State of California
Office of the State Chief Information Officer

Economic Analysis Workbook Package Instructions

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Economic Analysis Workbook Package Instructions

1.0 Introduction

Each Feasibility Study Report (FSR), Special Project Report (SPR) or equivalent document submitted to the Office of the State Chief Information Officer (OCIO) must contain an Economic Analysis Workbook (EAW) package completed in accordance with the instructions given below.

The EAW contains summary level information, which provides the basis for an objective evaluation of the economic feasibility of a proposed information technology (IT) project by OCIO.

The purpose of the EAW is to document and compare the costs and financial benefits of the current method of operation with those of each feasible alternative that has been considered. The EAW is also used to identify the specific resources that will be needed, including the funding necessary, for implementing and maintaining the proposed alternative over the projected life of the project.

Departments are responsible for developing and maintaining EAWs for all IT projects, whether or not those projects are reportable.

2.0 Excel Workbook Package

OCIO has prepared an Excel workbook (1997 through 2003 version) of spreadsheets formatted to provide information in a standard form. The blank workbook is available for download from the OCIO Web site at: http://www.cio.ca.gov/Government/IT_Policy/SIMM.html. In preparing a project package, users who convert this workbook to different software or Excel versions are responsible for ensuring that the embedded links and calculations function correctly.

EAWs submitted in other formats may not be accepted by OCIO. This restriction is not intended to prevent departments from submitting additional detail spreadsheets for the Existing System, Alternatives, and the Funding Plan that “roll up” to the summary-level sheets provided by OCIO.

3.0 Spreadsheet Types

The EAW consists of the spreadsheets described below. These summarize the cost and resource requirements of the existing and proposed system. Departments are encouraged to provide additional detail, especially for the proposed alternative. It is acceptable to add additional spreadsheets to the workbook and have them roll up to the summary sheets supplied by OCIO.

The following are short descriptions of each spreadsheet in the workbook. Detailed instructions for completing each are provided in future sections. A set of example spreadsheets is included starting on page 17 to assist in understanding the instructions.

Existing System/Baseline Worksheet [EXIS]—Used to show the costs of the current operating environment, including IT and program costs, that would be directly affected by the proposed system. This spreadsheet is prepared when an existing automated system would be wholly or partially replaced by the proposed system, and/or when program resource requirements would change because of the proposed system. Even if there is no existing automated system, it must show existing program costs, which will be impacted by a new system.

- **Proposed Alternative System Worksheet [ALT(P)]**—Used to show the costs, including impacted program costs, of the alternative that best meets the critical business objectives specified in the FSR/SPR or equivalent document.

- **Alternative System Worksheet(s) [ALT(1), ALT(2)]**—Used to show the costs, including the impacted program costs, of as many as two additional alternatives that were considered and documented. A separate worksheet (Alternative 1, Alternative 2) should be prepared for each alternative for which it is determined to be worth making a cost evaluation.

- **Economic Analysis Summary [SUM3]**—Used to display the summarized costs and financial benefits of each alternative for which costs were developed. (This spreadsheet is automatically generated from the data entered for the existing and alternative systems.)

- **Project Funding Plan [FUND, page 1]**—Used to enter new project funding requirements (both one-time and continuing) for each year of the project lifecycle. Funding in existing baseline budgets and redirected funds are entered, as well as funding sources.

- **Adjustments, Savings, and Revenues [FUND, page 2]**—This worksheet calculates year-to-year budget adjustments. It requires no department input, and is for OCIO use only.

4.0 Instructions for Workbook Preparation

The cost of each feasible alternative must be evaluated for the same number of years. The cost should be shown for at least one full year beyond implementation to reflect estimated ongoing maintenance and operations [labeled Continuing Costs in headings]. The last year displayed should include no one-time costs, only continuing costs.

For each year show any costs related to the existing system [labeled Continuing Existing Costs in headings] as they are needed through the life of the project. In most cases, existing system resources will either be phased out or will be redirected to the new system and will begin to be shown in the continuing costs for the new system. Program related costs for the existing system may not change, but if they do, the change should be shown in the continuing existing portion of the spreadsheet.

If the program supported by the proposed project is cyclical in nature, the economic analysis should reflect the system in operation for at least one complete cycle.

If the proposed alternative is justified based on a projected financial benefit, the estimated costs should be shown to the point when total benefits and/or savings equal or exceed total project

costs. (The workbook may be condensed or expanded to allow up to six years of data by using the “Column, Hide and Unhide” options as described later. Regardless of the number of columns, it is the department’s responsibility to ensure the readability and correctness of the spreadsheets. If more than six years is needed, please use the Extended workbook, which allows up to twelve years.)

The costs for each alternative must be based on reasonable workload estimates and realistic expectations of budget actions. OCIO will verify that such estimates are reasonable and that any anticipated budget actions take the then-current State fiscal conditions into account. Departments should be prepared to supply OCIO with the detailed information used to derive the resource estimates, if requested.

For the one-time and continuing IT project costs, the staff category is not restricted to IT classifications. Many projects include program staff who are assigned to work full- or part-time on the project, either for a specific phase, or for the duration of the project. Check with your department budget office to determine the correct cost formula for all personnel years. Contractor employees should not be included in this category.

Do not adjust cost estimates for inflation.

Each alternative for which costs are developed and presented must be capable of satisfying all critical project objectives.

If the proposed alternative is expected to involve any budget action (e.g., augmentations, redirections, or reductions), the costs must correspond with those to be identified in the department’s budget request documents (Budget Change Proposals, Finance Letters, or any other budget actions). Check with your departmental budget office to ensure that the costs are equivalent.

Costs and financial benefits should be derived in a consistent manner for each alternative evaluated; e.g., the same methodology should be used for calculating the personnel year costs for all alternatives.

Personnel years should be shown rounded to the nearest one-tenth, and all costs should be rounded to the nearest dollar.

4.1 General Instructions for Spreadsheet Entry

In the following explanations, each cell in a spreadsheet is indicated by its column designation followed by its row designation using the Excel standard. For instance, the first cell in the sheet is A1. **In this discussion, instructions for cells which will REQUIRE information to be entered by department staff in preparing the EAW will be indicated with an exclamation point (!).**

In each spreadsheet in the workbook, Rows 1–4 have overall headings, Column A has row headings, and Rows 5 and 6 have column headings for each year shown and for the TOTAL column.

Each spreadsheet has been created with columns sufficient to enter information for six years plus the total. (If more years are needed, please use the Extended worksheets, which allows up to twelve years.) Each year uses two columns, one for the personnel years (PYs) needed and one for the Cost (Amts). For most projects, four or five years are sufficient. The spreadsheets can each be set to show and print any number of years from one to six by using the column hide and unhide functions. This works as follows:

Hiding and Unhiding Columns—Determine the number of years to be included. Using the Excel column designation at the top of the spreadsheet (the alphabetic letters) highlight the columns for the extra, unneeded columns containing the PYs and Amts. Click Format on the menu bar, then click Column. On the Column menu, click Hide. The columns will still remain, but will not be shown. Be sure that no PY or Amt information has been entered in any of the hidden columns. Since the fields will still be included in the totals, they must be zero if the totals are to be accurate. Notice that the Excel column designation letters show the gap for the hidden columns. Should it be necessary to put back any years that have been hidden, highlight the column immediately before the hidden columns and the column immediately after the hidden columns. Click on Format, Column, Unhide. The columns will be shown on the spreadsheet again.

All spreadsheets in the EAW for a project MUST show the same number of columns; THAT is, they must cover the same number of years.

5.0 Instructions for Completing Individual Spreadsheets

5.1 Existing System / Baseline [EXIS]

This spreadsheet must be used to document the estimated resources that would be needed to maintain and operate the existing IT system and/or program during the same time period shown for the development, implementation and maintenance/operation phases of the proposed alternative (the “project lifecycle”).

