TexasOnline *Attachment* to Master Agreement

Between

The State of Texas, acting by and through
the Texas Department of Information Resources

and

Texas NICUSA, LLC

Attachment H-1
Policies and Procedures Manual

February 20, 2013
Version 3.0

Version History

The version numbering is as follows:

- All internal edits (prior to delivery to either party) shall be marked with 0.01 increments and will be removed prior to delivery to client. The summary of those edits will be added to the 0.1 increment line.
- Documents delivered to and returned from client shall be marked with 0.1 increments.
- If client sends back change requests via another method (i.e., comments spreadsheet or email) vendor will add a line for the return and fill in the appropriate data.
- Once accepted by both parties, it shall be marked with a full number increase (e.g., 1.0, 2.0, etc.).

Version Number	**Action *(Delivered, Returned, Approved)***	**Sent Date**	**Acceptance Date (Major Version Only)**	**Document Owner/ Reviewer**	**Summary of Changes**
1.0	Approved				Initial document
1.1	Delivered	10/13/2010		D. True	Changes made in accordance with emailed correspondence to sections 5.4, 4.3.2, and the Business Process Templates. Removed all Business Case Templates from end of document.
1.2	Returned	11/30/2010		J. Severn	Document returned with change requests (see Comments spreadsheet v1.1)
1.3	Delivered	12/10/2010		D. True	Changes made in accordance with Comments spreadsheet s well as changes to section 4.3.5 Change Control Board.
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1.6	Returned	4/8/2011		J. Severn	Changes to the Business Case approval signature authority were requested on pages 55 and 59-61.
1.7	Delivered	5/11/2011		D. True	Changes made to the BC approval process on pages 55 and 59-61.
1.8	Returned	5/19/2011		J. Severn	Change made to Version

Version Number	Action *(Delivered, Returned, Approved)*	Sent Date	Acceptance Date (Major Version Only)	Document Owner/ Reviewer	Summary of Changes
					History for update v1.6 re: business case signature authority pages 55 and 59-61
1.9	Delivered	7/5/2011		D. True	No changes made to document from v1.7 other than accepting change to Version History description for update v1.6
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1.11	Delivered	7/15/2011		D. True	Updated Table 8 to include this language.
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2.3	Delivered	12/11/2012		D. True	Updates made in response to DIR's requests throughout document
2.4	Returned	12/17/2012		G. Monnat	Updated by the addition of graphics beginning as 6.5.1.7 on page 94
2.5	Delivered	1/14/2012		D. True	Made global change from TexasOnline to Texas.gov. Returning with questions about graphics in section 6.5.1.7. Updated Section 10.2 and 10.3
2.6	Returned	1/16/2013		G. Monnat	Updates made and changes throughout and as per the comments matrix
2.7	Delivered	1/18/2013		D. True	Updates made in response to DIR's requests throughout document
3.0	Approved		January 25, 2013	G. Monnat	DIR Approves all changes.

NOTE: No changes to the document will be allowed when the document is pending approval.

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1 Introduction

The purpose of the TexasOnline *Attachment H-1 Policies and Procedures Manual* (PPM) is to capture all of the Texas.gov governance structure, roles and responsibilities, teams, policies, and procedures so that observers, contributors, and participants of the Program will have a single, comprehensive point of reference. The PPM is structured according to the following topic areas:

- Governance Approach
- Roles and Responsibilities
  - DIR roles and responsibilities
  - Vendor roles and responsibilities
- Governance Committees and Teams
  - Function, authority, responsibility, membership, reports, and meeting frequency of all governance committees and teams
- Policies
- Procedures
- Appendices

2 Modifying the Policies and Procedures Manual

The Policies and Procedures Manual may be modified according to *Exhibit H Governance, Article III* to the Master Agreement.

3 Key Terms and Definitions

Table 1 below lists and defines terms specific to *Attachment H-1 Policies and Procedures Manual*. A comprehensive list of terms and definitions for the Master Agreement is provided in *Exhibit A Definitions*.

Table 1: Key Terms

Term/Acronym	Definition
Annual Budget Process	An annual process that includes an analysis of the annual operating budget and Total Revenue projections for the Texas.gov Program.
Availability	The proportion of time that a Customer is able to access a particular service
Availability Management	Ensures the level of service availability delivered matches or exceeds the current and future agreed needs of the business in a cost effective manner
Budget Amendment	A written document that alters the Annual Budget.

Business Case Process (BCP)	A formal process that will include an analysis of a proposed Project, including the high-level requirements, technical and architecture approach, schedule, proposed fee schedules and payback, rough-order-of-magnitude cost, impact on Texas.gov financial results, technical and business risk analysis, and a statewide impact analysis where applicable.
Change	Modifications or additions that change the utility, efficiency, or functional capability of an existing Texas.gov service or application.
Change Management Process	Change Management is the overall process of controlling and managing any additions, deletions, or modifications to the scope of an approved project or to an existing system, application or service on Texas.gov.
Customer Executive Sponsor	The person who has signature authority for the Customer.
Customer Fees	Statutory, regulatory, or other fees collected via Texas.gov in completion of an electronic commerce transaction.
Emergency Project	A Texas.gov Project that DIR and Vendor mutually agree in writing must be implemented in a timeframe that prevents the Business Case Process from being observed.
Escalation	A process when the skill set of the Help Desk or the Service Desk is insufficient to handle a Service Request or Incident. Escalation can occur in two ways: 1. Functional: Move the Incident further through support chain based on technical expertise 2. Hierarchical: Moves the Incident further up the Management chain for informational purposes, decision making or to request additional resources
Event	A detectable occurrence or change of state that has significance for IT Infrastructure Management or service delivery. An event may also mean an alert or notification created by a monitoring tool based on an exceeded threshold. *Examples of Events:* • Environmental conditions (temperature, CPU exceeds threshold) • Security Intrusion Detection • Failed web page load on 1st attempt
Event Management	The process that manages events through their lifecycle
Failure	Loss of ability to operate to specification, or to deliver the required output. The term Failure may be used when referring to IT services, processes, activities, configuration items etc. A Failure often causes an Incident.
Impact	A measure of the effect of an Incident, Problem or change on business processes. Impact is often based on how service levels will be affected. Impact and Urgency are used to assign Priority.

Incident	An unplanned interruption to a service or a reduction in the quality of an IT service. Failure that has not yet impacted service is also an Incident. For example: failure of one disk from a mirror set. An Incident and Impairment may be one in the same. Examples of Incidents: • Missing or duplicate transactions • Disk Failure (trigger from Event Management) • Security scan results requiring remediation
Incident Management	Restoring service to all users as quickly as possible; minimize the adverse impact of failure on the business operations and ensure the best possible level of service quality and availability are maintained
Known Error	A Problem that has a documented root cause and workaround
Major Incident	A form of an Incident model typically with a shorter timeframe, greater urgency and has significant impact on the business, current or potential
Management Team	DIR and Vendor operations and management staff who are performing their day-to-day job functions in the development and maintenance of Texas.gov. The Management Team is not a governance function.
Originator	The originator of the proposed Project. The originator can be one or more of the following groups: • Architecture and Standards Board • Change Control Board • Customer • Customer Advisory Council • Management and Operations • Third Party Application Council (3PAC) (disbanded 12/31/2012) • Vendor
Partnership Investment	A solution that necessitates the investment of upfront capital by Vendor.
Priority	A level of classification assessed on the basis of impact (effect on the business) and urgency (time criticality of the event to the business)
Problem	An unknown root cause of one or more existing or potential Incidents
Problem Management	The process that manages all Problems through their lifecycle with the aim of preventing future Incidents from occurring and minimizing the impact of any that cannot be prevented. There are processes within the Problem Management scope: 1. Reactive: performed by Service Operation Team 2. Proactive: issues identified as part of a Continual Service Improvement plan
Program	The multiple, interdependent Projects that comprise the portfolio of Texas.gov. The Program includes the Projects deployed in accordance with the processes set forth in this PPM and delivered under the Master Agreement.
Project	A set of deliverables documented in a Statement of Work delivered in accordance with the Master Agreement.

Project Sponsor	Has ultimate responsibility for aligning the Project with State goals and Customer needs.
Project Value Score	The score derived in accordance with *Appendix BCP-C Business Case Financial Workbook*
Quorum	A quorum constitutes a *majority* of the committee members appointed as of the date of the meeting.
Release Management Process	Release Management is the process for receiving a manifest of CCB approved changes from Change Management to be deployed into the production environment. This process plans and executes the production maintenance windows including identification of cross discipline and cross tower deployment dependencies.
Third-Party Application	A technology solution developed by any person or entity other than the Vendor and its affiliates.
Urgency	Assessment of how quickly a solution is required
Workaround	A means of reducing or eliminating the impact of an Incident (or Problem) for which full resolution is not yet available

4 Texas.gov Governance

4.1 Governance Approach

The purpose of the Texas.gov governance approach is to provide hierarchical alignment and definition of resources, authority, responsibilities, timeliness, and communication with efficient, transparent processes.

Texas.gov governance model provides DIR with oversight authority of Texas.gov, while integrating Customers, users, partners, third-parties, and vendors at key points throughout the governance model. Additionally, the governance model incorporates elements of the Texas Project Delivery Framework so that all stakeholders in the Texas.gov Program can analyze, evaluate, and communicate initiatives uniformly.

The governance approach captures the following:

- Hierarchy of governance roles into three levels
  - Strategic
  - Operational
  - Tactical
- Cross-jurisdictional, cross-functional representation into three principle categories, inclusive of the multiple organizations, partners, Customers, vendors, and stakeholders
  - Customers

  - Contract Oversight
  - Service Delivery
- Purpose of groups and independent roles, such as auditors
- Appropriate membership of governance teams
  - Executive
  - Management
  - Implementation
- Analytic and decision-making processes
- Effective communication channels and reporting strategies

4.1.1 Governance Objectives

The objectives of Texas.gov governance are to:

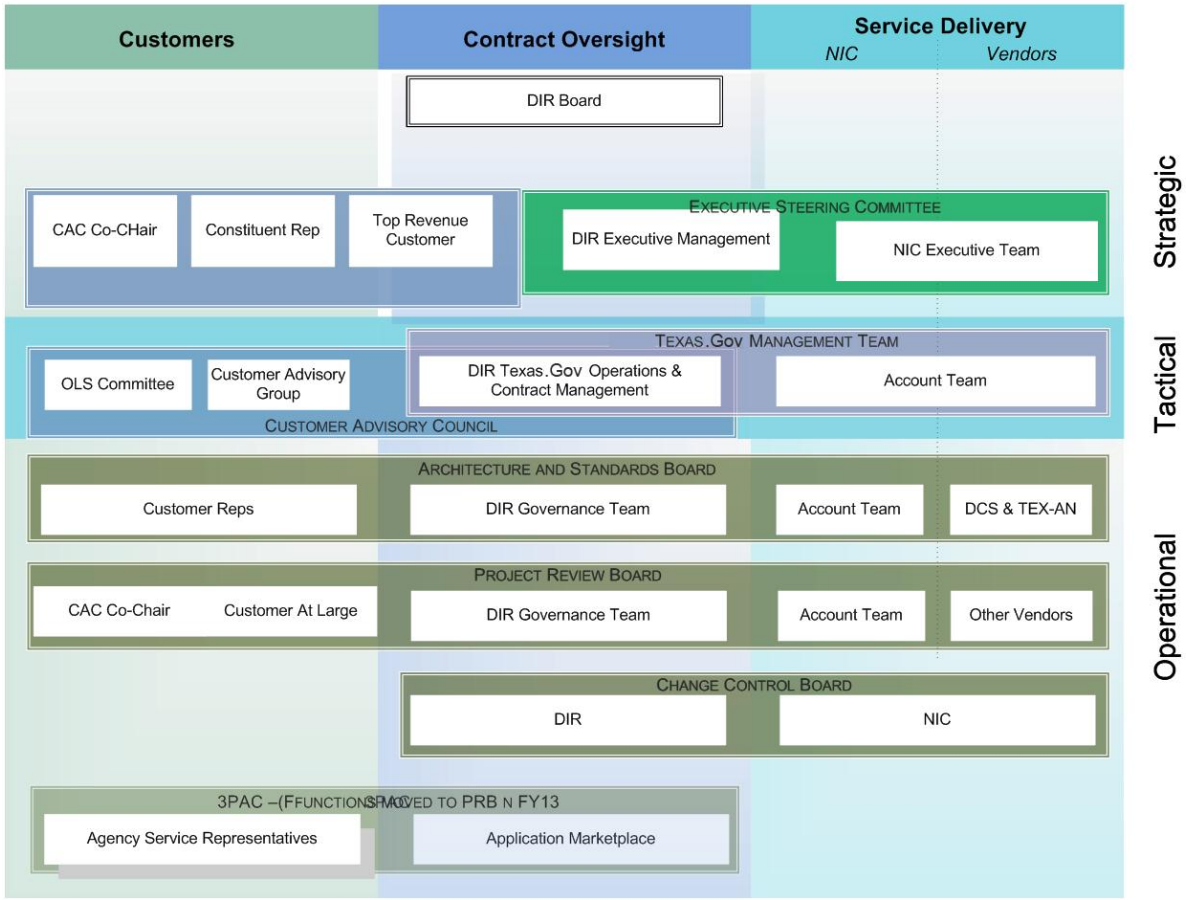
- Provide top-down strategic influence of activities, while also allowing bottom-up innovation from Customers, users, partners, vendors, and third parties
- Provide opportunities for input and consultation from key stakeholders
- Eliminate decision bottlenecks by distributing authority across governance tiers
- Clearly define roles of teams within the overall governance structure

  For each team, committee, council, and board, clearly define functions, authority, responsibilities, membership, reporting, and frequency of meetings

4.1.2 Governance Model

The Texas.gov governance model incorporates the *4.1 Governance Approach* and *4.1.1 Governance Objectives* in a multi-tiered governance model, which is illustrated in Figure 1 below.

