[Insert Logo]

**[Insert Agency Name Here]**

**Technology Decision Tool**

**NAME OF PROJECT COST/BENEFIT ANALYSIS**

|  |
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| **1. Analysis Summary** |
| **Project Name** |  |
| **Project Sponsor** |  |
| **Date (MM/DD/YYYY)** |  |
| **Initial Project Cost Estimate** | [Insert initial cost to implement the recommended alternative.] |
| **Annual Project Maintenance Cost** | [Insert annual cost to maintain the recommended alternative.] |
| **Project Impact and Benefit** | [Insert summary from Sec.4 of tangible benefits (including cost savings) from implementing recommended alternative.] |

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| **2. Project Overview and Background** |
| Provide a brief overview, background and definition for the project. Explain the issue or opportunity that is driving this project. Generally characterize what you have learned about new technology, having done your “due diligence” research to search out potential solutions and solution providers. | **Project Charter**In complex, multiagency projects, governance agreements are recommended. This section can be used to link to such agreements and supporting documentation. |
| [Insert an introduction here to the project and to explain the following:1. The nature of the issue to be addressed.
	1. Characterization of the problem.
	2. Why it needs a technology solution.
	3. Scope and impact of the problem.
		1. Generally state costs in lost productivity or poorly used resources.
		2. State the fiscal impact on the agency and the jurisdiction.
		3. Potential liability due to not addressing the issue.
2. Drivers for change (examples).
3. Provide the key stakeholders in the project with a vision for:
	1. The general technical approach for the application/equipment/system.
	2. The benefits of the approach (succinctly stated).
	3. How it will reduce potential liability while increasing agency efficiency.]
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| **2. Project Overview and Background** |
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| [continued] |

