June 29, 2018

The Honorable Joe McDermott

Chair, King County Council

Room 1200

C O U R T H O U S E

Dear Councilmember McDermott:

This letter transmits an ordinance amending K.C.C. 2A.380.200, K.C.C. 2A.380.310, K.C.C. 2A.380.320, and K.C.C. 4A.100.030 sections of the King County Code related to budgeting for technology projects. The proposed changes update the county budgeting requirements for technology projects to better align with a technology project lifecycle and the county’s requirements for all capital projects; clarify the role of the Chief Information Officer (CIO) in developing budget requests for technology projects; and ensure consistency among these chapters of the code. These changes are in line with the county’s financial policies, technology enterprise standards, and technology industry best practices.

In 2017, the Executive Office and King County Information Technology (KCIT) carried out a comprehensive review of the county’s information technology investment process. Representatives from the Office of Performance, Strategy and Budget (PSB), KCIT, county agencies, and Council staff took part in this highly participatory process improvement effort. As part of this initiative, the stakeholders examined the existing budget process for technology projects against the Lean principles and technology industry best practices and standards.

The review concluded that the requirement to evaluate alternatives, complete a cost-benefit analysis, propose a solution, and set milestones with dates for each technology project prior to seeking an appropriation[[1]](#footnote-1) created undue challenges and cycles of rework for all stakeholders. Completing this due diligence work is an integral part of a project’s planning and design phases and requires gathering of business requirements, an enterprise architecture review, a market assessment, and, in many cases, a competitive procurement process. Completing this work properly, in accordance with the industry and the county’s technology enterprise standards, requires appropriate staff resources and expertise and, hence, incurs costs, for which KCIT and agencies do not have authority until an appropriation is secured to officially initiate the project.

These code requirements for technology projects were set before PSB implemented its electronic capital budget system, the Project Information Center (PIC). Now that PIC is in place, all technology capital projects seeking appropriation are entered into PIC and complete the standard capital appropriation proposal form required for all other capital projects. Information entered into PIC is searchable, can be filtered on technology projects, and can be aggregated by fund, thereby making the requirements in K.C.C. 2A.380.200 redundant.

The proposed changes are intended to improve consistency with the general capital project budgeting requirements and to better align the technology project budgeting requirements with a technology project lifecycle. They will further the county’s strategic plan goal of efficient, accountable regional and local government.

Specifically, PSB and KCIT propose the following changes to the code:

* Amending K.C.C. 2A.380.200 to remove references to a technology business plan and define the CIO’s responsibilities in screening technology project budget proposals.
* Adding a clarification to item D.2 in K.C.C. 4A.100.030 that cost estimates for technology projects must follow the county’s IT project management methodology.
* Removing items F.1 and F.3 in K.C.C. 4A.100.030 related to business case requirements and a cost-benefit analysis at the time of an appropriation request.
* Amending K.C.C. 2A.380.310 and K.C.C. 2A.380.320 for consistency with the proposed changes to K.C.C. 2A.380.200.

Thank you for your consideration of this ordinance. If you have any questions, please contact Dwight Dively, Director, Office of Performance, Strategy and Budget at (206) 263-9687 or Tanya Hannah, Chief Information Officer, Department of Information Technology at (206) 477-8483.

Sincerely,

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King County Executive

Enclosures

cc: King County Councilmembers

ATTN: Carolyn Busch, Chief of Staff

Melani Pedroza, Acting Clerk of the Council

Dwight Dively, Director, Office of Performance, Strategy and Budget

Tanya Hannah, Chief Information Officer, Department of Information Technology

1. K.C.C. 2A.380.200 and K.C.C. 4A.100.030 [↑](#footnote-ref-1)