Figure 1: Texas.gov Governance Model



The Texas.gov governance model is structured to provide opportunities for input and consultation across a number of stakeholder groups, as well as provide a structure where DIR is well informed and able to provide effective oversight and leadership in all hierarchies of the model.

4.1.3 Texas.gov Governance Refresh FY12

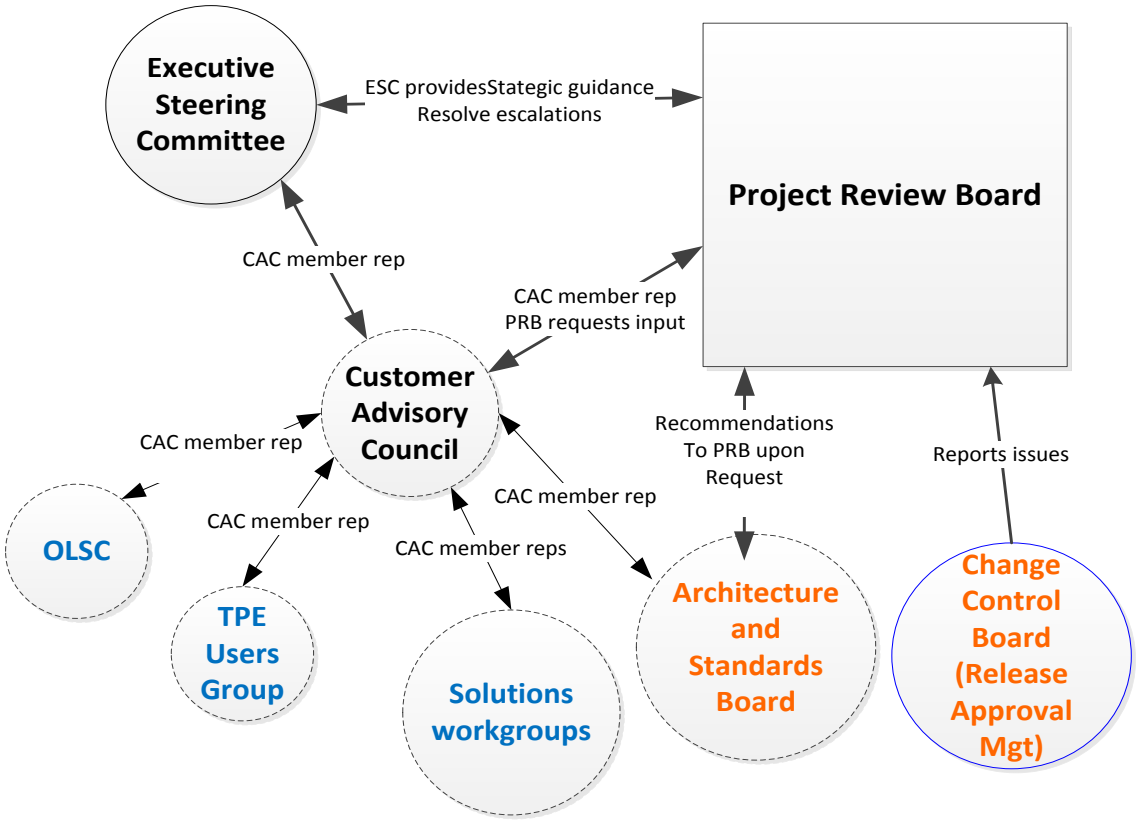
In FY12, the Texas.gov program conducted a governance review and a core team was established to propose and oversee the implementation of detailed governance changes. Each governance body met to ratify the proposed changes which are effective January 1, 2013.

Governance changes were guided by three core themes that emerged during the governance refresh engagement and interviews with stakeholders:

- Continue to increase customer involvement
- Eliminate redundancy and streamline processes
- Continue building the partnership/relationship between DIR & NIC.

See Figure 2 below for the revised governance model:

Figure 2: Revised Governance Model



In this new governance model, the following high-level changes are illustrated:

- The Transaction Payment Engine (TPE) Users Group is added as a governance body
- Customer Advisory Council provides representation to the PRB, ASB, and ESC
- The PRB provides project direction and assignments to the ASB and CAC as needed

Membership, role and responsibility changes specific to each governance body will be detailed in the appropriate section of the PPM.

4.2 Roles and Responsibilities

Section 4.2 Roles and Responsibilities of the PPM identifies and describes key roles within the Texas.gov governance framework. Section 4.2.1 addresses key roles and responsibilities for

DIR and Section 4.2.2 addresses key roles and responsibilities for Vendor. Table 2 below lists the key roles addressed in this section of the PPM, and shows the "corollary" relationships between DIR and Vendor governance roles.

Table 2: DIR and Vendor Key Roles

DIR Key Roles	Corollary Vendor Key Roles
DIR Board	*No corollary Vendor role*
DIR Executive Director	Vendor Executive Vice President
DIR Chief Operations Officer	Vendor Executive Director
DIR Data Center Services and eGovernment Director	
Contract Manager	Vendor Contract Manager
Director of Technology Sourcing	*No corollary Vendor role*
Assistant Director eGovernment Services/ Texas.gov Program Manager	Vendor Director of Portal Operations Vendor Director of Core Services
Transition Manager	Vendor Transition Manager
Texas.gov Technical Coordinator	Vendor Director of Technology Vendor Director of Core Services
DCS Coordinator	
Legal Counsel	Vendor Legal Counsel
Texas.gov Business Analyst DIR Financial Officer	Vendor Director of Finance
Communications and Outreach Coordinator	Vendor Director of Outreach
Information Security Officer	Vendor Chief Information Security Officer
eGovernment Services Team	Vendor Program Management Office
DIR Technical Coordinator	

4.2.1 DIR Roles

Section 4.2.1 DIR Roles describes the key governance roles provided by the State.

4.2.1.1 **DIR Board**

4.2.1.1.1 Role

The DIR Board provides planning, implementation, and management of statewide technology initiatives. For the Texas.gov initiative, the DIR Board will perform the following:

- Sets policy for Texas.gov
- Approves Service fee structures
- Reviews Annual Budget

4.2.1.2 DIR Executive Director

4.2.1.2.1 Role

The DIR Executive Director provides the following for Texas.gov:

- Provides strategic oversight
- Approves the Annual Budget

4.2.1.3 Chief Operations Officer

4.2.1.3.1 Role

The Chief Operations Officer provides the following responsibilities within the framework of the Texas.gov Program:

- Executes contract amendments
- Executes Customer Agreements
- Provides strategic oversight
- Resolves issues presented to the Executive Steering Committee
- Recommends Business Cases for DIR Board Approval when a fee is involved
- Approves Vendor Budget Amendments

4.2.1.4 Data Center Services and eGovernment Director

4.2.1.4.1 Role

The role of the Data Center Services and eGovernment Director includes the following:

- Provides strategic direction
- Provides operational oversight
- Recommends contract amendments
- Approves Business Cases when estimated Project costs are above threshold of $250,000
- Recommends Annual Budget

4.2.1.5 Contract Manager

4.2.1.5.1 Role

The role of the Contract Manager includes the following:

- Manages contract on a day-to-day basis
- Resolves contract issues escalated by boards, committees, council and Customers

- Recommends contract amendments
- Reviews Vendor performance
- Monitors contract deliverables
- Identifies and manages contract risks
- Recommends changes to governance structures and processes

4.2.1.6 **Director of Technology Sourcing**

4.2.1.6.1 Role

The role of the Director of Technology Sourcing includes the following:

- Provides strategic contract oversight
- Recommends contract amendments

4.2.1.7 **Assistant Director eGovernment Services**

4.2.1.7.1 Role

The role of the Assistant Director eGovernment Services includes the following:

- Provides Program Management function for the State
- Manages program activities for the State
- Identifies and manages program operation risks
- Manages Customer and end user interactions
- Provides Project oversight
- Provides operational direction
- Implements eGovernment Services strategy (product management)
- Approves Business Cases when estimated Project costs are equal to or below threshold of $250,000
- Works with Vendor Executive Director to resolve issues escalated by boards, committees, stakeholders
- Recommends contract amendments
- Recommends Annual Budget
- Recommends changes to governance structures and processes
- Reviews and approves marketing and outreach strategies, plans, and collateral as necessary and appropriate

4.2.1.8 **DIR Technical Coordinator**

4.2.1.8.1 Role

The role of DIR Technical Coordinator includes the following:

- Represents DIR on Change Control Board
- Ensures alignment with technology architecture and strategy
- Manages and approves the Technology Management Plan
- Provides technical review of Business Case

4.2.1.8.2 Role

4.2.1.9 **Transition Manager**

4.2.1.9.1 Role

The role of the Transition Manager includes the following:

- Coordinating implementation activities

4.2.1.10 **DCS Coordinator**

4.2.1.10.1 Role

The role of the DCS Coordinator includes the following:

- Responsible for all Texas.gov/DCS governance activities and communications

4.2.1.11 **Legal Counsel**

4.2.1.11.1 Role

The role of the Legal Counsel includes the following:

- Provides support for Contracts, Contract Amendments, Customer Agreements, Business Case approvals

4.2.1.12 **Financial Officer**

4.2.1.12.1 Role

The role of the Financial Officer includes the following:

- Provides financial analysis, oversight, and collaboration
- Ensures compliance with financial components in contract
- Monitors financial deliverables and performance measures
- Manages and coordinates State Auditor Office and financial audits
- Recommends Annual Budget

4.2.1.12.2 Communications and Outreach Coordinator Role

The role of the Communications and Outreach Coordinator includes the following:

- Reviews and approves marketing and outreach strategies, plans, and collateral as necessary and appropriate
- Ensures Business Case includes appropriate marketing and outreach plan

4.2.1.13 Information Security Officer

4.2.1.13.1 Role

The role of the Information Security Officer includes the following:

- Reviews and approves Security plans, implementations, and results
- Monitors compliance as defined in the Agreement

4.2.1.14 eGovernment Services Team

4.2.1.14.1 Description

DIR eGovernment Services Team includes all DIR staff that provides day-to-day support for Texas.gov throughout the transition period and throughout the life of the Agreement, if requested by DIR.

4.2.1.14.2 Role

The role of the eGovernment Services Team includes the following:

- Works with Vendor and Customers to develop Business Cases
- Supports ongoing operations
- Supports change management
- Supports Customer advocacy

4.2.2 Vendor Roles

Section 4.2.2 Vendor Roles describes the key governance roles provided by the Vendor personnel.

4.2.2.1 Vendor Executive Vice President

4.2.2.1.1 Role

The role of the Vendor Executive Vice President includes the following:

- Provides strategic oversight
- Approves Annual Budget

4.2.2.2 Vendor Executive Director

4.2.2.2.1 Role

The role of the Vendor Executive Director includes the following:

- Recommends contract amendments
- Executes contract amendments
- Resolves contract issues escalated by boards, committees, stakeholders
- Recommends Customer Agreements
- Executes Customer Agreements
- Provides strategic oversight
- Recommends Annual Budget
- Resolves issues presented to the Executive Steering Committee
- Approves Budget Amendments
- Provides operational oversight
- Manages contract on a day-to-day basis
- Monitors Vendor performance
- Monitors contract deliverables
- Identifies and manages contract risks
- Recommends changes to governance structures and processes

4.2.2.3 Vendor Contract Manager

4.2.2.3.1 Role

The role of the Contract Manager includes the following:

- Manages contract on a day-to-day basis
- Resolves contract issues escalated by boards, committees, council and Customers
- Recommends contract amendments

- Monitors Vendor performance
- Monitors contract deliverables
- Identifies and manages contract risks
- Recommends changes to governance structures and processes

4.2.2.4 **Vendor Director of Portal Operations**

4.2.2.4.1 Role

The role of the Vendor Director of Portal Operations includes the following:

- Provides operational direction
- Implements eGovernment Services strategy (product management)
- Works with Vendor Executive Director to resolve issues escalated by boards, committees, stakeholders
- Recommends contract amendments
- Recommends Annual Budget
- Recommends changes to governance structures and processes
- Reviews and approves marketing and outreach strategies, plans, and collateral as necessary and appropriate
- Recommends Business Case for DIR Board Approval when a fee is involved
- Approves Business Cases
- Manages operations
- Manages program activities for the State
- Identifies and manages program operation risks
- Manages Customer and stakeholder interactions
- Provides program oversight
- Executes contract amendments
- Recommends Customer Agreements
- Executes Customer Agreements
- Approves Business Cases

4.2.2.5 **Vendor Director of Core Services**

4.2.2.5.1 Role

The role of Vendor Director of Core Services includes the following:

- Provides operational direction
- Implements eGovernment Services strategy (product management)
- Works with Vendor Executive Director to resolve issues escalated by boards, committees, stakeholders
- Recommends contract amendments
- Recommends Annual Budget
- Identifies and manages program operation risks
- Manages Customer and stakeholder interactions
- Provides oversight for data center and technical operations
- Oversees organization and staff planning
- Executes contract amendments
- Recommends Customer Agreements
- Executes Customer Agreements
- Maintenance of Core Services
    - Network and systems operations
    - Payment Processing
    - Business Operations

4.2.2.6 **Vendor Transition Manager**

4.2.2.6.1 Role

The role of the Vendor Transition Manager includes the following:

- Coordinating implementation activities

4.2.2.7 **Vendor Director of Technology**

4.2.2.7.1 Role

The role of the Vendor Director of Technology includes the following:

- Ensures alignment with technology architecture and strategy
- Manages and approves the Technology Management Plan
- Manages the Technical Reference Model
- Reviews Business Case technical components

- Coordinates all Texas.gov/DCS activities and communications
- Coordinates all Texas.gov/TEX-AN activities and communications

4.2.2.8 **Vendor Legal Counsel**

4.2.2.8.1 Role

The role of the Vendor Legal Counsel includes the following:

- Provides support for contracts, amendments, Customer Agreements, Business Case approvals

4.2.2.9 **Vendor Director of Finance**

4.2.2.9.1 Role

The role of the Vendor Director of Finance includes the following:

- Provides financial analysis, oversight, and collaboration
- Ensures compliance with financial components in contract
- Monitors financial deliverables and performance measures
- Manages and coordinates State Auditor Office (SAO) and financial audits
- Recommends Annual Budget

4.2.2.10 **Vendor Director of Outreach**

4.2.2.10.1 Role

The role of the Vendor Director of Outreach includes the following:

- Reviews and approves marketing and outreach strategies, plans, and collateral as necessary and appropriate
- Ensures Business Case includes appropriate marketing and outreach plan

4.2.2.11 **Vendor Chief Information Security Officer**

4.2.2.11.1 Role

The role of the Vendor Chief Information Security Officer includes the following:

- Reviews and approves Security plans, implementations, and results
- Monitors Compliance as defined in the Agreement

4.2.2.12 **Vendor Director of Program Management**

4.2.2.12.1 Role

The role of the Vendor Director of Program Management includes the following:

- Works with Vendor and Customers to develop Business Cases
- Supports ongoing operations
- Supports change management
- Supports Customer Advocacy

4.2.3 Key Personnel and Subcontractor Replacement Process

Replacement of Key Personnel and Subcontractors will be performed in accordance with *Exhibit B Terms and Conditions, Article 4 Contractor Personnel Management*. The following guidelines apply when DIR does not believe that the removal of the Key Personnel or Subcontractor must be handled immediately to avoid imminent harm to Texas.gov or its finances. The procedures are intended to minimize staff turnover and the adverse impact any requested removal may have on the Services and the Project schedule.