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| **3. Discussion of Alternatives** |
| **For each of the topics listed below, discuss the project ground rules and assumptions.** |
| **Do Nothing** |
| **Current Process** (Describe the existing, as-is model) |
| [Insert a description here of the existing way of handling the identified issue, including current costs such as hardware/software/labor costs.] |
| **Impact of Doing Nothing** |
| [Insert a discussion here of the costs of continuing to do “business as usual” in terms of:1. Lost productivity.
2. Lost labor cost-reduction opportunities.
3. Increased exposure to civil liability.
4. Lost officer safety investment opportunities.
	1. Civil liabilities.
	2. Potential costs in medical and survivor benefits.]
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| **3. Discussion of Alternatives** |
| **For each of the topics listed below, discuss the project ground rules and assumptions.** |
| **Alternative #1 - Goals and Concepts** |
| **Goals** (What is unique about this alternative approach?) |
| [Insert a statement here about how the alternative being presented provides a resolution to the identified problem.Clearly state the expected performance parameters and outcomes.] |
| **Functional Concept** (What will the product or service do?) |
| [Insert a description here on the detail of the functionality of the product, service or system.] |
| **Technical Concept** (How will the product or service work?) |
| [Insert a general discussion here of the technology used in this approach, how the technology works to achieve thedesired results and whether or not it meets industry or national standards.] |
| **References/Feedback** (Who else is using this alternative, were they contacted, and what comments or concerns did they have?) |
|  |
| **Project/Program Management Concept** (How will the project/program be managed?) |
| [Insert the general approach to ensuring that the project has appropriate oversight and review at all stages here. If theproject is a multi-agency project, enumerate the rules of governance agreed to by all stakeholders. Discuss how the project will be managed, including:1. Composition of the project management team.
2. Executive oversight of project performance costs and agreed on timelines for implementation.
3. Would this alternative necessitate any agency policy or procedure changes?]
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| **3. Discussion of Alternatives** |
| **For each of the topics listed below, discuss the project ground rules and assumptions.** |
| **Acquisition Strategy** (Methodology for funding and acquisition) |
| [Insert the methodology for funding and acquisition here:1. Funding.
	1. Budget Category.
		1. Capital Improvement Project?
		2. Operating Budget Project?
	2. Funding Source.
		1. General Budget?
		2. Special Projects Budget?
		3. Operating Budget?
		4. Capital Improvements Budget?
		5. Grant?]
 |
| **High-Level Schedule** *(insert rows as needed)****:*** *Provide high-level milestones for each of the alternatives presented. This may show, for example, that lower cost trades off against longer schedule.* |
| **Date:** (MM/DD/YYYY) | **Milestone:** |
|  |  |
|  |  |
| **Alternative #2 - Goals and Concepts (*Articulate as with Alternative #1)*** |
| **Goals** (What is unique about this alternative approach?) |
|  |
| **Functional Concept** (What will the product or service do?) |
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| **Technical Concept** (How will the product or service work?) |
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| **3. Discussion of Alternatives** |
| **For each of the topics listed below, discuss the project ground rules and assumptions.** |
| **References/Feedback** (Who else is using this alternative, were they contacted, and what comments or concerns did they have?) |
|  |
| **Project/Program Management Concept** (How will the project/program be managed?) |
|  |
| **Acquisition Strategy** (Methodology for funding and acquisition) |
|  |
| **High-Level Schedule** *(insert rows as needed)****:*** *Provide high-level milestones for each of the alternatives presented. This may show, for example, that lower cost trades off against longer schedule.* |
| **Date:** (MM/DD/YYYY) | **Milestone:** |
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| **Alternative #3 - Goals and Concepts (*Articulate as with Alternative #1)*** |
| **Goals** (What is unique about this alternative approach?) |
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| **3. Discussion of Alternatives** |
| **For each of the topics listed below, discuss the project ground rules and assumptions.** |
| **Functional Concept** (What will the product or service do?) |
|  |
| **Technical Concept** (How will the product or service work?) |
|  |
| **References/Feedback** (Who else is using this alternative, were they contacted, and what comments or concerns did they have?) |
|  |
| **Project/Program Management Concept** (How will the project/program be managed?) |
|  |
| **Acquisition Strategy** (Methodology for funding and acquisition) |
|  |
| **High-Level Schedule** *(insert rows as needed)****:*** *Provide high-level milestones for each of the alternatives presented. This may show, for example, that lower cost trades off against longer schedule.* |
| **Date:** (MM/DD/YYYY) | **Milestone:** |
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| **4. Life-Cycle Costs and Benefits** |
| **For each alternative, including “do nothing,” discuss the costs and benefits of the product or service according to its life-cycle.** |
| **Life-Cycle Cost Summary:** *Over the expected lifetime of the product or service in question, add the maintenance, enhancement, training/staffing and one-time costs to the initial project costs to get a Life- Cycle Cost Summary. For example, customization to a commercial off-the-shelf software product may result in substantial maintenance costs, as future releases must also be customized and retested.* |
| **Do Nothing** |
| Lifetime Maintenance and Operation Costs | [Insert an estimate here of maintenance and operational costs associated withstatus quo.] |
| Lifetime Enhancement Costs | [Insert an estimate of anticipated enhancement costs associated with status quohere.] |
| Training and Staffing Costs | [Insert current internal staffing costs here.] |
| Anticipated One-Time Costs (e.g., upgrades or expansions) | [Insert a high-level estimate here based on current anticipated costs, including allfees, scheduled upgrades or anticipated expansions, if applicable.] |
| **Total Lifetime Cost** | [Insert the estimated sum of above costs here.] |
| **Disadvantages** (Why might this be a bad idea?) | [List any concerns associated with doing nothing here.] |
| **Tangible Benefits** (express in Dollars, Euros, etc.) | [Insert an estimate here of expected benefits, such as:1. Reduced labor costs.
2. Increased productivity.
3. Reduction in wasted resources.
4. Increase responsiveness to citizen calls for service.]
 |
| **Intangible Benefits** (List) | [Insert examples here, such as no employee dissatisfaction associated with changeto a new system/technology.] |