The costs shown may indicate the probable effect on program resources should the proposed alternative not be implemented. For instance, an increase in workload (with no new functionality to the system) may require an increase in personnel years or other resources. These increases must be supportable with realistic estimates of future workload based on historical documentation, legislative changes, etc.

If the new project or system is expected to affect an existing cost, be sure to show the unaffected cost here. For example, if an alternative might reduce facilities costs as a consequence of converting paper documents to automated files, be sure to show the facilities costs as they will be without the alternative.

Prepare the number of columns needed for the number of years to be included in the economic analysis using the instructions under Section 4.1, General Instructions for Spreadsheet Entry.

Note: *The Department Name, the Date, and the Fiscal Year Numbers entered in the Existing System / Baseline spreadsheet are linked to all the other sheets. When entered in this sheet they appear automatically on all other sheets.*

5.11 Headings

	Row 1	Sheet Title
!	Cell A2	Enter the name of the department after the colon.
	Cells B2 – M2	General Instruction, no change.
!	Cell N2	Enter the date the EAW is prepared after the colon.
!	Cells C5, E5, G5, I5, K5, M5	Enter the consecutive fiscal years being covered by the proposed project.

5.12 Continuing Information Technology Costs

!	Row 9; Cells B, D, F, H, J, L	**Staff:** Enter the number of personnel years of the department personnel performing ongoing system maintenance and operation functions.
!	Row 9; Cells C, E, G, I, K, M	**Staff Costs:** Enter the Personal Services costs (wages, salaries, and staff benefits) of department personnel performing ongoing system maintenance and operation functions.
!	Row 10; Cells C, E, G, I, K, M	**Hardware Lease/Maintenance:** Enter the costs of ongoing leases, rentals, or maintenance of vendor-supplied computer hardware or telecommunications equipment.
!	Row 11; Cells C, E, G, I, K, M	**Software Maintenance/Licenses:** Enter the costs of ongoing maintenance of vendor-supplied system or application software license fees.
!	Row 12; Cells C, E, G, I, K, M	**Contract Services:** Enter the costs of contracted services not included elsewhere, such as outsourced computer processing, telecommunications, consulting, and maintenance activities provided by other State departments except Data Centers (i.e., through interagency agreement) and/or private entities for ongoing system maintenance/operation.
!	Row 13; Cells C, E, G, I, K, M	**Data Center Services:** Enter the costs for State data center services, such as telecommunications, computer processing and consulting for ongoing system maintenance and operation.
!	Row 14; Cells C, E, G, I, K, M	**Agency Facilities:** Enter the costs of ongoing rental/lease and/or maintenance of any physical facilities, such as floor space and non-IT equipment associated with the existing system. Existing agency facilities cost need be included only if the proposed project cost will change the existing facilities cost baseline.
!	Row 15; Cells C, E, G, I, K, M	**Other:** Enter any Operating Expenses and Equipment (OE&E) costs for personnel included in the IT staff category, and any other ongoing system maintenance/operation expenses (e.g., supplies, utilities, and training) not included in the categories above.
	Row 16; Cells B, C, D, E, F, G, H, I, J, K, L, & M	**Total IT Costs:** The calculated sum of the above Continuing IT Cost categories. Do not change.

	Cells N9 and N16	**Total PYs:** These are the sum of the PYs shown in columns B, D, F, H, J, and L of Rows 9 and 16. Do not change.
	Cells O9 through O16	**Total Amts:** These are the sum of the Amts shown in columns C, E, G, I, K, and M of Rows 9 through 16. Do not change.

5.13 Continuing Program Costs

!	Row 18; Cells B, D, F, H, J, L	**Staff:** Enter the number of personnel years of the department personnel performing program work that will be directly affected by this project
!	Row 18; Cells C, E, G, I, K, M	**Staff Costs:** Enter the personal services costs (wages, salaries, and staff benefits) of the department personnel performing program work that will be directly affected by this project.
!	Row 19; Cells C, E, G, I, K, M	**Other:** Enter all other program expenses that will be directly affected by this project, including OE&E costs for personnel included in the Staff category above.
	Row 20; Cells B through M	**Total Program Costs:** The calculated sum of the above Continuing Program Cost categories. Do not change.
	Row 22; Cells B through M	**Total Existing System Costs:** The calculated sum Total IT and Total Program Costs. Do not change.
	Cells N18, N20 and N22	**Total PYs:** These are the sum of the PYs shown in columns B, D, F, H, J, and L of Rows 18, 20, and 22. Do not change.
	Cells O18, O19, O20 and O22	**Total Amts:** These are the sum of the Amts shown in columns C, E, G, I, K, and M of Rows 18, 19, 20, and 22. Do not change. The amount in Cell O22 is the Total Cost of the Existing System/Baseline over the years of the project proposal.
!	Rows 23 and below	Use these rows to enter any footnotes or other explanatory information, which will help understand the costs entered above. Be sure to change the print area to include any added rows, if any are used

5.2 Alternative Proposals [ALT (P), ALT (1), ALT (2) & Additional Proposals If Added]

These worksheets are intended to show the total project costs over the expected useful life of each alternative that would satisfy the critical business objectives and requirements specified in the FSR, SPR or equivalent document. A separate worksheet should be prepared for the Proposed Alternative [ALT (P)] and for each additional alternative [ALT (1), ALT (2), etc.] for which costs have been estimated. One-time IT Costs (the development and implementation phase of the project) and Continuing IT Costs (ongoing maintenance and operation costs) should be shown.

Any residual maintenance and operation costs for the existing system (Continuing Existing IT Costs) and remaining ongoing program costs (Continuing Existing Program Costs) must be included. Finally, an estimate of increased revenues the State would receive as a direct result of the new system should be shown.

Prepare the number of columns needed for the number of years to be included in the economic analysis using the instructions under Section 4.1, General Instructions for Spreadsheet Entry. The same number of columns must be shown on all spreadsheets in the workbook.

Note: *The Department Name, the Date, and the Fiscal Year Numbers have been entered in the Existing System/Baseline spreadsheet and do not need to be entered in these sheets.*

5.21 Headings

!	Cell E1	Enter a unique title for the proposed alternative and for each other alternative being evaluated.
	Rows 2 – 4	The department and the project names and the date prepared have been linked to the Existing System/Baseline spreadsheet. They do not need to be entered here.
	Row 5	The fiscal year designations have been linked to the Existing System/Baseline spreadsheet. They do not need to be entered here.

5.22 One-Time IT Project Costs

!	Row 8; Cells B, D, F, H, J, L	**Staff:** Enter the number of personnel years of existing and new department personnel performing system planning, development, project management, acquisition, or implementation activities, including system analysis, design, construction, testing, conversion, and installation.
!	Row 8; Cells C, E, G, I, K, M	**Staff Costs:** Enter the Personal Services Costs (wages, salaries, and staff benefits) of existing and new department personnel performing system planning, development, project management, acquisition, or implementation activities, including system analysis, design, construction, testing, conversion, and installation.
!	Row 9; Cells C, E, G, I, K, M	**Hardware Purchase:** Enter the costs of one-time purchase, installment purchase, or lease purchase of vendor-supplied computer hardware. Include shipping, lease cost (if any), and tax. Exclude telecommunications equipment.
!	Row 10; Cells C, E, G, I, K, M	**Software Purchase/License:** Enter the costs of one-time purchase, installment purchase, or lease purchase of vendor-supplied computer software, including system software, application software, and middleware. Include shipping, lease cost (if any), and tax. Exclude telecommunications software.
!	Row 11; Cells C, E, G, I, K, M	**Telecommunications:** Enter the costs of one-time telecommunications equipment and software purchases and installation costs (private vendor). Include shipping, lease cost (if any), and tax. State data center telecommunications charges should be shown separately under Data Center Services below.
	Row 12	Heading for the breakdown of contract services costs. Do not change.
!	Row 13; Cells C, E, G, I, K, M	**Software Customization/Development:** Enter the cost of all contracts with outside vendors for modification of Off-the-Shelf software packages and/or complete custom developed applications.