- The Vendor, at the request of DIR, will replace Key Personnel or Subcontractors that are not adequately performing their assigned responsibilities or who, in the opinion of DIR, after consultation with Vendor, are unable to work effectively with members of DIR staff.
- Any request from DIR to replace a Key Personnel or Subcontractors will be in writing and will specify the reasons for the request. After receipt of DIR request, Vendor may, as an alternative to removal, present DIR with a corrective plan to address the concerns identified in such request.
- Approval of the Vendor's proposed corrective plan by DIR will not be unreasonably withheld or delayed.
- The Vendor and DIR will work together in the event of a replacement so as not to disrupt the overall Project schedule.
- In the event of the replacement of Key Personnel, Vendor will replace Key Personnel with individuals with qualifications comparable or better than the qualifications of the Key Personnel being replaced.
- In the event of the replacement of Subcontractor, Vendor will replace Subcontractor with a company with qualifications comparable or better than the qualifications of the Subcontractor being replaced.
- The Vendor will consult with DIR with respect to replacement of Key Personnel, providing DIR with the resume for the finalist being considered for the replacement position, and arranging an interview, at the request of DIR.
- Management of Key Personnel and Subcontractors remains under Vendor's sole direction and control.

- Vendor will submit a revised HUB Subcontracting Plan to DIR for review and approval prior to adding any new Subcontractor(s).

4.3 Governance Committees and Teams

The Texas.gov governance model is based on the formation of teams that work together to ensure the Texas.gov objectives are met and that the intent of the strategic guidance from DIR is followed. The teams that comprise the governance model include the following:

- Executive Steering Committee
- Advisory Councils
  - Customer Advisory Council
  - Occupational Licensing Steering Committee
- Architecture and Standards Board
- Project Review Board
- Change Control Board

Each team is responsible for a specific set of governance responsibilities; maintaining documentation, processes, reports, and communications; and supporting the governance efforts of other recognized Texas.gov teams. In the sub-sections below, the following attributes are defined for each of the six teams:

- Function
- Authority
- Key Responsibilities
- Members
- Reports
- Regularity of Meetings
- Special Meetings

4.3.1 Executive Steering Committee

Attribute	Description
Function	The Executive Steering Committee will provide executive management and strategic oversight for the Agreement and ensure the Texas.gov objectives are met. The Executive Steering Committee will perform ongoing review of Vendor performance and monitor key objectives Balance the interests of Customers with areas of influence, such as statutory authority, legislative mandates, contract terms and conditions

Attribute	Description
	and economic feasibility.
Authority	To set and authorize strategic direction. To serve as the final management resolution point for issues and disputes.
Key Responsibilities	• Ensure business alignment between DIR, Customers, and Vendor Business Plans • Provide strategic oversight for new or modified services during the term of the Contract • Approve strategic initiatives and plans associated with Texas.gov services • Periodically review the authority and membership of the committees • Review management reports, including: – Transition Plan implementation and achievement of key activities – Service Level reports and modifications – Financial issues and performance – Modifications to the Contract – Customer satisfaction surveys and application satisfaction surveys – Audit results • Resolve issues escalated by the Management Team • Communicate key decisions to the appropriate and/or requesting entities through the posting of meeting minutes. • Construct and maintain a roadmap for strategic initiatives.
Members	The Executive Steering Committee will be chaired by the DIR eGovernment Director and members will include: • DIR eGovernment Director (Chair) • Vendor Director of Core Services • Vendor Director of Operations • DIR Texas.gov Program Manager • DIR Technology Sourcing Office Director • DIR Chief Financial Officer • Vendor Chief Financial Officer • Customer Advisory Council Co-Chair • Strategic Customer Agency representative • Texas.gov Constituent Representative

Attribute	Description
	Invited Guests: Other DIR and Vendor personnel, as deemed appropriate by joint agreement between DIR and Vendor
Reports	• IT Portfolio Report • Monthly Financial Report • Full, read-access to dashboard Ad-hoc Reports • Minutes
Meetings	Initially monthly to monitor Implementation activities, changing to quarterly (at a minimum), or such other regular intervals as agreed upon by DIR and Vendor.
Special Meetings	Special meetings may be conducted outside of the normal monthly scheduled meetings to ensure timely resolution of Texas.gov initiatives and issues. Following are some guidelines for special meetings: • Special (or Emergency) meetings may be called by the following: – Chair of the Executive Steering Committee – Any two members of the Executive Steering Committee • Provide written notice to each member of the Executive Steering Committee no less than 12 hours prior to special meeting unless a Quorum of the Executive Steering Committee waives the notice period. • Roll will be taken and a Quorum of named members must be present by Internet, phone or in-person. • The Vendor will provide a webinar or conference line so that non-present members may attend the meeting by Internet or phone. • The Chair will make “reasonable” arrangements to accommodate named, sitting members of the committee to special meetings. • If the Chair is unable to attend, the Chair may delegate authority to someone else in writing and notify the named members of the Executive Steering Committee. • Any actions taken by the committee must specifically address the members present by phone and Internet.

4.3.2 Advisory Councils

Advisory Councils include the existing Occupational Licensing Committee (OLSC), a Customer Advisory Council, and other groups or individual Customers as needed. These groups will provide continuing input to DIR on the direction, quality, and performance of Texas.gov.

4.3.2.1 **Customer Advisory Council**

Attribute	Description
Function	Assists DIR in establishing development priorities from a statewide perspective and provides recommendations directly to DIR.
Authority	The Customer Advisory Council will not have decision-making authority over Texas.gov, but will provide advice and counsel to other Texas.gov governance committees.
Key Responsibilities	• Provide a continuing voice in the broad direction and quality of Texas.gov • Offer advice and counsel to DIR, as well as the Executive Steering Committee, Texas.gov Management Team, and Project Review Board • Provide Customer advice, concerns, and evaluations • Provide a communication forum for DIR Customers to offer input and feedback to joint DIR and Vendor • Assist in the identification of customer needs and wants • Monitor organizational collaboration
Members	Members of the Customer Advisory Council include: • Customer representatives • Customer IT Directors • Assistant Director eGovernment • Vendor Executive Director • Vendor Director of Portal Operations • Vendor Director of Outreach The following agencies will serve on the Customer Advisory Council • Department of State Health Services • Texas Alcoholic Beverage Commission (Chair) • Occupational License Steering Committee • Office of Court Administrators • Office of the Governor • Secretary of State • Texas Commission on Environmental Quality • Texas Comptroller of Public Accounts • Texas Department of Licensing and Regulation • Texas Department of Motor Vehicles • Texas Department of Public Safety • Texas Education Agency • Texas Parks and Wildlife

Attribute	Description
	• Local -- Large County • Large – Large City • Higher Ed Rep • State Agency – Small Size • State Agency - Mid Size • State Agency – Large size • Customer at Large The following ex-officio members will provide information and guidance to the council: • DIR Assistant Director eGovernment • DIR Communications and Customer Outreach Coordinator Vendor Director of Portal Operations\ • Vendor Director of Outreach • Vendor Director of Portal Operations
Reports	• Customer Satisfaction Reports • Read-access to Project queue of dashboard • Minutes
Meetings	The CAC will meet semi-annually, or at other regular intervals agreed by the Council members. Additional meetings may be scheduled at the discretion of the Chairs. A Customer Advisory Council Charter will be approved by the council members. The charter establishes the council and documents the council's objectives, membership structure, roles and responsibilities, and meeting guidelines.

4.3.2.2 **TPE Users Group**

Attribute	Description
Function	The TPE Users Group meets to share best practices, learn about coming enhancements, and ask questions about proposed functionality.
Authority	The Transaction Payment Processor (TPE) Users Group will not have decision-making authority over Texas.gov, but will provide a forum to exchange information with each other and Texas NICUSA about payment processing best practices, user needs and concerns, current

Attribute	Description
	system functionality, and proposed enhancements.
Key Responsibilities	• Identify and share best practices in using TPE and related services; • Identify and define proposed enhancements; • Evaluate and prioritize enhancements from a Texas enterprise perspective; • Provide input and feedback to Vendor on enhancements proposed by other states or NIC corporate; • Provide input and feedback on published user and technical documentation.
Members	Membership is open to any state or local government entity with a signed Texas.gov Customer Agreement.
Reports	• TPE Incident Reports • TPE Upgrade and UAT reports
Meetings	Meetings will start as bi-monthly. The members may change the frequency as business requirements dictate. A TPE Users Group Charter establishes the users group and documents the group's objectives, membership structure, roles and responsibilities, and meeting guidelines.

4.3.2.3 **Occupational Licensing Steering Committee (OLSC)**

Attribute	Description
Function	Assists DIR in establishing development priorities from a statewide perspective and provides recommendations directly to DIR.
Authority	The Occupational Licensing Steering Committee will not have decision-making authority over Texas.gov, but will provide advice and counsel to other Texas.gov governance committees.
Key Responsibilities	• Provide a continuing voice in the broad direction and quality of Texas.gov • Offer advice and counsel to DIR, as well as the Executive Steering Committee, Texas.gov Management Team, and Project Review

Attribute	Description
	Board • Provide Customer advice, concerns, and evaluations • Provide a communication forum for DIR Customers to offer input and feedback to joint DIR and Vendor • Assist in the identification of customer needs and wants
Members	From *Texas Government Code* Sec. 2054.354. STEERING COMMITTEE. (a) The steering committee for electronic occupational licensing transactions consists of a representative of each of the following, appointed by its governing body: (1) Each licensing entity listed by Section 2054.352(a); and (2) The department. (DIR Portal Manager) (b) The governing body of a licensing entity described by Section 2054.352(c) may appoint a representative to the committee. (c) A member of the committee serves at the will of the entity that appointed the member. (d) The representative of the department is the presiding officer of the committee. The committee shall meet as prescribed by committee procedures or at the call of the presiding officer.
Reports	• Customer Satisfaction Reports • Constituent Satisfaction Reports • Read-access to Project queue of dashboard • Minutes
Meetings	The OLSC shall meet as prescribed by committee procedures or at the call of the presiding officer

4.3.3 Architecture and Standards Board

Attribute	Description
Function	Provides architectural oversight of Texas.gov to actively promote alignment with State-approved standards and promote re-use and configurability. Architectural oversight includes technical architecture, data architecture, and business architecture. The board's function is

Attribute	Description
	comprised primarily of these four activities: 1. Create, adopt and revise standards by which projects and applications are measured, 2. Evaluate how projects and applications comply with adopted standards, 3. Provide recommendations regarding standards and technologies, 4. Contribute to strategic technology planning for the Texas.gov program.
Authority	The Architecture and Standards Board has sole authority to adopt and/or create standards for the program. When advising or evaluating compliance with a standard, the board provides opinions, analyses and recommendations that are non-binding. Decisions regarding architecture-related issues will be made by the Texas.gov governing bodies that request input and assistance from the Architecture and Standards Board. The Texas.gov Architecture and Standards Board will not be involved in day-to-day operational activities.
Key Responsibilities	• Assist in the development and maintenance of *Attachment G-10 Technology Management Plan*. • Identify, review, interpret and adopt the standards and best practices against which the Architecture Standards Board will evaluate issues and requests. • Review and recommend alignment of Vendor technology plans and strategic direction with DIR Information Technology (IT) strategy and policies and the State of Texas enterprise needs. Escalate all issues arising from reviews to the Texas.gov Management Team and/or the Executive Steering Committee for review and resolution. • Research, develop, review, and recommend technical initiatives to address business problems and opportunities as agreed by the Executive Steering Committee and/or the Texas.gov Management Team. • Provide advice and recommendations to the Texas.gov Management Team for technical improvement related to the delivery of services. Make recommendations directly to DIR and Vendor on issues affecting the technical infrastructure and services that support Texas.gov. • Review technical policy standards and make recommendations to

Attribute	Description
	the Texas.gov Management Team. • Review any proposals for reductions in costs of services driven by new technology. • Review of Risk Register, Problem Register, and/or Problem Resolution Plans for identified risks and/or problems that may conflict with or impact State technology standards.
Members	Voting Members include: • DIR Technical Coordinator (Co-chair) • Vendor Director of Technology (Co-chair) • DIR Information Security Officer • Vendor Information Security Officer • DIR DCS Coordinator • DIR Architecture and Standards Analyst • Vendor Director of Development • Vendor Director of Core Services
Participants	Non-voting participants include: • Vendor New Architecture Integration Manager • And other Vendor and DIR staff as deemed appropriate by joint agreement between DIR and Vendor • Subject matter experts may attend meetings in an advisory role as authorized by the Co-chairs
Reports	Reports delivered to board for review and reference: • Accessibility Report (ID 4) • Read-access to Project dashboard • Audit correction or remediation reports (ID 22) Reports where board contributes to development: • *Attachment G-10 Technology Management Plan* Reports authored by the board: • Quarterly Meeting Agenda and Minutes • Opinions, analyses and recommendations
Meetings	Regular board meetings will occur monthly during start-up period then change to quarterly, once board operations are fully established. Special meetings may be convened at other times as agreed between DIR and Vendor. In order to provide response to time-sensitive requests that arise in

Attribute	Description
	between quarterly meetings, the board may hold virtual meetings that will be conducted using phone, email, discussion boards and other available technologies.

