required to help ensure a project will satisfy the business goals and objectives; it consists of quality planning, quality assurance, and quality control

**review project risk:** QAT assignment of project risk based on assessment of a project's risk factors

**review status:** QAT assignment of the project's state throughout the quality assurance review life cycle and is not synonymous with project status

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**SAO:** State Auditor's Office

**scope:** within the context of a project, the sum of the products and services to be provided by the project

**stakeholder:** a group or individual who can affect or who is affected by the project

**Texas Project Delivery Framework:** consistent, statewide method to select, control, and evaluate projects based on alignment with business goals and objectives; captures a common set of project delivery data, and presents this data to agency and state leadership in such a way that project performance can be monitored based on uniform statewide quality standards and business needs

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## Appendix G – Frequently Asked Questions (FAQ)

### **Is QAT responsible for project management as part of quality assurance?**

QAT is responsible for quality assurance review of projects at the state level. Quality assurance review does not involve QAT functioning as a statewide project management office with responsibility for management and success of projects. Each agency is responsible for developing and using sound project management practices, maintaining full accountability for project success.

### **Why does QAT require agencies to demonstrate system functionality as part of a project review?**

A demonstration provides evidence of actual implementation versus planned implementation. QAT compares the status of demonstrated functionality to planned functionality as part of project scope.

### **Does quality assurance review apply to all projects?**

Quality assurance review applies to major information resources projects as defined in Texas Government Code, Chapter 2054.

### **Is the 10% contract cost threshold based on the initial contract amount or an amended contract amount?**

The contract cost threshold is based on the initial contract amount.

### **What happens if a project does not meet the QAT threshold for a major information resources project after the project has been initiated?**

Nothing – required project deliverables must still be submitted.

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## Appendix H – Contact Information

### QAT

Contact Person	Contact	Phone	Email	Address
Richard Corbell	Primary	512-463-1200	qat@lbb.state.tx.us	Legislative Budget Board Attn: Richard Corbell REJ Building, 5th Floor 1501 N. Congress, Austin, TX 78701
Ralph McClendon	Secondary	512-936-9750		State Auditor's Office Attn: Ralph McClendon REJ Building, 4th Floor 1501 N. Congress, Austin, TX 78701
Roslyn Hotard	Secondary	512-936-9867		Department of Information Resources Attn: Roslyn Hotard 300 W. 15th, Ste. 1300, Austin, TX 78701

### Texas Project Delivery Framework

Contact Person	Phone	Email	Address
Roslyn Hotard	512-936-9867	roslyn.hotard@dir.texas.gov	Department of Information Resources Attn: Roslyn Hotard 300 W. 15th, Ste. 1300, Austin, TX 78701

### Contract Advisory Team / CPA

Contact Person	Phone	Email	Address
Mark KasPar	512-463-8169	mark.kasPar@cpa.state.tx.us	Texas Comptroller of Public Accounts Attn: Mark KasPar 1711 San Jacinto, Austin, TX 78701