!	Row 14; Cells C, E, G, I, K, M	**Project Management:** Enter the cost of any separate contract with an outside vendor to serve in the role of Project Manager. (Project Managers who are departmental employees should be reported under Staff above.
!	Row 15; Cells C, E, G, I, K, M	**Project Oversight:** Enter the cost of any separate contract with an outside vendor to provide project oversight.
!	Row 16; Cells C, E, G, I, K, M	**IV&V Services:** Enter the cost of any separate contract with an outside vendor to provide Independent Validation and Verification (IV&V) Services.
!	Row 17; Cells C, E, G, I, K, M	**Other Contract Services:** Enter the cost of any other vendor contacts or state contracts, such as Department of General Services' administrative charges and the costs of any one-time consulting, programming, and data conversion services provided by other State departments, except for the State data centers.
	Row 18; Cells C, E, G, I, K, M	**TOTAL Contract Services:** This contains the sum of the contract costs shown in Rows 13 through 17. Do not change.
!	Row 19; Cells C, E, G, I, K, M	**Data Center Services:** Enter the costs for all data center services charged to the department by a State data center for system development and implementation, including one-time telecommunications costs.
!	Row 20; Cells C, E, G, I, K, M	**Agency Facilities:** Enter all costs to provide one-time additions or modifications to agency facilities or physical plant necessary for this project.
!	Row 21; Cells C, E, G, I, K, M	**Other:** Enter any Operating Expenses and Equipment (OE&E) costs for personnel included in the IT staff category, and any other system development and implementation expenses (e.g., supplies, utilities, and training) not included in the categories above.
	Row 22; Cells B, C, D, E, F, G, H, I, J, K, L, M	**Total One-time IT Costs:** The calculated sum of the above one-time IT costs rows above, both personnel years and costs. Do not change.
	Cells N8 and N22	**Total PYs:** These are the sum of the PYs shown in columns B, D, F, H, J, and L of Rows 8 and 22. Do not change.
	Cells O8 through O22	**Total Amts:** These are the sum of the Amts shown in columns C, E, G, I, K, and M of Rows 8 through 21. Do not change Cell O22 contains the Total One-Time Cost of the Alternative.

5.23 Continuing IT Project Costs

!	Row 24; Cells B, D, F, H, J, L	**Staff:** Enter the number of personnel years of existing and new department personnel performing ongoing system maintenance and operation functions, e.g., database administration, Internet/browser support, application support, IT help desk support, and computer operations.
!	Row 24; Cells C, E, G, I, K, M	**Staff Costs:** Enter the Personal Services Costs (wages, salaries, and staff benefits) of existing and new department personnel performing ongoing sys-tem maintenance and operation functions, e.g., database administration, Internet/browser support, application support, IT help desk support, and computer operations.

!	Row 25; Cells C, E, G, I, K, M	**Hardware Lease/Maintenance:** Enter the ongoing leasing and maintenance costs paid directly to vendors.
!	Row 26; Cells C, E, G, I, K, M	**Software Maintenance/Licenses:** Enter ongoing software maintenance charges and annual license costs paid to vendors.
!	Row 27; Cells C, E, G, I, K, M	**Telecommunications:** Enter continuing telecommunications charges billed directly to the department by private vendors.
!	Row 28; Cells C, E, G, I, K, M	**Contract Services:** Enter the cost of services provided by private vendors for ongoing system operations/maintenance. Include the costs of computer processing, consulting, and minor maintenance activities performed by other State departments, except for the State data centers. Exclude hardware and software lease and maintenance/license costs and telecommunications charges which are entered elsewhere.
!	Row 29; Cells C, E, G, I, K, M	**Data Center Services:** Enter the costs for all ongoing services provided by a State data center, such as computer processing, consulting, and ongoing tele-communications costs billed to the department by the data center.
!	Row 30; Cells C, E, G, I, K, M	**Agency Facilities:** Enter all costs to provide ongoing support of agency facilities or physical plant necessary for this project.
!	Row 31; Cells C, E, G, I, K, M	**Other:** Enter continuing costs not included in the categories above. These will include ongoing OE&E costs for personnel included in the staff category, and other ongoing system maintenance/operation expenses (e.g., supplies, utilities, and training).
	Row 32; Cells B, C, D, E, F, G, H, I, J, K, L, M	**Total Continuing IT Costs:** The calculated sum of the above continuing IT cost rows above, both PYs and Amts. Do not change.
	Cells N24 and N32	**Total PYs:** These are the sum of the PYs shown in columns B, D, F, H, J, and L of Rows 24 and 32. Do not change
	Cells O24 through O32	**Total Amts:** These are the sum of the Amts shown in columns C, E, G, I, K, and M of Rows 24 through 32. Do not change. Cell O32 contains the Total Continuing Cost of the Alternative.
	Row 33; Cells B, C, D, E, F, G, H, I, J, K, L, M	**Total Project Costs:** The calculated sum of the PYs and Amts contained in Rows 22 and 32. Do not change.
	Cell N33	**Total PYs:** These are the sum of the PYs shown in columns B, D, F, H, J, and L of Row 33. Do not change.
	Cell O33	**Total Amts:** These are the sum of the Amts shown in columns C, E, G, I, K, and M of Row 33. Do not change. Cell O33 contains the Total Project Cost and, for the proposed alternative, is the amount most often used when the project cost is quoted in management documents.

5.24 Continuing Existing Costs

!	Row 35; Cells B, D, F, H, J, L	**Information Technology Staff:** Enter the number of personnel years of the department personnel who will continue ongoing maintenance and operations on the existing IT system until it is replaced in whole or in part by the new system. Activities include computer operations, user support, and minor maintenance activities.
!	Row 35; Cells C, E, G, I, K, M	**Information Technology Staff Costs:** Enter the Personal Services Costs (wages, salaries, and staff benefits) of the department personnel who will continue ongoing maintenance and operations on the existing IT system until it is replaced in whole or in part by the new system. Activities include computer operations, user support, and minor maintenance activities.
!	Row 36; Cells C, E, G, I, K, M	**Other IT Costs:** OE&E costs for personnel included in the IT staff category above, and any other existing system maintenance/operation expenses. These include costs for data center services, consulting services, telecommunications, supplies, etc.
	Row 37; Cells B, C, D, E, F, G, H, I, J, K, L, M	**Total Continuing Existing IT Costs:** The calculated sum of the above continuing existing IT cost rows above, both PYs and Amts. Do not change.
!	Row 38; Cells B, D, F, H, J, L	**Program Staff:** Enter the number of personnel years of the department personnel that will be directly affected by this project. Initially, the number of personnel years may equal those shown on the Existing System/Baseline worksheet. However, if the project were financially justified, these personnel years may reflect resource reductions over time, or show resources increasing at lower rates when compared with the Existing System Program resources.
!	Row 38; Cells C, E, G, I, K, M	**Program Staff Costs:** Enter the Personal Services Costs (wages, salaries, and staff benefits) of the department personnel that will be directly affected by this project. Initially, these costs may equal those shown on the Existing System/Baseline worksheet. However, if the project were financially justified, these costs may reflect reductions over time, or show costs increasing at lower rates when compared with the Existing System Program personnel year costs.
!	Row 39; Cells C, E, G, I, K, M	**Other Program Costs:** OE&E costs for personnel included in the program staff category above and all other program expenses that will be directly affected by this project. These costs may reflect reductions from the existing system costs such as reduced contract services, storage, mailing, supplies, etc.
	Row 40; Cells B, C, D, E, F, G, H, I, J, K, L, M	**Total Continuing Existing Program Costs:** The calculated sum of the above continuing existing program cost rows above, both PYs and Amts. Do not change.
	Row 41; Cells B, C, D, E, F, G, H, I, J, K, L, M	**Total Continuing Existing Costs:** The calculated sum of the PYs and Amts contained in Rows 37 and 40 above. Do not change.