4.3.4 Project Review Board

Attribute	Description
Function	Establishes and follows a Project request intake (Business Case) process for reviewing and prioritizing information technology requests generated internally or externally. Provides a means for regular communication with the Project Review Board members. The Project Review Board conducts Business Case reviews with DIR Operations leadership to provide status of schedule, accomplishments, cost, risks, and to escalate issues for resolution. The Project Review Board discusses key Project milestones; dashboard; change requests that require a new business case or modification to a business case, priority, scope, and costs; decisions pertaining to Project issues, risks, organizational impacts, and executive communications.
Authority	Assist Customers, Vendor, and other vendors with Business Case review and recommendation for approval and monitor the status of Projects by conducting Project and gate approval reviews throughout the Project lifecycle.
Key Responsibilities	• Provide a central point of review and intake for all Project requests • Provide Customers more effective feedback on Project requests and their status • Enable DIR and Customers to gain consensus on priorities and schedules across the Customers • Increase potential for Project success by reducing the impact of unplanned work • Provide Project information as a basis for DIR leadership decisions • Review Project Quality Management Log, Risk Register, Problem Register, as needed to address impacts to resources, scope, and schedules • Provide support for Business Case development and support by providing initial review and support for the development of the Business Analysis and the Statewide Technology Impact • Approve Project Business Cases according to the specified criteria • Reviews Vendor Bidding on Outside Project Proposals

Attribute	Description
Members	Members include: • Assistant Director eGovernment Services (Co-Chair) • DIR Communications and Customer Outreach Coordinator • Vendor Director of Portal Operations (Co-Chair) • Vendor Director of Core Services • DIR Financial Officer • Vendor Director of Finance • DIR Architecture and Standards Analyst • Vendor Director of Technology • Customer Advisory Council Co-Chair • Customer at large Invited Guests: Other Vendor and DIR staff as deemed appropriate by joint agreement between DIR and Vendor
Reports	• Read-Access to Project dashboard • IT Portfolio Report • Minutes
Meetings	Recommend monthly scheduled meetings and ability of co-chairs to call meetings when required. Subject matter experts and other advisors may be invited to participate in meetings as needed and agreed to by both Parties. The Board will determine a schedule for meetings that will occur on a holiday at least one meeting prior to the date in question. Modifications to the schedule will be set by Board Chairs in consultation with other members. The following procedures will be followed for all meetings of the Project Review Board. • Attendance: 1. The Secretariat will take roll and at least two-thirds of the PRB members or designees must be present in order to consider a business case. 2. Designee attendance must be approved by both of the chairs in advance of the meetings. 3. If both Chairs are unable to attend, the Chair may delegate

Attribute	Description
	authority to someone else in writing and notify the named members of the Executive Steering Committee. • Meeting Materials: 1. With no less than three business days in advance of the meeting, the Secretariat will provide all members with the inputs to the meeting. Inputs may include: • Agenda • Meeting Minutes • Business Cases for Review • Routing requests from other governance entities 2. The Secretariat will keep minutes of the meeting. Minutes will be published to the Texas.gov Intranet. 3. Action items will be captured in outputs and sent by the secretariat to other governance entity chairs within 2 business days of the Project Review Board meetings. 4. <u>Secretariat will develop an "out of bounds" summary for the Project Review Board showing projects that are in jeopardy and their impact on the other projects.</u> • Decision-Making: Scoring is the first decision-making element. Board members or their designees attending the meeting must be in agreement with the score in order for it to proceed. Should a member of the Board dissent on the scoring, the members will review whether or not the factor causing dissent will be re-scored to see what the impact is. If there is no impact, the dissenting member will agree with consensus and the score/prioritization will stand. If the factor(s) causing dissent, do impact the prioritization, the dissenting members will have the ability to state their case. At the end of that discussion, the Board will again attempt to reach consensus, if consensus cannot be met the members will vote on the factor. A 2/3 majority of members to agree/disagree with the factor will create the final score. In the absence of the 2/3 majority, the business case will be deferred with modification instructions and will be available for submittal at a later date.
Special Meetings	Special meetings may be conducted outside of the normal monthly scheduled meetings to ensure timely resolution of Texas.gov initiatives

Attribute	Description
	and issues. The Project Review Board may carry-out special or emergency meetings using the following procedures. • Convening a Special Meeting: 1. A chair of the Project Review Board may call a special meeting upon agreement by the other chair of the Board. 2. Any two members of the Project Review Board may call a special meeting. 3. The chair or members convening the meeting must provide written notice to each member of the Project Review Board no less than 12 hours prior to special meeting unless six members of the Project Review Board waives the notice period. • Attendance: 1. The Secretariat will take roll and at least two thirds of the Board or their designee must be present in order to consider a business case. 2. Designee attendance must be approved by both of the chairs in advance of the meetings. 3. If both Chairs are unable to attend, the Chair may delegate authority to someone else in writing and notify the named members of the Project Review Board. 4. The Vendor will provide a webinar or conference line so that non-present members may attend the meeting by Internet or phone. 5. The Chair will make reasonable arrangements to accommodate named, sitting members of the committee to special meetings. • Meeting Materials: 1. The Secretariat will make best efforts to provide meeting materials in advance of the meeting. Inputs may include: a. Agenda b. Meeting Minutes c. Business Cases for Review d. Routing requests from other governance entities

Attribute	Description
	2. The Secretariat will keep minutes of the meeting. Minutes will be published to the Texas.gov Intranet. 3. Action items will be captured in outputs and sent by the secretariat to other governance entity chairs within 2 business days of the Project Review Board meetings. 4. Secretariat will develop an "out of bounds" summary for the Project Review Board showing projects that are in jeopardy and their impact on the other projects. • Decision-Making: 1. Decisions of the Board are made by consensus of the members present. In the absence of consensus, business cases will be rejected and sent through the modifications process documented above. 2. Any actions taken by the Board must specifically address the members present by phone and Internet.
Board Communications	The Project Review Board will follow these communications practices with respect to Board activities. • Closed Meetings: 1. The Project Review Board meetings are not considered public meetings. 2. DIR and Vendor personnel that are not members of the Project Review Board may attend meetings by invitation and with notice and agreement by both chairs and/or their designees. 3. Invited guests, including Customer personnel, may also attend Project Review Board meetings by invitation and with notice and agreement of both chairs and/or their designees. 4. The Project Review Board may determine a business case during closed session, asking any and all invited guests to leave the meeting. • Meeting Materials: 1. Project Review Board meeting materials will be handled according to the following:

<table>
<tr><th>Attribute</th><th>Description</th></tr>
<tr><td></td><td>
<table>
<tr><th>Materials</th><th>Provided To</th><th>Published At</th><th>Confidential (Yes/No)</th></tr>
<tr><td>Meeting Agenda</td><td>Board Members and Invited Guests</td><td>Board Intranet</td><td>No</td></tr>
<tr><td>Business Case Inputs</td><td>Board Members and Invited Guests</td><td>Board Intranet</td><td>No</td></tr>
<tr><td>Business Case Outputs</td><td>Routed in Accordance with the Business Case Process</td><td>Board Intranet</td><td>No</td></tr>
<tr><td>Meeting Minutes</td><td>Board Members and other governance entities upon request</td><td>Board Intranet</td><td>No</td></tr>
<tr><td>Reports</td><td>Other governance entities</td><td>Governance Intranet</td><td>No</td></tr>
</table>
Surveying and Feedback
1. The Project Review Board will consume survey and feedback data as per *Attachment G-15 Communications Plan*.
</td></tr>
<tr><td>Board Improvement</td><td>The Project Review Board will complete the governance improvement process in accordance with Attachment H-1 Policies and Procedures Manual.</td></tr>
</table>

4.3.5 Change Control Board

Attribute	Description
Function	Ensures controlled changes are put into the environment with proper approvals and authority. The Change Control Board (CCB) will consider and approve or disapprove modifications of the Texas.gov software, data, or operations that meet a threshold for consideration as established by the CCB. The CCB functions as a technical arm of Vendor, to ensure that Vendor meets its responsibilities to maintain available, accessible, responsive, and secure online services. The CCB ensures technology compatibility and security are maintained at all times.
Authority	The Change Control Board (CCB) will have the following authority to: • Consider and approve or disapprove all modifications of the Texas.gov software, data, or operations that meet a threshold for consideration as established by the CCB, ensuring adequate authorization, standardization, control, and communication of technical and service changes • Facilitate an efficient process that is responsive to all types of change activity and Customer needs • Initiate appropriate actions against any organization found not operating within establish Change Management procedures
Key Responsibilities	• Develop understanding of Texas.gov architecture and standards • Ensure compliance with State of Texas policies and procedures as part of the change management process • Ensure compliance with DIR strategic directives as part of the change management process. • Consider risks associated with changes to Texas.gov architecture, applications, and services • Ensure other vendor activities (e.g., DCS, TEX-AN) are considered when changes are planned, assessed, scheduled, and implemented • Upon becoming aware, proactively initiate the Change Management process for any change deemed in the best interest of the technical environment, service, or Customer • Vendor will perform the role of secretariat, including convening meetings, keeping minutes, and reporting on activities and decisions to DIR • In the event of an emergency, Vendor will contact DIR directly to gain immediate approval to take appropriate action and will provide the CCB an update following resolution of the issue
Members	Members include: • Vendor Change Management Manager (Chair)

Attribute	Description
	• DIR Information Security Officer • DIR Technology Coordinator • Vendor Release Manager • Vendor Security Manager • Vendor Director of Core Services • Vendor Director of Operations
Participants	• DIR TEX-AN Coordinator, as needed • Customer representatives, as needed • Other Vendor and DIR staff as deemed appropriate by joint agreement between DIR and Vendor
Reports	• Agenda • Read-access to project dashboard • Change Control Board – Requested Changes Report (contains tickets in “Request for Authorization” status, requiring approval to be worked on • Change Control Board – Scheduled Changes Report (contains tickets in “Scheduled for Approval” status, requiring approval to be deployed • Change Control Board – Expedited Changes Report (contains tickets in “Scheduled for Approval” status requiring approval to be added to the upcoming maintenance window after the final Release Plan has been posted • Change Control Board – Completed Changes Report (contains completed tickets from last approved “Scheduled Changes” and “Expedited Changes” (if required) report(s)
Meetings	• Frequency is as needed to correspond with scheduled maintenance windows or as determined by the Board • Quorum is 5 members, but must include at least one DIR member
Special Meetings	Special meetings may be conducted outside of the normal scheduled meetings to ensure timely resolution of Texas.gov initiatives and issues. Following are some guidelines for special meetings: • Special (or Emergency) meetings may be called by the following: – Chair of the Change Control Board – Any two members of the Change Control Board • Provide written notice to each member of the Change Control Board no less than 12 hours prior to special meeting.

Attribute	Description
	• Roll will be taken and a Quorum of named members must be present by phone or in-person unless a Quorum of the Change Control Board waives the notice period. • The Vendor will provide a webinar or conference line so that non-present members may attend the meeting by Internet or phone. • The Chair will make “reasonable” arrangements to accommodate named, sitting members of the board to special meetings. • If the Chair is unable to attend, the Chair may delegate authority to someone else in writing and notifies the named members of the Change Control Board. • Any actions taken by the board must specifically address the members present by phone and Internet.

5 Policies

5.1 Governance Compliance Policies

For governance compliance policies, refer to the *Exhibit H Governance* to the Master Agreement.

5.2 Risks and Mitigation

5.2.1 Purpose

The purpose of the risks and mitigation compliance policy is to ensure the long-term success of Texas.gov by appropriately managing the risks associated with governance.

5.2.2 Objective

The objective of the risk and mitigation compliance policy is to counter the inherent risks of the Texas.gov governance model. These include:

- A model that is too controlling and limiting
- A lack of transparency, control, and awareness
- A stifling of communication due to heavy reliance on process and documentation versus verbal communication
- A potential for competing priorities

By creating awareness of these risks and ensuring that the Texas.gov governance entities are aware of and are monitoring these risks, the success of Texas.gov can be assured.

5.2.3 Program Management Approach to Risk Management

The Vendor will carefully monitor the risks associated with the Texas.gov Program, using *Attachment G-1 Program Management Plan* as the guide for risk monitoring and communications. *Attachment G-1 Program Management Plan* provides detailed methodology for identifying, tracking, escalating, and resolving risk across the Texas.gov Program. Some methods that will be employed in the governance risk management include:

- Reviewing and updating the Risk Register or Risk Plan
- Taking corrective action
- Re-evaluating risk validity
- Identifying and managing new risks

5.2.4 Risk Management in the Governance Structure

In addition to the processes, protocols, and tools provided in *Attachment G-1 Program Management Plan*, to track and mitigate risk, the Texas.gov governance bodies will mitigate risk within the governance structure by doing the following:

- Balancing control and oversight
- Implementing communications that foster transparency
- Balancing varied priorities and needs
- Encouraging communications and risk awareness
- Providing continuous improvement of governance processes
- Creating an awareness of governance processes

5.2.4.1 **Balancing the Control and Oversight**

Through its multi-tiered approach, the Texas.gov governance model strikes a balance in information and communication flow. For example, all governance entities are expected to route Projects, issues, and problems to other governance entities to ensure appropriate insight and educated decision making. One scenario under which this communication is required is:

- Project Review Board requesting Architecture and Standards Board review of new infrastructure elements required by a Project

To achieve additional balance of oversight, Texas.gov governance contains cross-entity membership. For example:

- Architecture and Standards Board personnel as members of the Project Review Board and Change Control Board
- Members of the Change Control Board on the Project Review Board

- Members of all teams serving on the Customer Advisory Council
- Vendor and DIR personnel serving as co-chairs of the Project Review Board, and Architecture and Standards Board

The procedures and documentation that are required for each governance entity include requirements for cross-consultation and routing, ensuring that oversight is truly handled by the governance team as a whole and prioritization of Projects, Changes, and issue resolution can be managed across the Texas.gov Program.