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| **4. Life-Cycle Costs and Benefits** |
| **For each alternative, including “do nothing,” discuss the costs and benefits of the product or service according to its life-cycle.** |
| **Alternative #1** |
| Highest Likely Project Cost | [Insert a high-level estimate based on vendor submissions here.] |
| Lifetime Maintenance and Operation Costs | [Insert a high-level estimate here based on vendor submissions and whetheragency maintenance personnel, vendor or contract personnel are used.] |
| Lifetime Enhancement Costs | [Insert a high-level estimate based on vendor submissions here.] |
| Training and Staffing Costs | [Insert a high-level estimate here based on vendor submissions and internal staffingcosts.] |
| Anticipated One-Time Costs (e.g., upgrades or expansions) | [Insert a high-level estimate here based on vendor submissions, system growthestimates (capacity increases) and anticipated upgrades during operational life- cycle.] |
| **Total Lifetime Cost** | [Insert the estimated sum of above costs here.] |
| **Disadvantages** (Why might this be a bad idea?) | [List here any concerns associated with a new technology rollout, using this asopposed to other described alternatives (or doing nothing).] |
| **Tangible Benefits** (express in Dollars, Euros, etc.) | [Insert an estimate here of expected benefits related to:1. Reduced labor costs.
2. Increased productivity.
3. Reduction in wasted resources.
4. Increased responsiveness to citizen calls for service.]
 |
| **Intangible Benefits** (List) | [List examples here, to include:1. Improved employee morale.
2. Perception of improved management responsiveness to employee concerns.
3. Perception on the part of the public that the department is forward thinking.]
 |
| **Return on Investment (ROI)** (Financial Gain/Cost) **OR Total Cost Savings** | [Insert a comparison here of benefits/performance/productivity gains for dollarsspent over doing nothing or using another approach.] |

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| **4. Life-Cycle Costs and Benefits** |
| **For each alternative, including “do nothing,” discuss the costs and benefits of the product or service according to its life-cycle.** |
| Alternative #2 - As in Alternative #1 above |
| Highest Likely Project Cost |  |
| Lifetime Maintenance and Operation Costs |  |
| Lifetime Enhancement Costs |  |
| Training and Staffing Costs |  |
| Anticipated One-Time Costs (e.g., upgrades or expansions) |  |
| **Total Lifetime Cost** |  |
| **Disadvantages** (Why might this be a bad idea?) |  |
| **Tangible Benefits** (express in Dollars, Euros, etc.) |  |
| **Intangible Benefits** (List) |  |
| **Return on Investment (ROI)** (Financial Gain/Cost) **OR Total Cost Savings** |  |

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| **4. Life-Cycle Costs and Benefits** |
| **For each alternative, including “do nothing,” discuss the costs and benefits of the product or service according to its life-cycle.** |
| Alternative #3 – As in Alternative #1 above |
| Highest Likely Project Cost |  |
| Lifetime Maintenance and Operation Costs |  |
| Lifetime Enhancement Costs |  |
| Training and Staffing Costs |  |
| Anticipated One-Time Costs (e.g. upgrades or expansions) |  |
| **Total Lifetime Cost** |  |
| **Disadvantages** (Why might this be a bad idea?) |  |
| **Tangible Benefits**(express in Dollars) |  |
| **Intangible Benefits** (List) |  |
| **Return on Investment (ROI)** (Financial Gain/Cost) **OR Total Cost Savings** |  |

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| **5. Risk Analysis** |
| **List significant risks to each alternative that could have a negative impact on cost or schedule.** *Consider the full range of potential risks including technical, organizational, vendor-related, financial, environmental and so on.* |
| **Alternative #1** |
| **Risk Description** | **Impact** | **Plan to Control Risk** |
| [List examples, such as software development delays.] | [List potential project delays and cost overruns.] | [List examples, such as penalties for nonperformance in contract.] |
|  |  |  |
| **Alternative #2** |
| **Risk Description** | **Impact on ROI** | **Plan to Control Risk** |
| Same as Alternative #1 |  |  |
|  |  |  |
| **Alternative #3** |
| **Risk Description** | **Impact on ROI** | **Plan to Control Risk** |
| Same as Alternative #1 |  |  |
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| **6. Cost/Benefit Analysis** |
| **Given anticipated costs, benefits and known risks, which of the alternatives presented above provides the best choice?** |
| **Alternative** | **Rank** | **Reason** (*Provide reason(s) for selection/ranking.)* |
| Do Nothing |  |  |
| 1 |  |  |
| 2 |  |  |
| 3 |  |  |

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| **7. Project Cost/Benefit Analysis/Signatures** |
| **Project Name** |  |
| **Project Sponsor** |  |
| *Reviewed by:* |
| **Name** | **Title** | **Signature** | **Date****(MM/DD/YYYY)** |
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