

**XXXX PROJECT  
BUSINESS CASE EVALUATION**

<b>Content</b>	<b>Questions</b>	<b>LFO Findings/Recommendations/Comments</b>	<b>Met? (Y/N/Partial)</b>
1. Problem Description & Background	<ul style="list-style-type: none"> <li>• Is the problem and its background clearly described?</li> <li>• Is the problem and its scope clearly described?</li> <li>• Have the affected program areas, stakeholders, citizens, businesses, etc. that may be affected been identified?</li> <li>• Have relevant metrics or data been provided to help define the scope of the problem or opportunity?</li> <li>• Are business opportunities clearly described?</li> <li>• Is the purpose of the business case clearly defined?</li> <li>• Is the problem or opportunity described in terms of the agency program or business terms?</li> <li>• Is the problem or opportunity linked to the agency mission, goals, and/or strategic business/IT plans?</li> </ul>		
2. Solution Requirements	<ul style="list-style-type: none"> <li>• Are the high-level functional requirements clearly defined?</li> <li>• Are the high-level non-functional requirements clearly defined?</li> <li>• Do the requirements cover the full-range of requirements including functions, data, legal, design, security, legal, etc.?</li> <li>• Is each requirement categorized as to its priority (i.e. mandatory, important, or nice-to-have)?</li> </ul>		
3. Assumptions & Constraints	<ul style="list-style-type: none"> <li>• Are the assumptions that will “frame” the alternatives that are to be considered clearly defined?</li> <li>• Are the assumptions that will “frame” the analysis of solution options be clearly defined?</li> <li>• Are the assumptions and constraints reasonable and objective?</li> </ul>		
4. Solution Selection Methodology & Criteria	<ul style="list-style-type: none"> <li>• Is the selection methodology and criteria that will be utilized to select the recommended alternative clearly defined with both objective and subjective selection criteria?</li> </ul>		
5. Solution Alternative Analysis			
a. Description	<ul style="list-style-type: none"> <li>• Has the analysis methodology been clearly defined and linked to the solution selection methodology and criteria?</li> <li>• Have the sources of data for the analysis been identified?</li> <li>• Is a baseline alternative comprehensively described?</li> <li>• Are more than two alternatives described (excluding the baseline)?</li> <li>• Is each alternative clearly defined?</li> <li>• Is each alternative fully defined with respect to its ability to</li> </ul>		

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	<p>meet requirements?</p> <ul style="list-style-type: none"> <li>• Is each alternative fully defined with respect to its tangible/intangible benefits, advantages, drawbacks, and disadvantages?</li> <li>• Have the benefits for each alternative been analyzed in terms of tangible contributions to agency mission or goals?</li> <li>• Have the benefits been analyzed in terms of solutions to problems?</li> <li>• Has a clear and comprehensive cost model for each alternative been identified?</li> <li>• Have the key financial criteria, or financial metrics (i.e. net cash flow, NPV, TCO, ROI, IRR, payback period, price/performance ration, cost per transaction, etc.) that will be analyzed for each alternative, been identified?</li> <li>• Is each alternative's costs (ongoing, one-time, development, implementation &amp; operational) fully defined?</li> <li>• Is the ability to avoid costs clearly defined for each alternative?</li> <li>• Is the value of the benefits for each alternative fully defined?</li> <li>•</li> </ul>		
b. Comparison	<ul style="list-style-type: none"> <li>• Is the "do-nothing/status quo" option used as the baseline for comparison?</li> <li>• Is each alternative compared with all other alternatives on ability to meet the solution requirements?</li> <li>• Is each alternative compared with all other alternatives on its benefits/advantages (i.e. non financial business results comparisons)?</li> <li>• Were process improvements, new/enhanced services, public/stakeholder satisfaction, strategic alignment, etc. used to compare alternatives?</li> <li>• Is each alternative compared with all other alternatives on its drawbacks/disadvantages?</li> <li>• Is each alternative compared with all other alternatives on its one-time costs?</li> <li>• Is each alternative compared with all other alternatives on its ongoing costs?</li> <li>• Is total cost of ownership (TCO) for each alternative used for a comparison of each alternative's costs with all other alternative TCO's?</li> <li>• Was a TCO summary analysis and incremental TCO analysis chart provided to show differences across the alternatives</li> </ul>		