5.2.4.2 **Implementing communications that foster transparency**

Combined with the routing procedures and cross-entity membership, the Texas.gov governance membership will have access to the Texas.gov reporting dashboard, ensuring consistency among reports and clarity of priorities, resources, and any issues or problems.

5.2.4.3 **Balancing priorities and needs**

The Texas.gov governance model is multi-dimensional in that it draws upon Customer and user input, contractual oversight, and service delivery vertical channels, within a three-tiered decision-making hierarchy. The governance approach spreads accountabilities across six entities, requiring them to interact with each other as defined by the processes and documentation they are intended to manage. Authority over any dispute will rest with the Executive Steering Committee, which includes representation by both the Vendor and DIR.

5.2.4.4 **Encouraging communications for risk awareness**

The Texas.gov governance model provides controls to manage uncertainty. Identifying and assessing possible and probable risks, setting and prioritizing risk tolerances based on the objectives of Texas.gov, and leveraging internal controls to manage and mitigate risk throughout the Program is also a necessary component of governance.

The governance model and communications will focus attention on risks specific to the Texas.gov Program, including:

- Financial controls—As tracked in the Business Case Process and through monthly status reporting
- Launch and promote third-party applications—As monitored by the Project Review Board and other entities as required
- Infrastructure service continuity—As monitored by the Architecture and Standards Board and Change Control Board
- Communications technology—As monitored by the Architecture and Standards Board
- Control and oversight of other service providers and third-parties—As monitored by the Project Review Board, and as reported to the Executive Steering Committee
- Detection and monitoring of system and organizational dependencies—As monitored by the Architecture and Standards Board, Change Control Board, and as reported to the Executive Steering Committee

- Ineffective procedures—As monitored by all entities through reporting dashboard and monthly performance reports
- Organizational collaboration—As monitored by the Customer Advisory Council
- Adaptation to evolving governance—As required of each governance entity as they develop and provide ongoing maintenance of their respective requirements and procedures

The Texas.gov governance approach is intended to align with strategic vision, focus on objectives, enhance collaboration, while maintaining a structured approach for managing uncertainty. The governance model has a cross-functional approach to accountability and requires entities to seek the advice of other governance groups. This open process and the availability of the Program dashboard tools ensure there is broad awareness of risk and that there are no penalties for identification of risk.

5.2.4.5 **Continuous improvement of governance processes**

In addition to the risk management strategy outlined in *Attachment G-1 Program Management Plan*, DIR and Vendor are committed to a wide variety of governance model improvements that will increase the likelihood that risk will be identified and handled within the governance process:

- Standardize meeting templates to ensure risk management is an agenda item in most discussion
  - Justification documentation is similar across governance bodies, including Change Control Board Change Request, and Business Case Process documentation
  - All governance entities have access to web-based Texas.gov Program dashboard
- Provide and integrate risk reporting into the governance structure
- Employ simple and anonymous risk reporting, rating and tracking processes

5.2.4.5.1 Process for Improving Governance

The following governance improvement processes will be completed every other year:

1. Strategic Planning Meeting—Membership from each of the governance entities, Vendor and DIR key personnel, and other DIR and Vendor staff, as needed will gather for a full-day strategic planning meeting. The meeting will include:
   a. Vision discussion
      i. Review existing governance goals
      ii. Develop new goals
      iii. Review governance performance against goals
      iv. Retire irrelevant or out-dated goals
   b. Review relevance of governance entities (boards, councils, and committees)
      i. Assign responsible entity(s) to goals stated in vision discussion

ii. Review entities performance against goals

iii. Review concerns for entity

c. Review governance entity membership

i. Ensure membership is representative of changing needs

ii. Ensure membership includes appropriate balance of executive, non-executive and Customer membership

d. Document Strategic Plan detailing suggested changes to the governance process. Any changes suggested in the Strategic Plan will follow the Methodology for Updating the PPM set forth in Article III of *Exhibit H Governance*.

2. Document revised entity-specific procedures

a. Document goals and procedures

b. Document performance measurements for entity

5.3 Governance Documentation

Governance documentation will be managed by the Vendor, and DIR will contribute to approve all documentation related to governance of the Texas.gov Program. Governance is documented in the following:

- *Exhibit H Governance*
- *Attachment H-1 Policies and Procedures Manual*

Additional governance documents may be created in the form of attachments and appendices to attachments. As explained in Section 2 of this PPM, refer to *Exhibit H Governance, Article III* to the Master Agreement for information on updating governance documents.

Read access to updated and approved governance documentation will be available to DIR and Vendor executive personnel through the Texas.gov Program dashboard. When governance documentation is updated, it will be posted to the Texas.gov Program dashboard, and appropriate DIR and Vendor personnel will be notified immediately.

5.4 Reports

The table below identifies the reports provided by Vendor and will be provided in accordance with *Exhibit F Reporting*.

Note: Reports due quarterly are due based on the quarters of the state fiscal year.

Table 3: Reports Provided by Vendor

Implementation Status Report (ID 01)	
Description	Vendor will submit a weekly status report based upon the key milestones from the Implementation Plan.
Frequency	Weekly
Due Date	Monday, 9:00 a.m. (CT)
Recipient(s)	DIR Transition Manager, DIR Assistant Director eGovernment Services, DIR Contract Manager
Help Desk Process Improvement (ID 02)	
Description	Vendor will track issues to identify trends that drive up contact volume and report methods for identifying opportunities to drive down call volume, what mechanisms will be used to address escalating call volumes, and the metrics by which such efforts are judged successful. Vendor will produce a Help Desk Process Improvement report upon request by DIR.
Frequency	Upon request
Due Date	Within 5 Business Days of DIR request
Recipient(s)	DIR
Application Service Levels (ID 03)	
Description	Vendor will report on the service levels identified in *Exhibit D Performance Criteria* in its IT Portfolio Report. Each service level report will also be available from the DIR dashboard including Earn-back Credits.
Frequency	Monthly
Due Date	The 21st of the month following the preceding calendar month
Recipient(s)	DIR, Customer Advisory Council and Customers with executed Customer Agreements

Accessibility (ID 04)	
Description	Vendor will provide a summary of site and service accessibility compliance. The Accessibility Report will illustrate Vendor's compliance with all accessibility and usability standards as defined below: 1. State of Texas Accessibility requirements for Electronic and Information Resources specified in 1 TAC Chapter 213 (http://info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC?tac_view=4&ti=1&pt=10&ch=213). 2. Address the same accessibility criteria in substantively the same format as the VPAT of the "Buy Accessible Wizard" provided by the General Services Administration. A copy of the VPAT is located at http://www.section508.gov/. 3. Web accessibility standards of 1 TAC Chapter 206 (http://info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC?tac_view=4&ti=1&pt=10&ch=206) regarding the accessibility, usability, and multilingual capabilities including Spanish, for all web pages and web content hosted on Texas.gov.
Frequency	Quarterly
Due Date	The 21st of the month following the close of the preceding quarter
Recipient(s)	DIR and Architecture and Standards Board
IT Portfolio (ID 05)	
Description	Vendor will provide a standard monthly summary report of IT portfolio status, progress, performance, and issues. This report will be prepared and submitted by the Vendor for every major component in operation or in development. It will include trend information from month to month for the following required content: cost and cost recovery information, progress indicators, status, issues, performance measures, and other key indicators as agreed to by Vendor and DIR. This report will be finalized in January 2010.
Frequency	Monthly
Due Date	The 21st of the month following the preceding calendar month
Recipient(s)	DIR

Progress and Performance (ID 06)	
Description	Vendor will report indicators of program progress and performance to be reported, including: • A listing by Customer and application of all monthly usage and fee, subscription, or other receipts and allocations to the Texas.gov partners • Statistics on help desk contacts and resolution for the month, by Customer and application • A listing with names, dates, purpose, and outcome of all significant contacts with publicly funded entities in connection with outreach, identifying needs, or responding to inquiries (not including help desk) • A record of contacts to external entities and contacts from external entities and the actions and disposition of issues or requests • A listing of any new support requests or inquiries about new services from existing or potential Customers and users • A list of all Request for Change Statistics as determined by the Change Control Board • Help desk usage, metrics, and contact drivers
Frequency	Monthly
Due Date	The 21st of the month following the preceding calendar month
Recipient(s)	DIR, Project Review Board, Customer Advisory Council
Fiscal Year Annual Budget (ID 07)	
Description	Vendor will prepare an annual budget report, including projections for each year of the contract term, Statement of Operations, Investment in Capital Projects, and Distribution of Net Revenues, as well as supporting schedules for revenues, expenses, and capital costs.
Frequency	Annual
Due Date	June 1, annually
Recipient(s)	DIR
Fiscal Year Annual Marketing Plan (ID 7a)	
Description	Annual Marketing Plan
Frequency	Annual
Due Date	June 1, annually

Recipient(s)	DIR
Monthly Financial Report (ID 08)	
Description	Monthly Financial Report will include financial statement of Texas.gov, Projects of the Master Work Order as defined in the *Texas Electronic Framework Agreement*, reported separately, and a consolidation of both. The financial statements include a balance sheet, statement of operations, cash flow statement, unrecovered or recovered investment statement, and various detailed schedules that support the balance sheet and statement of operations. The report also includes management discussion and analysis and footnotes.
Frequency	Monthly
Due Date	5 weeks subsequent to close of preceding accounting month
Recipient(s)	DIR
Share of Total Revenue (ID 09)	
Description	Vendor will report State Share of Total Revenue collected and distributed each month.
Frequency	Monthly
Due Date	• State Share of Total Revenue report due the 10th Business Day of the following month
Recipient(s)	DIR, CPA
General Ledger (ID 10)	
Description	Vendor will provide a general ledger financial report.
Frequency	Monthly
Due Date	5 weeks subsequent to close of preceding accounting month
Recipient(s)	DIR, CPA
Fixed Assets Report (ID 11)	
Description	Vendor will provide a fixed assets financial report for Master Work Order Projects and Texas.gov capitalized production Equipment and Software not hosted at DCS that will be transferred to DIR.
Frequency	Monthly
Due Date	5 weeks subsequent to close of preceding accounting month
Recipient(s)	DIR

Labor Report for Master Work Order Projects (ID 12)	
Description	Vendor will provide a monthly labor report comprised of agreed upon labor categories for Master Work Order Projects.
Frequency	Monthly
Due Date	The 21st of the month following the preceding calendar month
Recipient(s)	DIR
Texas.gov Program Staffing (ID 13)	
Description	Vendor will provide an organization chart detailing resources actively engaged in the Texas.gov Program.
Frequency	Quarterly
Due Date	The 21st of the month following the preceding quarter
Recipient(s)	DIR
Customer Satisfaction (ID 14)	
Description	Vendor will report key indicators of customer satisfaction and/or areas for improvement to drive higher adoption. 1) Portal Survey Report, 2) Application Survey Report, 3) Project Surveys, and 4) Live Chat Survey Report.
Frequency	Quarterly
Due Date	The 21st of the month following the close of the preceding quarter
Recipient(s)	DIR, Customer Advisory Council and Project Review Board
Compliance Reports (Prime Contractor Progress Assessment Report – PAR) (ID 15)	
Description	Vendor will submit compliance reports to DIR, verifying Vendor compliance with the HUB Subcontracting Plan, including the use/expenditures Vendor has made to subcontractors as required by Chapter 2161, Texas Government Code. Reports shall be due in accordance with the CPA rules.
Frequency	Monthly
Due Date	The 21st of the month following the preceding month
Recipient(s)	DIR

Security/Privacy Incident (ID 16)	
Description	In accordance with the *Attachment G-9 Security Management Plan*, Vendor will report Security/Privacy Incidents and breaches and compliance with the then-current TAC 202 rules and NIST SP800-61 Rev. 1. The report will be in accordance with the Security Plan, including: • Disclosure of confidential information, whether suspected or actual within one (1) Business Day of becoming aware of such use or disclosure or such shorter time period as is reasonable under the circumstances. • Lost or stolen hardware or mobile computing devices associated with Texas.gov within three (3) Business Days of discovery. • Violation of State or Federal laws, whether suspected or actual within one (1) Business Day of becoming aware of the violation or such shorter time period as is reasonable under the circumstances.
Frequency	Upon Incident
Due Date	Report delivery is dependent on disclosure type and will be made in accordance with *Attachment G-9 Security Management Plan*
Recipient(s)	DIR
Security Status Report (ID 17)	
Description	In accordance with *Attachment G-9 Security Management Plan*, Vendor will provide a status report on all security issues, including Vendor comments and concerns regarding the current security of the system.
Frequency	Monthly
Due Date	10 Business Days after the end of the month
Recipient(s)	DIR
Vendor Security Assessment and Remediation (ID 18)	
Description	In accordance with *Attachment G-9 Security Management Plan*, Vendor will report all results of security testing and third-party Web application risk assessments for Web applications being considered for Texas.gov. The report will include recommendations for acceptance that reflect secure coding best practices, industry standards, with specific remediation thresholds.
Frequency	Upon security scan
Due Date	5 Business Days after scan report is generated
Recipient(s)	DIR

Vendor Internal Security Report of Internal Controls (ID 19)	
Description	In accordance with *Attachment G-9 Security Management Plan*, Vendor will submit an audit report of internal controls to DIR.
Frequency	Quarterly
Due Date	10 Business Days after the end of the quarter
Recipient(s)	DIR
Correction or remediation reports for any audit exceptions (ID 22)	
Description	In accordance with *Attachment G-9 Security Management Plan*, Vendor will provide correction or remediation reports for any audit exception to DIR.
Frequency	Upon audit
Due Date	30 days after completion of the audit
Recipient(s)	DIR, Architectural Review Board

6 Procedures

6.1 Business Case Process

The Texas.gov Business Case Process (BCP) establishes a formal process for the review and approval of the Business Case to ensure that potential Texas.gov Projects are uniformly reviewed, qualified, ranked, and prioritized prior to Project initiation. The Texas.gov BCP will allow the Project Review Board to examine a Project's investment value by conducting business case analysis, which will compare Project costs and risk to Project benefits and the availability of Total Revenue and potential new revenue generated by Texas.gov to fund the Project.