	Cells N35, N37, N38, N40, and N41	**Total PYs:** These are the sum of the PYs shown in columns B, D, F, H, J, and L of Rows 35, 37, 38, 40, and 41. Do not change.
	Cells O35 through O41	**Total Amts:** These are the sum of the Amts shown in columns C, E, G, I, K, and M of Rows 35 through 41. Do not change. Cell O41 contains the Total Continuing Existing Cost of the project.
	Row 42; Cells B, C, D, E, F, G, H, I, J, K, L, M	**TOTAL ALTERNATIVE COSTS:** The calculated sum of the PYs and Amts contained in Rows 33 and 41 above. Do not change.
	Cell N42	**Total PYs:** This is the sum of the PYs shown in columns B, D, F, H, J, and L of Row 42. Do not change.
	Cell O42	**Total Amt:** This is the sum of the Amts shown in columns C, E, G, I, K, and M of Row O42. Do not change. Cell O42 contains the Total Alternative Cost of the project.
!	Row 43; Cells C, E, G, I, K, M	**INCREASED REVENUES:** Enter the total amount of increased revenues, which the State would receive (such as increased tax collections or recoveries) as a direct result of implementing the new system.
!	Rows 44 and below	Use these rows to enter any footnotes or other explanatory information, which will help understand the costs entered above. Be sure to change the print area to include any added rows, if any are used.

5.3 Economic Analysis Summary [SUM3]

This worksheet will display summary financial data for up to three alternatives for which costs are provided (Proposed Alternative, Alternative 1, and Alternative 2). The sheet provides calculations to help determine whether the proposed system is economically justified, and which alternative offers the most cost-effective solution.

Be sure that the number of columns needed for the number of years to be included in the economic analysis has been set using the instructions under Section 4.1, General Instructions for Spreadsheet Entry.

The worksheet requires no additional input unless more than three alternatives are included. In this case, copy rows 12 to 19; add below the third alternative and link as needed to show a valid comparison. If less than three alternatives are included, blank or delete the unused alternative portions of this worksheet.

5.31 Headings

Row 1	Sheet Title.
Rows 2–4	The department and project names and the date prepared have been linked to the Existing System/Baseline spreadsheet. They do not need to be entered here.
Row 5	The fiscal year designations have been linked to the Existing System/Baseline spreadsheet. They do not need to be entered here.

5.32 Existing System

Row 8	**Total IT Costs:** Cells in this row are linked to the same cells in Row 16 of the Existing System/Baseline worksheet.
Row 9	**Total Program Costs:** Cells in this row are linked to the same cells in Row 20 of the Existing System/Baseline worksheet.
Row 10	**Total Existing System Costs:** Cells in this row are linked to the same cells in Row 22 of the Existing System/Baseline worksheet.

5.33 Proposed Alternative

Row 12; Cells B through I	**Title of Proposed Alternative:** The content of these cells is linked to the title entered in Cell E1 of the ALT (P) spreadsheet.
Row 13	**Total Project Costs:** Cells in this row are linked to the same cells in Row 33 of the ALT (P) spreadsheet.
Row 14	**Total Continuing Existing Costs:** Cells in this row are linked to the same cells in Row 41 of the ALT (P) spreadsheet.
Row 15	**Total Alternative Costs:** Cells in this row are linked to the same cells in Row 42 of the ALT (P) spreadsheet.
Row 16	**Cost Savings/Avoidances:** Each cell in this row is the result of subtracting the value in the cell in the same column in Row 15 (Total Alternative Costs) from the value in the cell in the same column in Row 10 (Total Existing System Costs). A positive value shows the cost savings or avoidance that can be achieved by undertaking the alternative. A negative value shows that the alternative will actually cost more than the existing system.
Row 17; Cells C, E, G, I, K, M, O	**Increased Revenues:** Cells in this row are linked to the same cells in Row 43 of the ALT (P) spreadsheet.
Row 18	**Net (Cost) or Benefit:** Cells in this row are the result of the sum of the cells in the same column in Rows 16 and 17. [Note: Cells B, D, F, H, J, L, and N in row 17 are blank, so those cells are the same as the cells in Row 16]. This line in the summary shows the overall cost or benefit of the project in each year including both savings and increased revenues that will be achieved by this alternative. A positive value shows the cost savings or avoidance that can be achieved by undertaking the alternative. A negative value shows that the alternative will actually cost more than the existing system.
Row 19	**Cumulative Net (Cost) or Benefit:** Cells in this row are the result of adding value in the cell in the previous column of Row 19 to the value in current column of Row 18, for each set of PYs or Amts columns. The result is that cells L19 and M19 show the overall benefit of the project over the years of the project for this alternative. If the values are negative, the alternative is not justified by cost, but may still be justified by some other benefit to be seen from undertaking the project.

5.34 Alternatives 1 and 2 [ALT (1) and ALT (2)]

These two sections of the Economic Analysis Summary are calculated as described above for the Proposed Alternative, using the relevant rows of figures from the ALT (1) and ALT (2) spreadsheets. Comparison of values in cells L19 and M19, L28 and M28, and L37 and M37 should show that the Proposed Alternative is the most cost beneficial of those alternatives for which costs have been provided.

If there are only 1 or 2 alternatives for which costs have been provided, the alternative summary which shows zero cost will be ignored.

5.4 Project Funding Plan [FUND]

The Project Funding Plan [revised with this June 2002 edition] is used to show the funding needs for both the one-time and the continuing costs of the proposed alternative on an annual, non-cumulative basis. The FUND spreadsheet contains two pages, the first of which is the Project Funding Plan to be prepared by the department. The second page, which is calculated from figures entered in the first page, is the Adjustments, Savings, and Revenues Worksheet and is for OCIO use only.

The intent of this worksheet is for the department to show how each year of the proposed alternative will be funded in its entirety (including redirections for existing system baseline, redirections from other sources, and new budget actions, both one-time and ongoing). In the past, the Project Funding Plan spreadsheet provided as part of the EAW automatically rolled funding from one year into the next, which was sometimes confusing and not always accurate. This current version treats each year as a separate action and requires entry of all funding required into each year of the project.

Be sure that the number of columns needed for the number of years to be included in the economic analysis has been set using the instructions under Section 4.1, General Instructions for Spreadsheet Entry.

5.41 Headings

Row 1	Sheet Title
Rows 2–4	The department and project names and the date prepared have been linked to the Existing System/Baseline spreadsheet. They do not need to be entered here.
Row 5	The fiscal year designations have been linked to the Existing System/Baseline spreadsheet. They do not need to be entered here.

5.42 Total Project Costs

Row 7	**Total Project Costs:** Cells in this row are linked to the same cells in Row 31 of the ALT (P) spreadsheet.

5.43 Resources to be Redirected

!	Row 9; Cells B, D, F, H, J, L	**Staff:** Enter the number of personnel years of both existing IT and existing program staff that will be redirected from their current assignments to the new project.

!	Row 9; Cells C, E, G, I, K, M	**Staff:** Enter the personal services costs (wages, salaries, and staff benefits) associated with the personnel years entered in this row; the existing IT and existing program staff that will be redirected from their current assignments to the new project.
!	Row 11; Cells C, E, G, I, K, M	**Existing System:** Enter the amount of funds redirected to the project from reductions in the existing IT system or program area.
!	Row 12; Cells C, E, G, I, K, M	**Other Fund Sources:** Enter the amount of funds available for this project from projects or programs outside the scope of the project. The source and amount of these funds should be described in the Feasibility Study Report and included as a footnote at the bottom of the Project Funding Plan page.
	Row 13: Cells B through M	**Total Redirected Resources:** The calculated sum of the above redirected funds as entered in Rows 9 through 12. Do not change.