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	<p>and the baseline?</p> <ul style="list-style-type: none"> <li>• Is return on investment (ROI), where appropriate for each alternative used for a comparison of each alternative's with all other alternative ROI's?</li> <li>• Are cost avoidances for each alternative used for a comparison of these costs with those of all other alternatives?</li> <li>• Are cost savings for each alternative used for a comparison of these costs with those of all other alternatives?</li> <li>• Has a through cost-benefit analysis been conducted based upon a clearly defined financial/cost model and associated cash flow projections.</li> <li>• Were cash flow methods and assumptions clearly identified?</li> <li>• Were cash flow projections and comparisons adequately addressed between the alternatives (including the baseline)?</li> <li>• Were incremental cash flows addressed?</li> <li>• Was the incremental cash flow results used to identify and measure expected cost savings, avoided costs, or cost increases across the alternatives as compared to the baseline.</li> <li>• Were the cash flow estimates for costs and benefits based on reasonable and known assumptions?</li> <li>• Were the assumptions used to analyze and compare cash flow estimates consistently across the alternatives?</li> <li>• Was net cash flow for each alternative and across alternatives addressed?</li> <li>• Has a true total cost of ownership been developed with all sources (i.e. development, hardware/software purchase, staff services, facilities, supplies, etc.) of alternative costs taken into account?</li> <li>• Has the basis for all business case estimates been identified? Was it consistently followed throughout the business case?</li> <li>• Have "sunk costs" been identified and addressed?</li> <li>• Was a cash flow summary table including each alternative provided?</li> <li>• Were all alternatives compared with respect to their contributions to state and/or agency goals and objectives?</li> <li>• Were non-financial measures identified and compared across all alternatives?</li> <li>• Was the importance to the agency and stakeholders for each non-financial benefit clearly identified and addressed?</li> <li>• Has the alignment of each alternatives with state and agency</li> </ul>		

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	<p>strategic business and IT plans been addressed?</p> <ul style="list-style-type: none"> <li>• Has the alignment of each alternative with the Governor’s goals, priorities, and initiatives, the 2007-11 Enterprise Information Resources Management Strategy, and other IT related statewide plans (i.e. Security, disaster planning, GIS, etc.), goals, and objectives been clearly described?</li> <li>• Have business, organizational, and technical risks been identified for each alternative?</li> <li>• Have business, organizational, and technical risks been compared across all alternatives?</li> <li>• Have the probabilities for each risk and consequences of occurrence been clearly defined in terms of business, financial, and service delivery?</li> <li>• Have mitigation strategies been identified for each alternative’s key business, financial, and service delivery risk?</li> <li>• Have alternative risks for which cannot be managed or controlled (i.e. fixed project end data)? Have monitoring approaches been identified to minimize the impacts of these types of risks?</li> <li>• Has a risk mitigation strategic been identified for each alternative?</li> </ul>		
6. Recommendation & Rationale	<ul style="list-style-type: none"> <li>• Was the selection methodology and criteria utilized for selecting the recommended alternative?</li> <li>• Does the recommendation show that the alternatives were objectively compared on the basis of contributions to business objectives, problems solved, financial outcomes, and risks?</li> <li>• Is the recommendation and rationale clearly described?</li> <li>• Is the selection justified?</li> <li>• Have practical recommendations been identified for implementing the proposed alternative?</li> <li>• Have practical recommendations been identified for watching or managing key alternative risks?</li> <li>• Have practical recommendations been identified for pursuing opportunities related to the selected alternative?</li> </ul>		
7. Consequences of Failure to Act	<ul style="list-style-type: none"> <li>• Is the impact of taking no action and following the “do nothing” option clearly and comprehensively described?</li> </ul>		

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8. Next Steps	<ul style="list-style-type: none"> <li>Does the business case contain a clear statement of the next steps for the proposed project including steps for obtaining funding?</li> </ul>		
9. Appendices			
a. Economic Analysis Worksheets	<ul style="list-style-type: none"> <li>Has a thorough economic analysis been completed?</li> <li>Have the one-time and operational costs over the next 10+ years been provided?</li> </ul>		
b. Selected Alternative Workplan	<ul style="list-style-type: none"> <li>Does the selected alternative workplan contain a comprehensive work breakdown structure chart?</li> <li>Does the workplan include a comprehensive project schedule?</li> <li>Does the workplan include a comprehensive project PERT chart?</li> <li>Does the workplan include a comprehensive staff resource plan?</li> <li>Does the workplan include a comprehensive project budget and expenditure plan?</li> </ul>		
c. High-Level Risk Analysis	<ul style="list-style-type: none"> <li>Has a high-level risk analysis for the selected alternative been provided?</li> </ul>		