6.1.1 Purpose

The purpose for the BCP is to provide a roadmap for the review of Texas.gov Project proposals and/or changes to an existing Texas.gov service or application that are not eligible for approval through the Change Management Process. The primary consideration for the BCP requires a thorough review of a Project's investment value in relation to other technology Projects, its impact on use of Texas.gov resources across the State and the availability of Texas.gov Total Revenue.

6.1.2 Objectives

The objectives for the BCP includes the following:

- Decide if the perceived benefits of the Project justify the Texas.gov resource requirements and risk of the Business Case
- Assess the Project benefits against Texas.gov strategic objectives
- Determine if the benefits, risks, and costs are realistic and achievable
- Determine if Texas.gov Total Revenue will fund the Project within the overall Program
- Determine what impact the Project will have on the Annual Budget

6.1.3 Scope of BCP

The scope of the Texas.gov BCP applies to potential new Texas.gov Projects. Business Cases that meet the following criteria will be routed to the Texas.gov Project Review Board for acceptance and approval (other than as noted in "Exclusions to BCP"):

- Projects that require 60 hours or more for completion.
- New Business Case that improves one or more Texas.gov application
- New Business Case that improves one or more Texas.gov services
- Changes to an existing application, service, or other endeavor requiring more than 20% of resource requirements for the original Project or more than 120 hours of effort.
- Any 5% or more increase in DCS or TEX-AN costs due to changes to DCS or TEX-AN pricing.
- An approved revision to a Plan that results in material change to Texas.gov operations.

6.1.3.1 ***Exclusions to BCP***

The following are exclusions to the scope of the BCP:

- Changes to an existing Project or to an existing Texas.gov service or application requiring less than 20% of the resource requirements for the original Project and requiring less than 120 hours for completion fall under the Change Management Process.
- Projects requiring less than 60 hours for completion do not require a BCP review.
- DIR and Vendor may circumvent the BCP Process if they mutually agree that a Project constitutes an Emergency Project.

6.1.4 Business Case Requirements

The specific requirements for the Texas.gov BCP are divided into the following categories:

6.1.4.1 **Organizational Requirements**

- Governance for the BCP rests with the formal Texas.gov governance entities, as well as the Texas.gov Management Team, who represent DIR and Vendor personnel who provide operational direction for Texas.gov initiatives as a part of their prescribed day-to-day duties
- The following governance entities have consultative input on the BCP

  - Customer Advisory Councils
  - Change Control Board
  - Architecture and Standards Board
- The Texas.gov Project Review Board's role is to facilitate the BCP, gathering input from the other governance entities and Customers as appropriate. The approval of a Business Case by the designated approval authority according to Section 6.1.7, Table 4 RACI Accounting of Business Case Roles, and Responsibilities will result in the proposal becoming a Project.
- The Project Review Board will communicate BCP outputs (recommendations for approval/disapproval of Projects) to the Management Team, who will implement approved Projects. The Project Review Board will also communicate outputs to other governance teams as well as the Executive Steering Committee, as noted in Section 6.1.9.1, Table 6: Business Case Alignment.

6.1.4.2 Process Requirements

- BCP will specifically address Projects, not Change Requests. Change Requests will follow the Change Management Process.
- BCP will not be limited to application development Projects. It will also include infrastructure Projects (Enterprise Service Bus and Federated Identity Management for example), web design Projects, training Projects and other Projects that are not incorporated in a service delivery plan and that are not eligible for the Change Management Process.
- Establish tailoring for simple/complex Project paths based on thresholds.
- Include Risk Factors as part of the Project Prioritization scoring.
- Communicate BCP outputs.
- Provide an End of Term BCP.

6.1.4.3 Process Tool Requirements

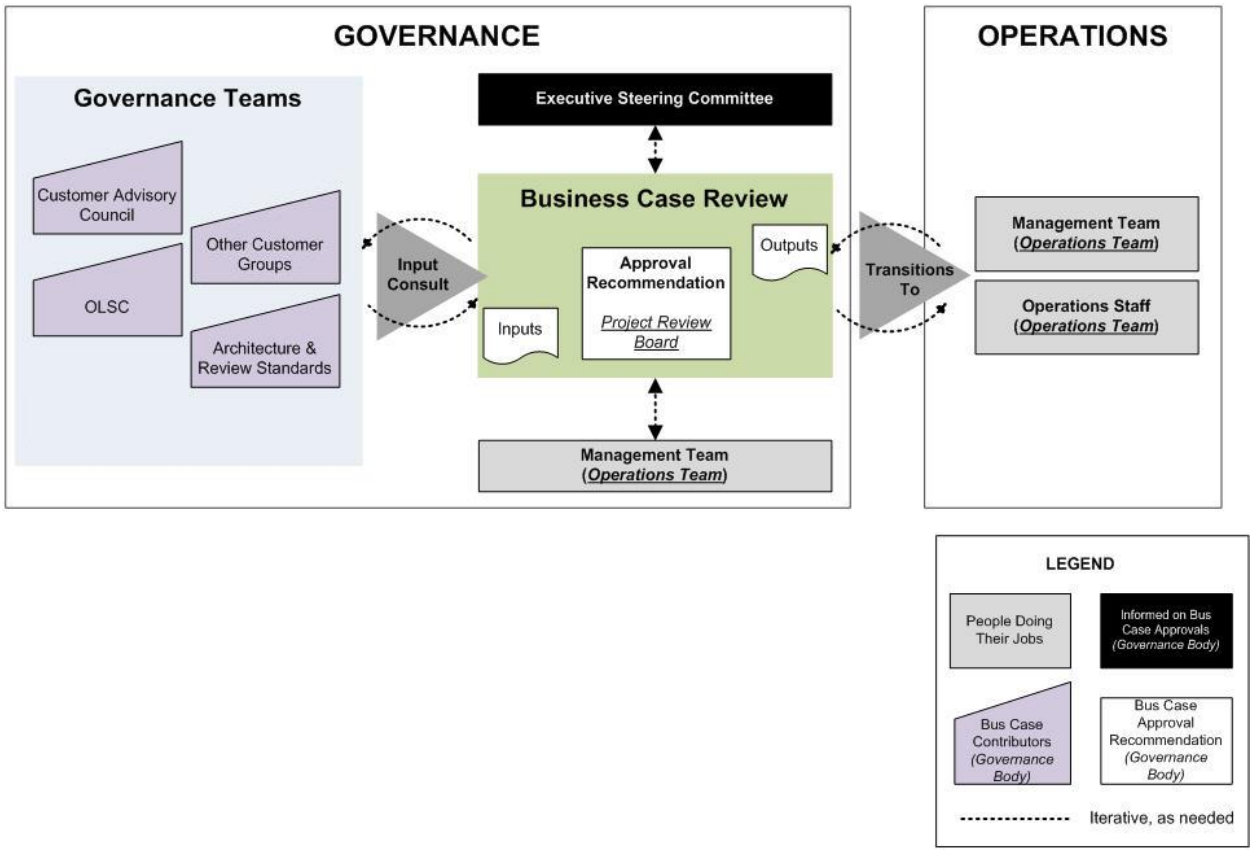
- Business Case Analysis tools capture the following:
  - Rationale for the Project
  - Statement of benefit within the Texas.gov Program
  - High-level functional, system, technical, user, and interface requirements
  - Project approach
  - High-level Project schedule
  - Technical analysis
  - Business risks
  - Statewide impact analysis
  - Approval/disapproval page, including documented reason for approval/disapproval
  - Include financial analysis. Financial analysis should include the following:
    - Rough-Order-Magnitude (ROM) of the Project

- Project Value Score
- Impact on Texas.gov Program financial results
- Need for amendment of Annual Budget, if applicable
- Impact on DIR/Customer financial results
- Proposed fee schedules and proposed funding mechanism to recoup upfront investment and ongoing costs associated with development and maintenance
- If applicable, the impact on other projects, including their priority

6.1.5 Organizational Requirements

The Project Review Board largely manages the Texas.gov BCP. However, the Project Review Board is encouraged to seek the assistance of the other Texas.gov governance entities as they complete a Business Case review. The figure below provides the governance hierarchy for Texas.gov, prescribing the BCP responsibility to the Project Review Board.

Figure 3: Business Case Organizational Hierarchy



6.1.6 Roles and Responsibilities

The table below provides a RACI accounting, illustrating the Responsible, Accountable, Consulted, and Informed entities for the Business Case Process.

Table 4: RACI Accounting of Business Case Roles and Responsibilities

Business Case Task	Responsible	Accountable	Consulted	Informed
Submit	Originator/Vendor/DIR	Vendor	Project Review Board	
Prioritize	Project Review Board	Project Review Board	Boards, Committees, Management Team	
Review	Project Review Board	Project Review Board	Boards, Committees, Management Team	
Recommend Approval	Project Review Board	Project Review Board	Boards, Committees, Management Team	Executive Steering Committee, DIR Executive, Management Team, Originator
Recommend Rejection	Project Review Board	Project Review Board	Boards, Committees, Management Team	Executive Steering Committee, DIR Executive, Management Team, Originator
Recommend Defer	Project Review Board	Project Review Board	Boards, Committees, Management Team	Executive Steering Committee, DIR Executive, Management Team, Originator
Seek DIR Board Approval when a fee is involved	Director, eGovernment Services and Vendor Executive Director	DIR Chief Operating Officer	Boards, Committees, Management Team	Management Team, Originator
Approve fees as appropriate	DIR Board	DIR Board	Boards, Committees, Management Team	Originator, Management Team

6.1.7 Soliciting Input from Other Councils/Boards/Committees

While the BCP is primarily the responsibility of the Project Review Board, the Board may need to seek the input and consultation of other Texas.gov governance entities. Examples of when this may be necessary include:

Table 5: Scenarios for Soliciting Input from Other Boards

Scenario	Consult
Projects that require modifications to the Texas.gov infrastructure	Architecture and Standards Board and the Change Control Board
Project that is a substantial change to the Texas.gov Occupational License Application	Customer Advisory Board and Occupational License Steering Committee (OLSC)

6.1.8 Business Case Process Steps

6.1.8.1 **Business Case Steps**

Table 6 provides a map of the review procedures for the Texas.gov Business Case Process.

Table 6: Business Case Alignment

Business Case Process	Description	Purpose
	Solution origination can begin at any layer in the proposed governance structure. Business Case input documents are completed by the Vendor with input from the Customer and DIR.	Ensures DIR, Vendor, Customers, and other governance bodies have opportunities to propose Texas.gov Projects.
	The **Project Review Board** prioritizes and recommends approval of Business Cases in accordance with *Exhibit H Governance* and the Business Case Process.	Ensures coherent case for investment value of a Project.
	The **Project Review Board** may route the Business Case to other Texas.gov governance entity during review. The Project Review Board will use the input of the other governance entities to make the final recommendation.	Ensures appropriate input from other governance committees, boards, councils.
	Project cost thresholds determine the appropriate final reviewing entity. Fees must be approved by **DIR Board**.	Provides cost control to project and fee analysis.
	With the successful approval, the Business Case, the Vendor, DIR, and Customer will develop or amend a Customer Agreement and the Project will be submitted to the Vendor PMO for project initiation.	Ensures project is managed and monitored according to Texas.gov project management practices.

6.1.9 Entry Criteria

The following criteria must be met before the Project Review Board can review a Business Case for approval/disapproval:

- Business Case has been pre-qualified when a Customer reviews and signs a statement to initiate the process
- Inputs (defined below) have been completed by the Vendor, Customer, and DIR.

6.1.10 Inputs

Each of the following are required input for the Business Case Process. The inputs must be comprehensively completed and submitted one week prior to the Project Review Board's monthly meeting.

- Information Gathering Questionnaire
- High Level Business Case Document
  - Project purpose statement
  - Scope statement
  - Project benefit statement
  - High-level business requirements
  - High-level technical requirements
  - Statewide Impact Analysis
  - Determine Project Sponsor, key stakeholders and roles
  - Rough-Order-Magnitude and Cost score
  - Proposed fee schedule
  - Business model to recoup upfront investment and ongoing costs
  - Texas.gov financial impact statement, including any need for a mutually-agreed Budget Amendment
  - Customer financial impact statement
  - Alternate business models to generate new revenue
- Business Case Prioritization Process and Template

The Business Case Prioritization Process and Template will be the cover for the Business Case input documentation, including a recommendation for proceeding/not proceeding.

6.1.11 Business Case Workflow

The Project Review Board plays a central role in receiving, evaluating and processing a Business Case. An Originator can submit a Business Case for these scenarios:

- A Project, application or service for Texas.gov
- Change to a Project that is not eligible for the Change Management Process
- End of Term Business Case for a Project that is initiated near the end of the term of the Master Agreement
- 5% increase in DCS or TEX-AN costs as a result of an increase in DCS or TEX-AN pricing
- An agreed-to update to a Plan that results in a material change to Texas.gov operations

6.1.11.1 Business Case Flow – End of Term

6.1.11.1.1 Revenue Generating Projects

When a Business Case is approved within 12 months prior to the expiration date of the Master Agreement, or is of a scope that the Vendor is unlikely to receive sufficient Transaction Revenue and/or Service Revenue to fully compensate the Vendor's projected costs by the end of the Master Agreement, the Project Review Board will consider the Project Value Score and Project schedule in its review. The Project Review Board uses the Pending Risk Register to classify End of Term Business Cases. Projects recommended for approval and prioritized by the Project Review Board and mutually-agreed by DIR and Vendor will constitute agreement by DIR to compensate the Vendor according Business Case Financial Workbook-Project Value Score in accordance with the *Exhibit B Terms and Conditions, Section 11.03(d) Termination fee*.