5.44 Additional Project Funding Needed

!	Row 15; Cells B through M	**One-Time Project Costs:** Enter the additional personnel years and funding needed for the development of the one-time phase of the new IT project. Personnel years and costs are to be entered as non-cumulative ("zero based") for each year for which the funds are needed. That is, if 2 personnel years are needed for the first year of the project and 3 personnel years are needed for the second year to develop the project, enter 2.0 in B15 and 3.0 in D15. Do not assume that what is entered in a cell in any one year will carry over to another year. Indicate by footnote or in the FSR what action will be made to get this funding and when (BCP, Finance Letter, etc.).
!	Row 16: Cells B through M	**Continuing Project Costs:** Enter the additional personnel years and funding needed after the project has been partially or fully implemented and the department begins incurring costs for ongoing maintenance and operations. Personnel years and costs are to be entered as non-cumulative ("zero based") for each year for which the funds are needed. That is, if 2 personnel years are continuously needed starting in the third year of the project, enter 2.0 in F16, H16, J16, etc. Do not assume that what is entered in a cell in any one year will carry over to another year. Indicate by footnote or in the FSR what action will be made to get this funding and when (BCP, Finance Letter, etc.).
	Row 17; Cells B through M	**Total Additional Project Funds Needed by Fiscal Year:** Cells in this row are the sum of the values in the same cells in rows 15 and 16. This represents the total amount of new project funding needed in each year for the proposed alternative. Do not change.

5.45 Total Project Funding

Row 18; Cells B through M	**Total Project Funding:** Cells in this row are the sum of the values in the same cells in rows 13 and 17. This represents the total funding needed for the project in each year of the proposed alternative. Do not change.

Row 19; Cells B through M	**Difference: Funding minus Costs:** Cells in this row are calculated as the values in the same cells in Row 18 minus the values in the same cells in Row 7. They show the difference, if any, between the project cost as estimated for the proposed alternative spreadsheet [ALT (P)] and the funding plan presented here. **It is expected that the amounts in this row will be zero. It is provided as a quick check of the balance between costs and funding.**

5.46 Total Estimated Cost Savings

!	Row 21; Cells B through M	**Total Estimated Cost Savings:** If they can be justified, enter any reductions in current expenses, personnel years, and/or dollars (appropriated funds) that result from implementing the proposed system, in the years in which they will occur, on a non-cumulative basis. These should be true savings, not cost avoidances.

5.47 TOTALS

	Column N; Rows 7, 9, 13, 15 through 19, and 21	**Total PYs:** The values in these cells are calculated by adding the values in the same row; Columns B, D, F, H, J, and L. They represent the total PYs for the row. Cell N18 shows the total number of PYs needed and funded for the proposed alternative. Cell N21 shows the total estimated savings in PYs anticipated from successful implementation of the project over the years of the project. Do not change.
	Column O; Rows 7, 9, 11, 12, 13, 15 through 19, and 21	**Total Amounts:** The values in these cells are calculated by adding the values in the same row, Columns C, E, G, I, K, and M. They represent the total amounts entered or calculated for the row. Cell O18 shows the total project funding needed for the proposed alternative over the years of the project. Cell O21 shows the total estimated cost savings anticipated from successful implementation of the project over the years of the project. Do not change.
!	Rows 22 through 31	Use these rows to enter any footnotes or other explanatory information, which will help understand the costs entered above.

5.48 Funding Source

!	Rows 23 through 26, Columns B, D, F, H, J, L	**Funding Source:** Enter the percent of funding from each funding source (General Fund, Federal, Fund, Special Fund, Reimbursement). The percentages are used to automatically calculate the dollar amount of the Total Project Funding for each fiscal year that will be paid from the funding source. The Totals column shows the totals for all fiscal years. ***Type**: If applicable, for each funding source, beginning on row 29, describe what type of funding is included, such as local assistance or grant funding, the date the funding is to become available, and the duration of the funding.

5.5 Adjustments, Savings, and Revenues

This worksheet is page two of the Project Funding Plan. It is automatically generated from the numbers entered in previous worksheets. The form eliminates the need for departments to calculate year-to-year budget adjustments. **It is for OCIO use only. No entries should be made on this worksheet. The estimated cost saving and increased revenue summarized here may be considered when evaluating budget requests.**
The following is a short explanation of how it is calculated:

5.51 One-Time Costs

B43 & C43	Always are zero.
B44 & C44	B44 equals B15 and C44 equals C15. That is, they start with the new one-time project funding needed.
Row 44; Cells D through M	Each cell contains the value in that year from Row 15 minus the corresponding value in Row 15 from the year before. That is, D44 equals D15 minus B15; E44 equals E15 minus C15, F44 equals F15 minus D15, G44 equals G15 minus E15, etc. This shows the change in new one-time funding needed each year.
D43 through M43	D43 equals B45; E43 equals C45; F43 equals D45, G43 equals E45, H43 equals F45; I43 equals G45; J43 equals H45; K43 equals I45, L43 equals J45, M43 equals K45. In this way, the baseline is set by the budget actions in the previous year.
Row 45	Each column, B through M, in row 45 equals the sum of the values in the same column in rows 43 and 44. **In this way, for each year Row 45 shows the amount needed to augment or reduce the baseline for the one-time costs.**

5.52 Continuing Costs

B47 & C47	Always are zero.
B48 & C48	B48 equals B16 and C48 equals C16. That is, they start with the new continuing project funding needed.
Row 48; Cells D through M	Each cell contains the value in that year from Row 16 minus the corresponding value in Row 16 from the year before. That is, D48 equals D16 minus B16; E48 equals E16 minus C16, F48 equals F16 minus D16, G48 equals G16 minus E16, etc. This shows the change in new continuing funding needed each year.
D47 through M47	D47 equals B49; E47 equals C49; F47 equals D49, G47 equals E49, H47 equals F49; I47 equals G49; J47 equals H49; K47 equals I49, L47 equals J49, M47 equals K49. In this way, the baseline is set by the budget actions in the previous year.
Row 49	Each column, B through M, in row 49 equals the sum of the values in the same column in rows 47 and 48. **In this way, for each year Row 49 shows the amount needed to augment or reduce the baseline for the continuing costs.**

5.53 Total Annual Project Budget Augmentation/(Reduction) [A + C]

Row 50	Each column, B through M is equal to the value in the corresponding column in Row 44 added to the value in the corresponding column in Row 48. The values in Row 50 show the total amount of new personnel years and funding needed in each year of the project. The expectation is that budget documents (BCP, Finance Letters, etc.), both positive and negative, will be submitted for those amounts in those years.

5.54 Net Adjustments

Cells N45 & N49	These cells contain the sum of the personnel year values in the columns B, D, F, H, J, & L of the corresponding rows. They represent the one-time and continuing total personnel years needed through budget action.
Cells O45 & O49	These cells contain the sum of the funding values in the columns C, E, G, I, K, & M of the corresponding rows. They represent the one-time and continuing total funding needed through budget action

5.55 Total Additional Project Funds Needed [B + D]

N52	N52 contains the sum of the values in N45 and N49. It shows the total number of new personnel years needed to meet the staffing requirements over the life of the project.
O52	O52 contains the sum of the values in O45 and O49. It shows the total amount of project funding needing to be acquired by one or more budget actions over the life of the project.

