Project Appraisal and Prioritization Process

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The units reporting to the University of Illinois System CFO Office are responsible for the delivery of many administrative functions to stakeholders across the university system. Each year departments and units within the CFO office launch and implement many initiatives to improve customer service, business process rationalization, cost reduction, internal controls and to meet other goals.

These initiatives are critical to continuous improvement and fostering innovation and is a major focus of the CFO Office. The *Project Appraisal and Prioritization Process* (PAPP) is designed to facilitate the effective implementation of these initiatives in a manner that ensures that organizational resources are deployed effectively.[1] It is also intended to support implementation through careful prioritization, planning and as well as monitoring of results.

The PAPP is a sequence of steps whose purpose is to:

- ensure a systematic appraisal of the cost and benefits of projects;
- examine potential conflicts or synergies with other institutional projects;
- establish priorities among projects;
- ensure adequacy of resources; and
- provide management support and oversight of initiatives.

The purpose of each stage of the process is briefly described below. Note that while PAPP is presented here as a linear process, in reality it is an iterative process in which feedback from the different steps results in adaptation of the project plan

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[1] Note that the PAPP does not replace the ITPC approval process.

1. Project Initiation and Definition

Projects that routinely take place within a unit for standard operational improvement efforts are not expected to go through PAPP. A project request should be initiated if any of the follow holds true: [2]

> The impact of the project goes beyond the unit (viz., the project will affect workflows of other units or require collaboration from other units).
>
> Requires resources from the IT group that exceeds 250 hours.
>
> Personnel or financial resources from outside of the requesting unit will be needed for the project and hours are expected to exceed 250 hours or the budget for the project is over $25,000, excluding facilities or infrastructure updates.

Any unit or department can initiate a project request by completing a brief *Project Initiation Proposal* (PIP) document (*see Exhibit A*). The PIP document should explain the rationale for the project by identifying the benefits that are expected upon the completion of the project, including improvements to current operations. In addition, it should provide an initial assessment of the scope of the project and identify all stakeholders of the project as well as any potential risks. A preliminary assessment of the types of resources required to implement the project should also be provided. The proposal should also explain how the project aligns with the stated aims and initiatives of the organization.

The requester should submit the document to the senior administrator responsible for his/her division, hereby known as the "executive sponsor" of the project. The executive sponsor should carefully review the information provided in the project proposal. The requestor should also have preliminary conversations with major stakeholders to verify the assumptions and rationale of the project.

Once the project is reviewed by the executive sponsor it should be discussed with the head of the parent unit (if the executive sponsor is not the head of the unit).

Upon completion of the above steps and approval by the executive sponsor and the unit head, the requestor should electronically submit the complete Project Initiation Proposal (*Exhibit A*) to Karen Greenwalt (greenwlt@uillinois.edu).

2. Project Appraisal

Once the project specification is completed it will be evaluated by a *Project Intake Committee* (PIC) comprised of representatives of different USO units. Each project will be reviewed against key criteria and the project's potential contribution in advancing institutional goals and objectives (customer service, efficiency, compliance and reporting,

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[2] Project requestor can contact PAPP coordinator determine if a project should be included in the PAPP

internal control, etc.). The balance between impact and the resources required to implement the project is a further consideration. The PIC will review all information outlined in project submission and provide an initial feedback within a reasonable time (the PIC may request additional information from the project requester).

Project Intake Committee:
Karen Greenwalt – Chair, CFO
Cynthia Cobb – AITS
Gloria Keeley – OBFS
Jill Wilbert - Treasury
Others TBD

3. Completion of Project Specification

It is expected that the project requestor will typically receive initial feedback on the proposal within two weeks of submission. In most cases the project requester will be asked to perform additional analysis and develop a more detailed project specification. This will include some or all of the following elements:

- Scope statement
- Project charter
- Further analysis of direct and indirect costs
- Business process analysis and outcomes
- Impact assessment on existing processes
- Potential changes to staffing and training
- Resource allocation and management plans
- Key metrics and plans for ongoing measurement and improvement
- Roles, responsibilities, and SLA for project services

Some projects may require a business process analysis prior to completion of the specification. Others may require a detailed assessment of IT system issues and resource requirements. A project planner will be assigned to help develop these through an established template. If required, IT and BPI staff will be made available to assist with the development of this proposal and complete any requested analysis or process improvement activities.

Throughout the process the project requestor should confer with the executive sponsor and unit head. The executive sponsor will review the document and may suggest further analysis/refinement as needed. The executive sponsor will sign off on the final document.

4. Project Approval and Prioritization

Since implementing any initiative requires institutional resources—both financial and human resources—not all meritorious projects can be implemented because of organizational resource limitations. Thus, the final step is project approval and

prioritization. A Steering Council, chaired by the CFO, will meet periodically to review all appraised projects in the pipeline and approve projects as appropriate. The council will also establish the priority for the project to help establish a timetable for implementation based on demands of ongoing projects and resource availability.

5. Post Approval Steps

Once the project has been approved by the Steering Council, it will be included in the CFO portfolio of approved projects. These will be managed and scheduled by the CFO portfolio manager.

- **Scheduling**: Upon approval, the sponsor will complete a project readiness form to determine an appropriate start date based on resource availability and other dependencies. Scheduling meetings will be held once a month to review status, established priorities, assess resource availability, and schedule new projects. When the project is ready to start, the CFO portfolio manager will assign a project manager to confirm the details in the project specification and start planning the project. Any significant changes from the original proposal and specification will be reviewed with the Project Intake Committee.
- **Resource allocation and management**: Resource allocation will be defined in the project charter. Ongoing resource management will occur through the monthly scheduling meeting discussed above or ad-hoc conversations with the portfolio manager. Resource issues that cannot be resolved at this level will be escalated to the Project Intake Committee.
- **Performance management and reporting**: The CFO portfolio of approved projects will be actively managed using existing PMO processes. This will include in-flight prioritization, risk management, performance reporting, and project health reviews. Regular status will be produced and delivered once a month. Post implementation assessments against key metrics will be performed 6 months after project completion.

EXHIBIT A
Project Appraisal and Prioritization Process
Project Initiation Proposal (PIP)
This form should be submitted electronically

1. Project Title:
2. Request Date:

3. **Contact Information for Requester**:
    a. Department from which request originated
    b. First Name
    c. Last Name
    d. Email
    e. Phone

REQUEST INFORMATION

4. Project Description. In the section provide a brief narrative describing the purpose of the project and its scope.

5. Project Benefits. Briefly describe the benefits of the project and the reasons for doing the project now.

6. Which existing work processes, if any, will need to be changed as a result of this project?

7. If the project involves changes to the IT system, please select one of the following project types that best matches your need.
    a. New system implementation
    b. New module—addition to existing system
    c. Improvements to existing module
    d. System Upgrade

8. Please provide an initial indication of the resources required to implement this project covering the following areas (Please include both resources for implementation and post-implementation costs):[3]

    a. Personnel, (temporary, permanent)
    b. Capital cost
    c. Ongoing software and other maintenance costs
    d. Other operating costs

9. Will other units or groups within the system or the universities need to change their work processes as a result of this process?

10. Project Risks. Briefly describe potential risks associated with this project.

11. What is the anticipated funding source? Please select one of the following.
    a. Unit operating budget
    b. Grant or self-supporting funds
    c. Will request initiative funding
    d. Other_____

12. Performance measurement. In this section identify key performance indicators that will provide the framework needed to assess whether project achieved its intended goals.

13. Any other comments

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[3] More details may be requested after initial PIP review