6.1.11.1.2 Non-Revenue Generating Projects

When a Business Case for a non-revenue generating project is approved 12 months prior to the expiration of the Master Agreement, the Project Review Board will consider the Project Value Score and Project schedule in its review. The Project Review Board uses the Pending Risk Register to classify End of Term Business Cases. Unless the Project funding is provided for in the Annual Budget or a Budget Amendment, Projects recommended for approval and prioritized by the Project Review Board and mutually-agreed by DIR and Vendor will constitute agreement by DIR to compensate the Vendor according Business Case Financial Workbook-Project Value Score in accordance with *Exhibit B Terms and Conditions, Section 11.03(d) Termination fee*.

6.1.12 Exit Criteria

The Project Review Board will issue a recommendation for approval/disapproval of a Project, based on the Business Case Prioritization Score. Business Cases that are incomplete or deferred will enter a feedback/improvement loop until a final determination is made. Business Cases in the improvement loop are provided a Business Case Modification Instruction defined in Table 7. BCPs that are recommended for approval are submitted to the appropriate authority (Illustrated in Table 4) for approval and signature.

6.1.13 Disposition Outputs

The output of the Business Case Process is one of the following dispositions: approved, rejected or deferred with Modification Instruction. The High-Level Business Case contains a

Disposition page where the disposition and modification instructions (if needed) are provided. The following table describes these possible dispositions for the BCP.

Table 7: Possible Business Case Disposition Outputs

Disposition Output	Description/Purpose	Next Steps
Business Case Modification Instruction (Business Case Defer)	The Modification Instruction provides instructions for Business Cases that are in a feedback/improvement loop. The High-Level Business Case indicates the disposition as Modification Needed. The instructions will assist the Originator, DIR, and/or Vendor in providing the information that will allow the Project Review Board to make a final determination for the Business Case.	Originator/Vendor/DIR improves Business Case based on Business Case Modification Instruction. The modification may include revised scope or specification, reprioritization of Program activities (such as redeploying Texas.gov resources working on Portal Enhancements, for example, to a Strategic Requirement) or an alternate business model that identifies new Transaction Revenue, Service Revenue or other funding. The Business Case is in a feedback/improvement loop for further consideration.
Business Case Approval	The Business Case Approval is incorporated in the High-Level Business Case template.	Routed to DIR, Originator, Customer, and Vendor.
Business Case Rejection	A rejection statement for the Business Case is incorporated in the High-Level Business Case template Provides a rationale for rejection.	Routed to DIR, Originator, Customer, and Vendor.
Budget Amendment (as needed)	The Budget Amendment provides the details of the Annual Budget modifications that will be required of a Business Case. Not all Business Cases will require a Budget Amendment.	Routed to DIR and Vendor in accordance with the Budget Amendment Section of this PPM.

6.1.14 Business Case Tools

The following table includes a listing of the BCP Tools, a description of each and the party(ies) responsible for completion of each. All Business Cases and their associated documentation will be input into the Texas.gov Program dashboard.

Table 8: Business Case Process Tools

Tool Name	Description/Purpose	Responsible Party or Parties
Information Gathering Questionnaire	The Information Gathering Questionnaire allows BCP parties to understand the basic requirements, goals, and processes for the proposed Project.	Originator
High-Level Business Case Document	The High-Level Business Case Document provides high-level details of the Project scope, requirements, benefits, impact, and schedule. It contains the output of the Financial Projections Worksheet and the Prioritization Process Score Calculation. It also contains an acceptance page that indicates the Project Review Board's action regarding the Business Case.	Vendor and Originator
Financial Projections Worksheet	The Financial Projections Worksheet provides Rough-Order-Magnitude/Cost statement and financial impact statements on the Annual Budget for the Vendor, Customer, and Texas.gov Program.	Vendor and Originator
Prioritization Process Score Calculation	The Prioritization Process Score Calculation worksheet calculates the priority score and value score for the project based on the value, resources, and risk for the Business Case.	Vendor and Originator
Business Case Modification Instruction	The Modification Instruction provides instructions for Business Cases that are in a feedback/improvement loop and is provided by the Project Review Board at time of disposition. The instructions will assist the Originator and/or Vendor in providing the information that will allow the Project Review Board to make a final determination for the Business Case. The Modification Instruction is provided in the High-Level Business Case.	Originator and Vendor

Tool Name	Description/Purpose	Responsible Party or Parties
Business Case Disposition for Projects with estimated costs for three years <= $250,000	Recommendation for approval or rejection of the Business Case is provided in the High-Level Business Case. Approval signatures are required.	Project Review Board (which consists of the DIR Assistant Director eGovernment Services and Vendor Executive Director)
Business Case Disposition for Projects with estimated costs for three years > $250,000	Recommendation for approval or rejection of the Business Case is provided in the High-Level Business Case.	eGovernment Services Director and Vendor Executive Director
Business Case Approval for projects where a fee is involved.	An approval statement or a rejection statement for the Business Case for Projects that involve a fee. Approval signatures are provided in the High-Level Business Case.	DIR Board

6.1.15 Terms and Conditions

N/A

6.2 Architectural Review Process

6.2.1 Purpose

The purpose of the Architectural Review Process is to allow DIR and Vendor to provide leadership and support for data sharing and interoperability initiatives between Customer processes and systems.

As defined earlier in the PPM, the Architecture and Standards Board (ASB) will have authority over the Architectural Review Process and will participate at key phases in the process.

6.2.2 Objectives

The objectives of the Architectural Review Process are to:

- Establish common architectural standards and best practices
- Streamline data management and reporting
- Improve data sharing

- Advance information system and process integration

6.2.3 Scope

The Architectural Review Process provides controls for the Architecture and Standards Board to perform the following:

- Review proposed Texas.gov architecture improvement, enhancement, or other plans for change, to ensure compliance to documented architecture standards, and make recommendations on Project approvals based on compliance to those standards
- Provide review and approval to requests for changes or amendment to existing architecture standards
- Establish best practices and documented standards for Texas.gov that coincide with statewide interoperability practices and plans
- Provide a means to update and improve architecture standards
- Contribute to the development of the Technology Management Plan

6.2.3.1 Exclusions

There are no exclusions to the scope of the Architectural Review Process.

6.2.4 Architectural Review Requirements

N/A

6.2.5 Organizational Requirements

N/A

6.2.6 Roles and Responsibilities

Membership of the ASB includes a cross-section of DIR and Vendor employees as outlined in Section 4.3.3.

The DIR Technical Analyst and the Vendor Director of Technology will serve as Co-Chairs and have joint responsibility for the Architectural Review Process.

The Architecture and Standards Board performs three roles and five core activities as shown in the figure below.

- *Standards Creation Process*

In this process, the board will either adopt or create the standards and best-practices against which all Texas.gov projects and applications will be measured and record them in a Standards Register.

- *Standards Revision Process*

In this process, the board makes modifications to a standard or best-practice already adopted. Once approved by the board, the changes will be reflected in the Standards Register.

- *Standards Compliance Evaluation Process*

Architectural compliance review responsibilities will largely rest with the Texas.gov Architecture and Standards Board, however, the board has no decision-making authority. Using the Compliance Scorecard, decisions on architectural and standard compliance will be made by the Texas.gov boards requesting review by the Architecture and Standards Board.

- *Strategic Planning Process*

In this process, the board collects input from stakeholders and provides guidance in setting the strategic technology plan for the Texas.gov Program.

- *Recommendation Process*

In this process, the board responds to a request from another Texas.gov governing body regarding technology, standards or best practices.

6.2.7 Soliciting Input from Other Councils/Boards/Committees

N/A

6.2.8 Architectural Review Steps

N/A

6.2.9 Entry Criteria

Entry criteria will vary depending on the type of activity being performed by the board as defined in the following table:

Board Activity	Entry Criteria
Standards Creation	Startup of the Architecture and Standards Board
Standards Revision	Change to standard or best practice authored by third-party and previously adopted by the board Request to adopt new standard or best practice Request to change standard or best practice authored by the board Change in technology roadmap or strategy Issuance of new recommendation
Standards Compliance Evaluation	Receipt of formal request for compliance review
Strategic Planning	Approaching anniversary of required plan updates
Recommendation	Receipt of formal request for recommendation

6.2.10 Inputs

The following represents inputs that will be required as part of the Architectural Review Process. Inputs are classified according to their associated board activity.

Activity: Standards Creation

- **Existing State Standards** – Standards adopted by the State of Texas through law, regulation, or executive order. Additionally, industry standards such as PCI DSS which the State must comply with due to third-party contractual obligations.
- **Technical Reference Model**- Documentation of current hardware, software, standards, protocols, and configurations, as a baseline to consider proposed changes. A Technical Reference Model will be due to DIR no later than April 1, 2010.

Activity: Standards Revision

- **Revised or New State Standards** – Additional standards or changes in standards adopted by the State of Texas.
- **Technology Management Plans** – The strategic technology plan for Texas.gov. This plan will be due to DIR no later than April 1, 2010.
- **Technology Recommendations** – A recommendation issued by the Architecture and Standards Board that merits creating additional standards or modifying existing standards.

Activity: Standards Compliance Evaluation

- **Request for Compliance Review** – a formal request from another governance body or the Texas.gov management team for a solution or technology to be evaluated with regard to compliance with adopted standards. This request will include solution information consisting of one or more of the following:
    - **Solution Specifications** – a detailed technical description of the solution being evaluated.
    - **Change Specifications** – a detailed change plan that applies to one or more solutions.
- **Adopted Standards** – the current standards adopted by the Architecture and Standards Board.

Activity: Strategic Planning

- **DIR IT Strategy and Policies** – strategies and policies adopted by DIR.
- **State Enterprise Needs** – formal or informal assessments of State enterprise needs.

Activity: Recommendation

- **Request for Recommendation** – a formal request for guidance and advice from the Architecture and Standards Board. This could be a recommendation for compliance advice on a proposed solution approach or identified project risk, or architectural guidance for an area without existing standards. If the requested recommendation relates to identified project risks, relative information from the Risk Register will be included.

6.2.11 Architectural Review Workflow

The steps involved in the five activities are depicted in the following workflow diagrams. The green arrows represent the “approval” path and the red arrows represent the “rejection” or “rework” paths. If a step is labeled as “At Meeting”, then that step will be performed at a formal meeting of the board.

- *Standards Creation Process*

Notes:

1. **Develop Draft Standard –** varies depending on whether writing from scratch or using standard published by third-party. When adopting a third-party standard, it is permissible to include or exclude certain sections with an appropriate rationale given.

2. **Ready for Vote** – A ”Yes” can be accompanied with minor changes as conditions for approval to avoid the rework loop.

- *Standards Revision Process*

Notes:

1. **Develop Draft Changes –** varies depending on whether authored by Texas.gov or adopted from a by third-party.

2. **Ready for Vote** – A ”Yes” can be accompanied with minor changes as conditions for approval to avoid the rework loop.

- *Standards Compliance Evaluation Process*

Notes and Pending Questions:

1. **Is Request Valid –** Thisthis is a check by the co-chairs (or their delegates) that the request has sufficient information to be considered.

2. **Board Grades Compliance –** Secret ballot so some members are not influenced by votes of others.

- *Strategic Planning Process*

Notes:

1. **Develop Draft TMP Guidance** – This is not writing the actual plan content, but specifications for what TMP content should be developed by the Vendor.

- *Recommendation Process*

Notes and Pending Questions:

1. **Is Request Valid** – this is a check by the co-chairs (or their delegates) that the request is within the jurisdiction of the board and has sufficient information to be considered.

6.2.12 Exit Criteria

Exit criteria will vary depending on the type of activity being performed by the board as defined in the following table:

Board Activity	**Exit Criteria**
Standards Creation	Agreement by the Architecture and Standards Board that sufficient baseline standards have been adopted.
Standards Revision	New or changed standards adopted by the Architecture and Standards board. *Note: Standards revision is an ongoing process*
Standards Compliance Evaluation	Agreement on a Compliance Scorecard that will be provided back to the entity requesting a compliance evaluation.
Strategic Planning	Provide review and feedback to Vendor to support their production of an accepted *Attachment G-10 Technology Management Plan*.
Recommendation	Agreement on a written recommendation that will be provided back to the entity requesting a recommendation from the Architecture and Standards Board.

6.2.13 Outputs

The following represents outputs that will be required as part of the Architectural Review Process. Outputs are classified according to their associated board activity.

Activity: Standards Creation

- **Adopted Standards** – Reference architecture and standards adopted by the Architecture and Standards Board.

Activity: Standards Revision

- **Adopted Standards** – Modified or additional standards.

Activity: Standards Compliance Evaluation

- **Compliance Scorecards** – An official opinion issued by the Architecture and Standards Board regarding the degree of compliance of an evaluated solution. This scorecard will utilize a grade-based system for ranking compliance in different areas. In addition, the scorecard will contain written comments and details supporting the compliance evaluation.

Activity: Strategic Planning

- **Technology Management Plans** – The annual strategic technology plan for Texas.gov. This plan is created by Texas.gov with input from the Architecture and Standards Board and will be reviewed by the Architecture and Standards Board.

Activity: Recommendation

Technology Recommendations – A written recommendation on architecture and/or technology platform related to an identified risk, proposed solution, or project requirement.