5.56 Annual Savings / Revenue Adjustments

B55 & C55	B55 equals B21 and C55 equals C21. That is, they start with the estimated costs savings in the first year as entered at the bottom of the Funding Plan
D55 through M55	Each cell contains the value in that year from Row 21 minus the corresponding value in Row 21 from the year before. That is, D55 equals D21 minus B21; E55 equals E21 minus C21, F55 equals F21 minus D21, G55 equals G21 minus E21, etc. This shows the change in amounts estimated to be saved from year to year as a result of successfully implementing the project.
Row 56, Cells C, E, G, I, K, M	Each cell in this row contains the amount from the corresponding cell in row 41 of the Proposed Alternative worksheet. This represents the estimated increased revenue expected in each year as a result of successfully implementing the project.

EXISTING SYSTEM/BASELINE COST WORKSHEET

Department: Dept. of Local Planning

All costs to be shown in whole (unrounded) dollars. Date Prepared: 5/6/210

Project: Upgrade Database and Servers

	FY 2009/10		FY 2010/11		FY 2011/12		FY 2012/13		TOTAL	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
Continuing Information Technology Costs										
Staff (salaries & benefits)	1.0	50,000	1.0	50,000	1.0	50,000	1.0	50,000	**4.0**	**200,000**
Hardware Lease/Maintenance		15,000		15,000		15,000		15,000		**60,000**
Software Maintenance/Licenses		18,000		18,000		18,000		18,000		**72,000**
Contract Services		0		0		0		0		**0**
Data Center Services		0		0		0		0		**0**
Agency Facilities		0		0		0		0		**0**
Other		7,500		7,500		7,500		7,500		**30,000**
Total IT Costs	**1.0**	**90,500**	**1.0**	**90,500**	**1.0**	**90,500**	**1.0**	**90,500**	**4.0**	**362,000**
Continuing Program Costs:										
Staff	44.0	2,083,100	44.0	2,083,100	44.0	2,083,100	44.0	2,083,100	**176.0**	**8,332,400**
Other		85,000		85,000		85,000		85,000		**340,000**
Total Program Costs	**44.0**	**2,168,100**	**44.0**	**2,168,100**	**44.0**	**2,168,100**	**44.0**	**2,168,100**	**176.0**	**8,672,400**
TOTAL EXISTING SYSTEM COST	**45.0**	**2,258,600**	**45.0**	**2,258,600**	**45.0**	**2,258,600**	**45.0**	**2,258,600**	**180.0**	**9,034,400**

PROPOSED ALTERNATIVE Upgrade Existing Database and Web Services

Date Prepared: 5/6/2010

Department: Dept. of Local Planning

Project: Upgrade Database and Servers

All Costs Should be shown in whole (unrounded) dollars.

	FY 2009/10		FY 2010/11		FY 2011/12		FY 2012/13		TOTAL	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
One-Time IT Project Costs										
Staff (Salaries & Benefits)	3.0	150,000	3.0	150,000	1.0	50,000	0.0	0	7.0	350,000
Hardware Purchase		75,000		250,698		0		0		325,698
Software Purchase/License		26,950		75,800		0		0		102,750
Telecommunications		15,000		7,000		0		0		22,000
Contract Services										
Software Customization		25,000		125,000		20,000		0		170,000
Project Management		19,500		38,750		5,000		0		63,250
Project Oversight		15,000		17,890		2,500		0		35,390
IV&V Services		30,000		45,000		6,000		0		81,000
Other Contract Services		650		7,800		50		0		8,500
TOTAL Contract Services		90,150		234,440		33,550		0		358,140
Data Center Services		7,900		1,500		1,000		0		10,400
Agency Facilities		2,500		0		0		0		2,500
Other		12,650		0		0		0		12,650
Total One-time IT Costs	**3.0**	**380,150**	**3.0**	**719,438**	**1.0**	**84,550**	**0.0**	**0**	**7.0**	**1,184,138**
Continuing IT Project Costs										
Staff (Salaries & Benefits)	0.0	0	0.0	0	0.5	25,000	1.0	50,000	1.5	75,000
Hardware Lease/Maintenance		500		3,500		3,500		3,500		11,000
Software Maintenance/Licenses		2,500		5,000		7,500		7,500		22,500
Telecommunications		0		7,500		15,000		18,000		40,500
Contract Services		15,000		7,500		0		0		22,500
Data Center Services		2,500		2,500		2,500		2,500		10,000
Agency Facilities		0		1,000		1,000		1,000		3,000
Other		5,000		1,000		0		0		6,000
Total Continuing IT Costs	**0.0**	**25,500**	**0.0**	**28,000**	**0.5**	**54,500**	**1.0**	**82,500**	**1.5**	**190,500**
Total Project Costs	**3.0**	**405,650**	**3.0**	**747,438**	**1.5**	**139,050**	**1.0**	**82,500**	**8.5**	**1,374,638**
Continuing Existing Costs										
Information Technology Staff	1.0	50,000	1.0	50,000	0.5	25,000	0.0	0	2.5	125,000
Other IT Costs		40,500		40,500		20,250		0		101,250
Total Continuing Existing IT Costs	**1.0**	**90,500**	**1.0**	**90,500**	**0.5**	**45,250**	**0.0**	**0**	**2.5**	**226,250**
Program Staff	44.0	2,083,100	44.0	2,083,100	43.0	2,036,000	42.0	1,988,000	173.0	8,190,200
Other Program Costs		85,000		85,000		65,000		42,500		277,500
Total Continuing Existing Program Costs	**44.0**	**2,168,100**	**44.0**	**2,168,100**	**43.0**	**2,101,000**	**42.0**	**2,030,500**	**173.0**	**8,467,700**
Total Continuing Existing Costs	**45.0**	**2,258,600**	**45.0**	**2,258,600**	**43.5**	**2,146,250**	**42.0**	**2,030,500**	**175.5**	**8,693,950**
TOTAL ALTERNATIVE COSTS	**48.0**	**2,664,250**	**48.0**	**3,006,038**	**45.0**	**2,285,300**	**43.0**	**2,113,000**	**184.0**	**10,068,588**
INCREASED REVENUES		0		0		100,000		150,000		**250,000**

ALTERNATIVE #1: New Generic Database, Web Enabled Applications

Date Prepared: 5/6/2010

Department: Dept. of Local Planning

Project: Upgrade Database and Servers

All Costs Should be shown in whole (unrounded) dollars.

	FY 2009/10		FY 2010/11		FY 2011/12		FY 2012/13		TOTAL	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
One-Time IT Project Costs										
Staff (Salaries & Benefits)	3.0	150,000	3.0	150,000	2.0	100,000	0.0	0	8.0	400,000
Hardware Purchase		495,000		125,000		95,000		0		715,000
Software Purchase/License		255,000		175,000		55,000		0		485,000
Telecommunications		75,000		55,000		25,000		0		155,000
Contract Services										
Software Customization		275,000		195,000		120,000		0		590,000
Project Management		50,000		45,000		37,500		0		132,500
Project Oversight		25,000		18,500		12,500		0		56,000
IV&V Services		15,000		12,500		1,000		0		28,500
Other Contract Services		650		0		0		0		650
TOTAL Contract Services		365,650		271,000		171,000		0		807,650
Data Center Services		7,900		5,500		2,500		0		15,900
Agency Facilities		5,000		0		0		0		5,000
Other		12,650		5,425		0		0		18,075
Total One-time IT Costs	**3.0**	**1,366,200**	**3.0**	**786,925**	**2.0**	**448,500**	**0.0**	**0**	**8.0**	**2,601,625**
Continuing IT Project Costs										
Staff (Salaries & Benefits)	0.0	0	0.0	0	0.5	25,000	1.0	50,000	1.5	75,000
Hardware Lease/Maintenance		2,500		3,500		3,500		3,500		13,000
Software Maintenance/Licenses		2,500		5,000		8,000		8,000		23,500
Telecommunications		5,500		16,000		19,000		22,500		63,000
Contract Services		15,000		7,500		0		0		22,500
Data Center Services		2,500		2,500		0		0		5,000
Agency Facilities		0		1,000		1,000		1,000		3,000
Other		5,000		1,000		0		0		6,000
Total Continuing IT Costs	**0.0**	**33,000**	**0.0**	**36,500**	**0.5**	**56,500**	**1.0**	**85,000**	**1.5**	**211,000**
Total Project Costs	**3.0**	**1,399,200**	**3.0**	**823,425**	**2.5**	**505,000**	**1.0**	**85,000**	**9.5**	**2,812,625**
Continuing Existing Costs										
Information Technology Staff	1.0	50,000	1.0	50,000	0.5	25,000	0.0	0	2.5	125,000
Other IT Costs		40,500		40,500		20,250		0		101,250
Total Continuing Existing IT Costs	**1.0**	**90,500**	**1.0**	**90,500**	**0.5**	**45,250**	**0.0**	**0**	**2.5**	**226,250**
Program Staff	0.0	2,083,100	44.0	2,083,100	43.0	2,036,000	42.0	1,988,000	129.0	8,190,200
Other Program Costs		85,000		85,000		65,000		42,500		277,500
Total Continuing Existing Program Costs	**0.0**	**2,168,100**	**44.0**	**2,168,100**	**43.0**	**2,101,000**	**42.0**	**2,030,500**	**129.0**	**8,467,700**
Total Continuing Existing Costs	**1.0**	**2,258,600**	**45.0**	**2,258,600**	**43.5**	**2,146,250**	**42.0**	**2,030,500**	**131.5**	**8,693,950**
TOTAL ALTERNATIVE COSTS	**4.0**	**3,657,800**	**48.0**	**3,082,025**	**46.0**	**2,651,250**	**43.0**	**2,115,500**	**141.0**	**11,506,575**
INCREASED REVENUES		**0**		0		0		100,000		**100,000**

ALTERNATIVE #2: Custom Developed Databases, Web Enabled Applications

Date Prepared: 5/6/2010

Department: Dept. of Local Planning

All Costs Should be shown in whole (unrounded) dollars.

Project: Upgrade Database and Servers

	FY 2009/10		FY 2010/11		FY 2011/12		FY 2012/13		TOTAL	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
One-Time IT Project Costs										
Staff (Salaries & Benefits)	3.0	150,000	3.0	150,000	2.0	100,000	0.0	0	8.0	400,000
Hardware Purchase		495,000		125,000		95,000		0		715,000
Software Purchase/License		255,000		175,000		55,000		0		485,000
Telecommunications		75,000		55,000		25,000		0		155,000
Contract Services										
Software Customization		600,000		300,000		200,000		0		1,100,000
Project Management		50,000		45,000		37,500		0		132,500
Project Oversight		25,000		18,500		12,500		0		56,000
IV&V Services		15,000		12,500		1,000		0		28,500
Other Contract Services		25,000		0		0		0		25,000
TOTAL Contract Services		715,000		376,000		251,000		0		1,342,000
Data Center Services		7,900		5,500		2,500		0		15,900
Agency Facilities		5,000		0		0		0		5,000
Other		12,650		5,425		0		0		18,075
Total One-time IT Costs	**3.0**	**1,715,550**	**3.0**	**891,925**	**2.0**	**528,500**	**0.0**	**0**	**8.0**	**3,135,975**
Continuing IT Project Costs										
Staff (Salaries & Benefits)	0.0	0	0.0	0	0.5	25,000	1.0	50,000	1.5	75,000
Hardware Lease/Maintenance		2,500		3,500		3,500		3,500		13,000
Software Maintenance/Licenses		2,500		5,000		8,000		8,000		23,500
Telecommunications		5,500		16,000		19,000		22,500		63,000
Contract Services		15,000		7,500		0		0		22,500
Data Center Services		2,500		2,500		0		0		5,000
Agency Facilities		0		0		0		0		0
Other		5,000		1,000		0		0		6,000
Total Continuing IT Costs	**0.0**	**33,000**	**0.0**	**35,500**	**0.5**	**55,500**	**1.0**	**84,000**	**1.5**	**208,000**
Total Project Costs	**3.0**	**1,748,550**	**3.0**	**927,425**	**2.5**	**584,000**	**1.0**	**84,000**	**9.5**	**3,343,975**
Continuing Existing Costs										
Information Technology Staff	1.0	50,000	1.0	50,000	0.5	25,000	0.0	0	2.5	125,000
Other IT Costs		40,500		40,500		20,250		0		101,250
Total Continuing Existing IT Costs	**1.0**	**90,500**	**1.0**	**90,500**	**0.5**	**45,250**	**0.0**	**0**	**2.5**	**226,250**
Program Staff	44.0	2,083,100	44.0	2,083,100	43.0	2,036,000	42.0	1,988,000	173.0	8,190,200
Other Program Costs		85,000		85,000		65,000		42,500		277,500
Total Continuing Existing Program Costs	**44.0**	**2,168,100**	**44.0**	**2,168,100**	**43.0**	**2,101,000**	**42.0**	**2,030,500**	**173.0**	**8,467,700**
Total Continuing Existing Costs	**45.0**	**2,258,600**	**45.0**	**2,258,600**	**43.5**	**2,146,250**	**42.0**	**2,030,500**	**175.5**	**8,693,950**
TOTAL ALTERNATIVE COSTS	**48.0**	**4,007,150**	**48.0**	**3,186,025**	**46.0**	**2,730,250**	**43.0**	**2,114,500**	**185.0**	**12,037,925**
INCREASED REVENUES		0		0		100,000		150,000		**250,000**

ECONOMIC ANALYSIS SUMMARY Date Prepared: 5/6/201(

Department: Dept. of Local Planning

All costs to be shown in whole (unrounded) dollars.

Project: Upgrade Database and Servers

	FY 2009/10		FY 2010/11		FY 2011/12		FY 2012/13		TOTAL	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
EXISTING SYSTEM										
Total IT Costs	1.0	90,500	1.0	90,500	1.0	90,500	1.0	90,500	4.0	362,000
Total Program Costs	44.0	2,168,100	44.0	2,168,100	44.0	2,168,100	44.0	2,168,100	176.0	8,672,400
Total Existing System Costs	45.0	2,258,600	45.0	2,258,600	45.0	2,258,600	45.0	2,258,600	180.0	9,034,400
PROPOSED ALTERNATIVE	**Upgrade Existing Database and Web Services**									
Total Project Costs	3.0	405,650	3.0	747,438	1.5	139,050	1.0	82,500	8.5	1,374,638
Total Cont. Exist. Costs	45.0	2,258,600	45.0	2,258,600	43.5	2,146,250	42.0	2,030,500	175.5	8,693,950
Total Alternative Costs	48.0	2,664,250	48.0	3,006,038	45.0	2,285,300	43.0	2,113,000	184.0	10,068,588
COST SAVINGS/AVOIDANCES	(3.0)	(405,650)	(3.0)	(747,438)	0.0	(26,700)	2.0	145,600	(4.0)	(1,034,188)
Increased Revenues		0		0		100,000		150,000		250,000
Net (Cost) or Benefit	(3.0)	(405,650)	(3.0)	(747,438)	0.0	73,300	2.0	295,600	(4.0)	(784,188)
Cum. Net (Cost) or Benefit	(3.0)	(405,650)	(6.0)	(1,153,088)	(6.0)	(1,079,788)	(4.0)	(784,188)		
ALTERNATIVE #1	**New Generic Database, Web Enabled Applications**									
Total Project Costs	3.0	1,399,200	3.0	823,425	2.5	505,000	1.0	85,000	9.5	2,812,625
Total Cont. Exist. Costs	1.0	2,258,600	45.0	2,258,600	43.5	2,146,250	42.0	2,030,500	131.5	8,693,950
Total Alternative Costs	4.0	3,657,800	48.0	3,082,025	46.0	2,651,250	43.0	2,115,500	141.0	11,506,575
COST SAVINGS/AVOIDANCES	41.0	(1,399,200)	(3.0)	(823,425)	(1.0)	(392,650)	2.0	143,100	39.0	(2,472,175)
Increased Revenues		0		0		0		100,000		100,000
Net (Cost) or Benefit	41.0	(1,399,200)	(3.0)	(823,425)	(1.0)	(392,650)	2.0	243,100	39.0	(2,372,175)
Cum. Net (Cost) or Benefit	41.0	(1,399,200)	38.0	(2,222,625)	37.0	(2,615,275)	39.0	(2,372,175)		
ALTERNATIVE #2	**Custom Developed Databases, Web Enabled Applications**									
Total Project Costs	3.0	1,748,550	3.0	927,425	2.5	584,000	1.0	84,000	9.5	3,343,975
Total Cont. Exist. Costs	45.0	2,258,600	45.0	2,258,600	43.5	2,146,250	42.0	2,030,500	175.5	8,693,950
Total Alternative Costs	48.0	4,007,150	48.0	3,186,025	46.0	2,730,250	43.0	2,114,500	185.0	12,037,925
COST SAVINGS/AVOIDANCES	(3.0)	(1,748,550)	(3.0)	(927,425)	(1.0)	(471,650)	2.0	144,100	(5.0)	(3,003,525)
Increased Revenues		0		0		100,000		150,000		250,000
Net (Cost) or Benefit	(3.0)	(1,748,550)	(3.0)	(927,425)	(1.0)	(371,650)	2.0	294,100	(5.0)	(2,753,525)
Cum. Net (Cost) or Benefit	(3.0)	(1,748,550)	(6.0)	(2,675,975)	(7.0)	(3,047,625)	(5.0)	(2,753,525)		

SIMM 20C30C, Rev. 08/2010

PROJECT FUNDING PLAN

Department: Dept. of Local Planning

All Costs to be in whole (unrounded) dollars

Date Prepared: 5/6/2010

Project: Upgrade Database and Servers

	FY 2009/10		FY 2010/11		FY 2011/12		FY 2012/13		TOTALS	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
TOTAL PROJECT COSTS	**3.0**	**405,650**	**3.0**	**747,438**	**1.5**	**139,050**	**1.0**	**82,500**	**8.5**	**1,374,638**
RESOURCES TO BE REDIRECTED										
Staff	0.0	0	0.0	0	0.5	25,000	1.0	50,000	**1.5**	**75,000**
Funds:										
Existing System		0		0		20,250		32,500		**52,750**
Other Fund Sources		18,500		18,500		0		0		**37,000**
TOTAL REDIRECTED RESOURCES	**0.0**	**18,500**	**0.0**	**18,500**	**0.5**	**45,250**	**1.0**	**82,500**	**1.5**	**164,750**
ADDITIONAL PROJECT FUNDING NEEDED										
One-Time Project Costs	3.0	380,150	0.0	719,438	1.0	84,550	0.0	0	**4.0**	**1,184,138**
Continuing Project Costs	0.0	7,000	0.0	9,500	0.0	9,250	0.0	0	**0.0**	**25,750**
TOTAL ADDITIONAL PROJECT FUNDS NEEDED BY FISCAL YEAR	**3.0**	**387,150**	**0.0**	**728,938**	**1.0**	**93,800**	**0.0**	**0**	**4.0**	**1,209,888**
TOTAL PROJECT FUNDING	**3.0**	**405,650**	**0.0**	**747,438**	**1.5**	**139,050**	**1.0**	**82,500**	**5.5**	**1,374,638**
Difference: Funding - Costs	0.0	0	(3.0)	0	0.0	0	0.0	0	**(3.0)**	**0**
Total Estimated Cost Savings	0.0	0	0.0	0	0.0	0	0.0	0	**0.0**	**0**

FUNDING SOURCE*										
General Fund	35%	141,978	35%	261,603	50%	69,525	100%	82,500	40%	555,606
Federal Fund	65%	263,673	65%	485,835	50%	69,525	0%	-	60%	819,032
Special Fund	0%	-	0%	-	0%	-	0%	-	0%	-
Reimbursement	0%	-	0%	-	0%	-	0%	-	0%	-
TOTAL FUNDING	100%	405,650	100%	747,438	100%	139,050	100%	82,500	100%	1,374,638

***Type:** If applicable, for each funding source, beginning on row 29, describe what type of funding is included, such as local assistance or grant funding, the date the funding is to become available, and the duration of the funding.

Federal Funding from grant xxx for 3 years, beginning July 1, 2010.

ADJUSTMENTS, SAVINGS AND REVENUES WORKSHEET
(DOF Use Only)

Department: Dept. of Local Planning

Project: Upgrade Database and Servers

Date Prepared: 5/6/2010

	FY 2009/10		FY 2010/11		FY 2011/12		FY 2012/13		Net Adjustments	
Annual Project Adjustments	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
One-time Costs										
Previous Year's Baseline	0.0	0	3.0	380,150	0.0	719,438	1.0	84,550		
(A) Annual Augmentation /(Reduction)	**3.0**	**380,150**	**(3.0)**	**339,288**	**1.0**	**(634,888)**	**(1.0)**	**(84,550)**		
(B) Total One-Time Budget Actions	3.0	380,150	0.0	719,438	1.0	84,550	0.0	0	**4.0**	**1,184,138**
Continuing Costs										
Previous Year's Baseline	0.0	0	0.0	7,000	0.0	9,500	0.0	9,250		
(C) Annual Augmentation /(Reduction)	**0.0**	**7,000**	**0.0**	**2,500**	**0.0**	**(250)**	**0.0**	**(9,250)**		
(D) Total Continuing Budget Actions	0.0	7,000	0.0	9,500	0.0	9,250	0.0	0	**0.0**	**25,750**
Total Annual Project Budget Augmentation /(Reduction) [A + C]	**3.0**	**387,150**	**(3.0)**	**341,788**	**1.0**	**(635,138)**	**(1.0)**	**(93,800)**		

[A, C] Excludes Redirected Resources

Total Additional Project Funds Needed [B + D]	**4.0**	**1,209,888**

Annual Savings/Revenue Adjustments

Cost Savings	0.0	0	0.0	0	0.0	0	0.0	0
Increased Program Revenues		0		0		100,000		150,000

Economic Analysis Workbook Glossary

DGS	The Department of General Services, the control agency responsible for oversight of procurement, including IT procurement in California State Government.
EAW	Economic Analysis Workbook--The set of spreadsheets used to document summary costs associated with information technology project proposals. Included as part of an FSR, SPR, APD, or other equivalent document.
Excel	A software package used on personal computers to create automated spreadsheets.
FSR	Feasibility Study Report--One of the standard formats for documenting automation or IT project proposals.
IPOC	Independent Project Oversight--An independent review of the project management of a project to ensure approved project plans and sound management practices are used to minimize risk.
Installment Purchase	The purchase of hardware or equipment on an installment plan where a portion of the cost is paid at each of some scheduled period of time. Interest is usually included in the amount paid.
IT	Information Technology
IV&V	Independent Validation and Verification--An independent determination of whether development products satisfy the intended use and the user needs when operated in the environment for which they are intended (verification), and whether the products satisfy the specified requirements of the project (validation).
Lease Purchase	The leasing of hardware or equipment over some period of time, which includes an option to purchase for a nominal sum at the end of the leasing period.
OCIO	The Office of the State Chief Information Officer, the control agency responsible for approving proposed IT projects in California State Government.
PFP	Project Funding Plan--The spreadsheet that documents all the funding requirements for a project.
SPR	Special Project Report--One of the standard formats for documenting changes in scope, cost, benefits, schedules, or methodologies of a previously approved IT project.