6.2.14 Tools

To facilitate the Architectural Review Processes, a collaborative intranet workspace is required. This workspace will provide the following functions:

- Serve as a repository for adopted standards.
- Serve as a repository of meeting agendas and notes.
- Serve as a repository for formal written requests and supporting documentation.
- Provide a forum to facilitate discussion of agenda planning, compliance review cases, and board recommendations.

All members of the Architecture and Standards Board will have access to this collaborative workspace. Certain items or areas of this workspace will be opened up for access from those outside of the board on an as needed basis.

6.2.15 Terms and Conditions

N/A

6.3 Change Management Process

6.3.1 Purpose

The purpose of the Change Management Process is to ensure that Changes to Texas.gov technologies are introduced in a controlled and coordinated manner. The Change Management Process ensures that Changes are assessed and approved by the Change Control Board, which is comprised of DIR, the Vendor, and third-party vendors.

As defined earlier in the PPM, the Change Control Board (CCB) will have authority over the Change Management Process and will participate at key phases in the process.

6.3.2 Objectives

The objectives of the Change Management Process are to:

- Ensure stability and performance of Texas.gov
- Minimize disruption to services
- Reduce back-out activities
- Efficiently use resources in implementing changes

To reduce exposure to unforeseen technical conflicts, changes in version or protocols, bug fixes, security weaknesses, or other sources of technical malfunction, the Change Management Process will be applied uniformly throughout Texas.gov operations and management processes.

6.3.3 Scope

The change management solution integrates governance with the many disciplines of operating Texas.gov, including:

- Program management
- Portfolio management
- Change management
- Risk management
- Issue management
- Release management

6.3.3.1 **Exclusions**

6.3.4 Roles and Responsibilities

Change management responsibilities will largely rest with the Texas.gov Change Control Board. Membership of the Change Control Board includes a cross-section of DIR and Vendor employees, as outlined in Section 4.3.5.

As Chair of the Change Control Board, the Vendor Change Manager will have responsibility for the Change Management Process, ensuring compliance with process and governance requirements. To achieve this, the Vendor Change Manager monitors the operation of the Change Management Process and overall environment to identify trends, compiles statistics that illustrate trends, and creates change trend reports and exception reports. The Change Manager formally tracks all information about all requests for change in the Change Register, which will be readily accessible by DIR and the governance team through the Texas.gov dashboard.

6.3.5 Entry Criteria

1. Change Control Board Meeting scheduled and a quorum is present either in person or by teleconference.
2. Requests for Change to Texas.gov have been submitted, meet the threshold for changes to go to board, have the required supporting documentation and the corresponding impact assessments determined that requests meet the criteria defined for a Change.

Examples of Changes that do not meet the threshold for consideration by the CCB	
User Account Management	• Set-up new account • Unlock user account • Reset or modify user password
Portal Content Updates	• Add or remove pages • Add, remove or revise links on existing pages • Add or remove featured application in rotating banner
IP Maintenance	• IP changes or additions
Non-production Environments	• Changes to the Texas.gov Development, Test or Stage environments

6.3.6 Inputs

- Texas Project Delivery Framework
- Texas.gov Program dashboard
- Texas.gov Policies and Procedures Manual
- Contract Briefing
- Meeting Agenda
- Meeting Minutes

<u>Change Control Board Meeting Inputs:</u>

- Change Register – list of pending Requests for Change. Register to include:

    - Title and description of the change,
    - Change Requestor,
    - Urgency and/or deadline, and
    - Impacted application(s), system(s) or service(s).
- Change Support Document (one for each Change on the Change Register)
    - Emergency Change – Yes/No; if yes, date of delivery for Security or SLA required changes.
    - Scope of Change
    - Estimated in labor hours
    - Fiscal Impact
    - Technical Impact
        - TEX-AN work required?
        - DCS work required?
        - Needs Architecture Standards Board Review?
    - Justification for Change, benefits to Agency, citizens, Texas.gov, other?
- Summary Report of all Requests for Change and the outcome.
- Technical Reference Model
- Standards approved by the ASB

6.3.7 Steps

During the bi-weekly meetings, the CCB will review each pending Change on the Change Register and for each Change:

- Review the Change Support Document
- Through discussion, strive for a consensus opinion on the disposition of each requested change. Through discussion, ensure that possible impacts of the change have been considered. For example, the CCB verifies that the change reflects consideration of security standards, architecture standards, accessibility standards, and other technical concerns that members deem relevant. All members present have an opportunity to express and discuss any issues or concerns they might have with a change as part of the CCB meeting.
- Determine the disposition of each requested change – Approved, Denied, or Deferred
- If a consensus opinion cannot be reached on a specific change, the Chair has the authority to defer the change to a subsequent meeting and assign actions that will facilitate reaching consensus at that time.
- If a consensus opinion cannot be reached on a specific change, and the opinion of the Chair is that the change is essential to continued healthy operations of Texas.gov, the Chair has the authority to approve the change.
- Record all disposition decisions. CCB will also review the Summary Report of all Requests for Change.

6.3.8 Exit Criteria

1. CCB reviewed and determined disposition for pending Changes.
2. CCB reviewed Summary Report of all Requests for Change.

6.3.9 Outputs

- Meeting Minutes and Agenda, including any Action Items identified during the meeting
- Updated Change Register that includes decisions made during meeting
- Updated Summary Report of all Requests for Change and the outcome.

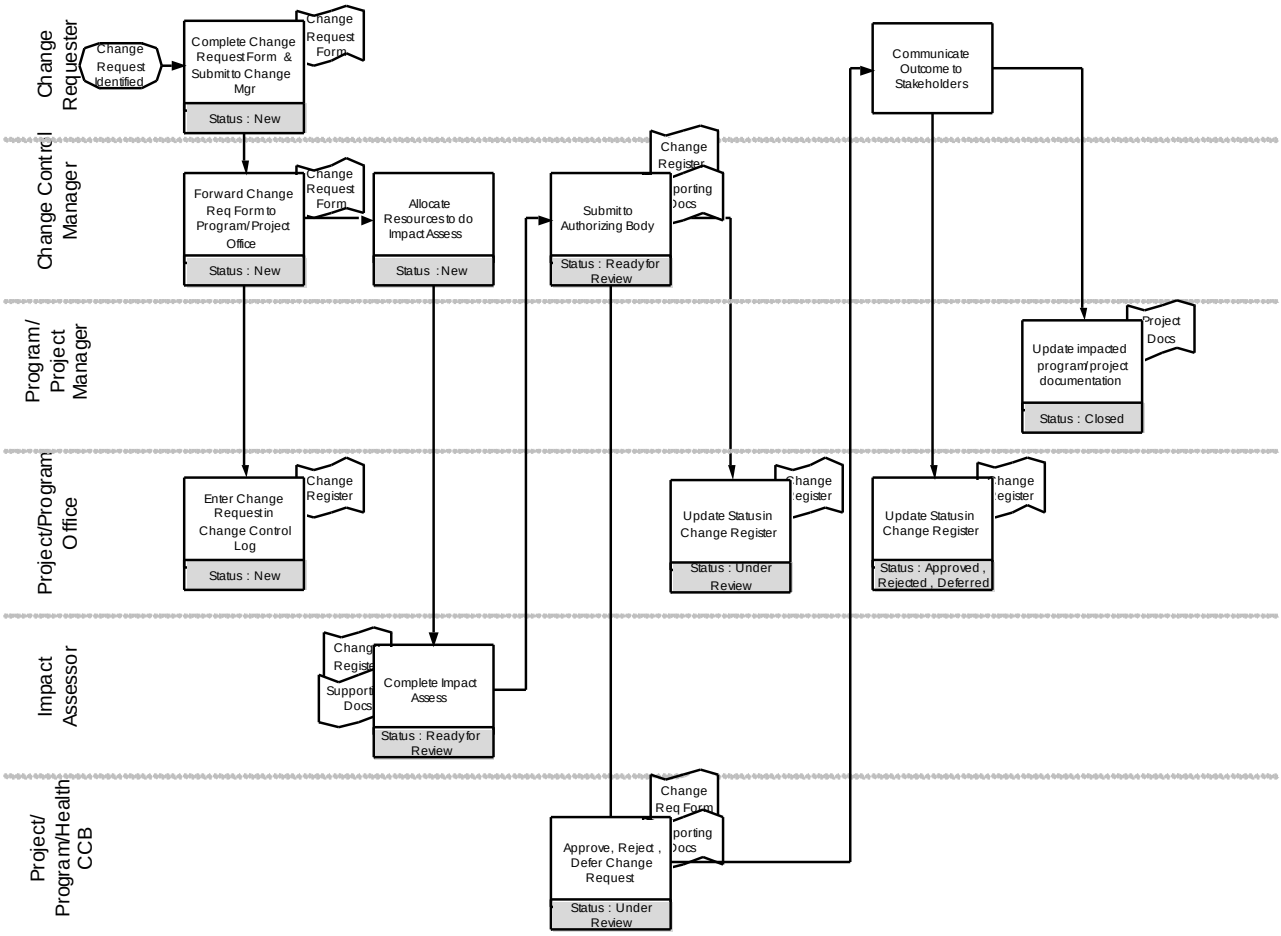
6.3.10 Tools

Note: Tools will be determined during the completion of the Change Management Process, currently under review. Final Tools under review.

6.3.11 Summary Workflow

Figure 4 below provides a diagram of the Change Management Process.

Figure 4: Change Management Process



6.4 Advisory Groups Process

Note: The final Advisory Group Process will be developed upon convening of the Customer Advisory Council and will be added to *Attachment H-1 Policies and Procedures Manual.*

6.4.1 Purpose

The purpose of the Advisory Group Process is to ensure customer input is appropriately integrated into the day-to-day governance of Texas.gov, so that Customer interests are considered, developed, and implemented appropriately.

6.4.2 Objectives

The objectives of the Advisory Groups Process are to achieve the following:

- Ensure stability and performance of Texas.gov
- Ensure input from Advisory Groups in Texas.gov initiatives

6.4.3 Scope

The scope of the Advisory Group Process will be to ensure advisory groups contribute to, evaluate, consult, and provide input to Texas.gov initiatives. The advisory groups are highlighted in Figure 1 and *Section 4.1.2* of this document. The Advisory Group Process will ensure that advisory groups have a voice in the broad direction and quality assurance of Texas.gov.

6.4.4 Roles and Responsibilities

Texas.gov Advisory Groups Process is organized by roles and responsibilities, which are aligned with the governance model of this document, and expand on the activities required of the Advisory Groups Process.

Part of the responsibilities of the Advisory Groups, include the following:

- Offer advice and counsel to DIR, as well as the Executive Steering Committee
- Provide Customer advice, concerns, and evaluations
- Provide a communication forum for DIR Customers to offer input and feedback to DIR and Vendor
- Assist in the identification of Customer needs and wants

The Advisory Groups will consist of Customer representatives, Customer IT Directors, Assistant Director eGovernment, DIR Portal Manager, DIR Marketing and Business Development Officer, Vendor Executive Director, Vendor Director of Portal Operations, Vendor Director of Outreach. Texas.gov will incorporate multiple advisory groups.

6.4.5 Entry Criteria

Note: Entry criteria will be determined during the completion of the Advisory Group Process.

6.4.6 Inputs

Note: Inputs will be determined during the completion of the Advisory Group Process.

6.4.7 Steps

Note: Steps will be defined during the completion of the Advisory Group Process, on or before October 1, 2009.

6.4.8 Exit Criteria

Note: Exit criteria will be determined during the completion of the Advisory Group Process.

6.4.9 Outputs

Note: Outputs will be determined during the completion of the Advisory Group Process.

6.4.10 Tools

Note: Entry criteria will be determined during the completion of the Advisory Group Process.

6.4.11 Summary Workflow

Advisory Groups will provide input into the Business Case Process and Third-Party Solution Process, as well as many other aspects of Texas.gov. The figure below illustrates customer advisory group influence on Texas.gov on governance and operations.

Figure 5: Customer Participation in Governance

6.5 Financial Management

6.5.1 Financial Processing Procedures

6.5.1.1 **Purpose**

The purpose of the Texas.gov Financial Processing Procedures is to provide a roadmap for the business and technical flow of funds. The flow of funds is in compliance with the requirements of the CPA, *Fiscal Policies and Procedures for Electronic Processing of Revenues and Expenditures* (APS 029) (https://fmx.cpa.state.tx.us/fm/pubs/aps/29/08-09/aps_029.pdf).

6.5.1.2 **Scope**

The scope of the Texas.gov Financial Processing Procedures provides the flow of funds for revenues and expenditures related to Texas.gov electronic transactions, including:

Payment Types

- All Major Credit Cards (Visa, MasterCard, American Express, Discover)
- Debit Cards (Pinned and PIN-less)
- eChecks/ACH (Business and individual)
- Recurring Payments

Payment Channels

- Web
- IVR
- Over-the-Counter
- Kiosk
- Mobile
- Subscriber Payments

6.5.1.3 **Roles and Responsibilities**

Attribute	Description
Vendor	• Provides payment engine • Provides disbursement integration with USAS for Customer Fees and State Share of Total Revenue • Provides financial reporting • Manages accounts payables of Texas.gov expenses • Completes true-up process for Master Work Order Projects as part of the Texas Electronic Framework Agreement
DIR	• Verifies accuracy of State Share of Total Revenue disbursement • Verifies accuracy of financial reporting
Executive Steering Committee	• Verifies accuracy of financial reporting • Verifies completion of disbursements and accounts payables
CPA	• Provides authorization for collection of fees • Provides USAS interface for TPE integration • Provides review of USAS-reported revenues • Distributes revenues
Customer	• Verifies accuracy of revenues posted to USAS • Assists in any Comptroller compliance measures

6.5.1.4 **Requirements**

The Texas.gov Financial Processing Procedures include the following requirements:

- Transaction reporting is integrated with USAS
- Total Revenue is received by Treasury Operations in the Comptroller's Office
- Funds remaining after Customer Fees and Taxes have been paid are distributed to the State for State Share of Total Revenue and to the Vendor for Texas.gov expenses and Vendor Portion of Total Revenue.

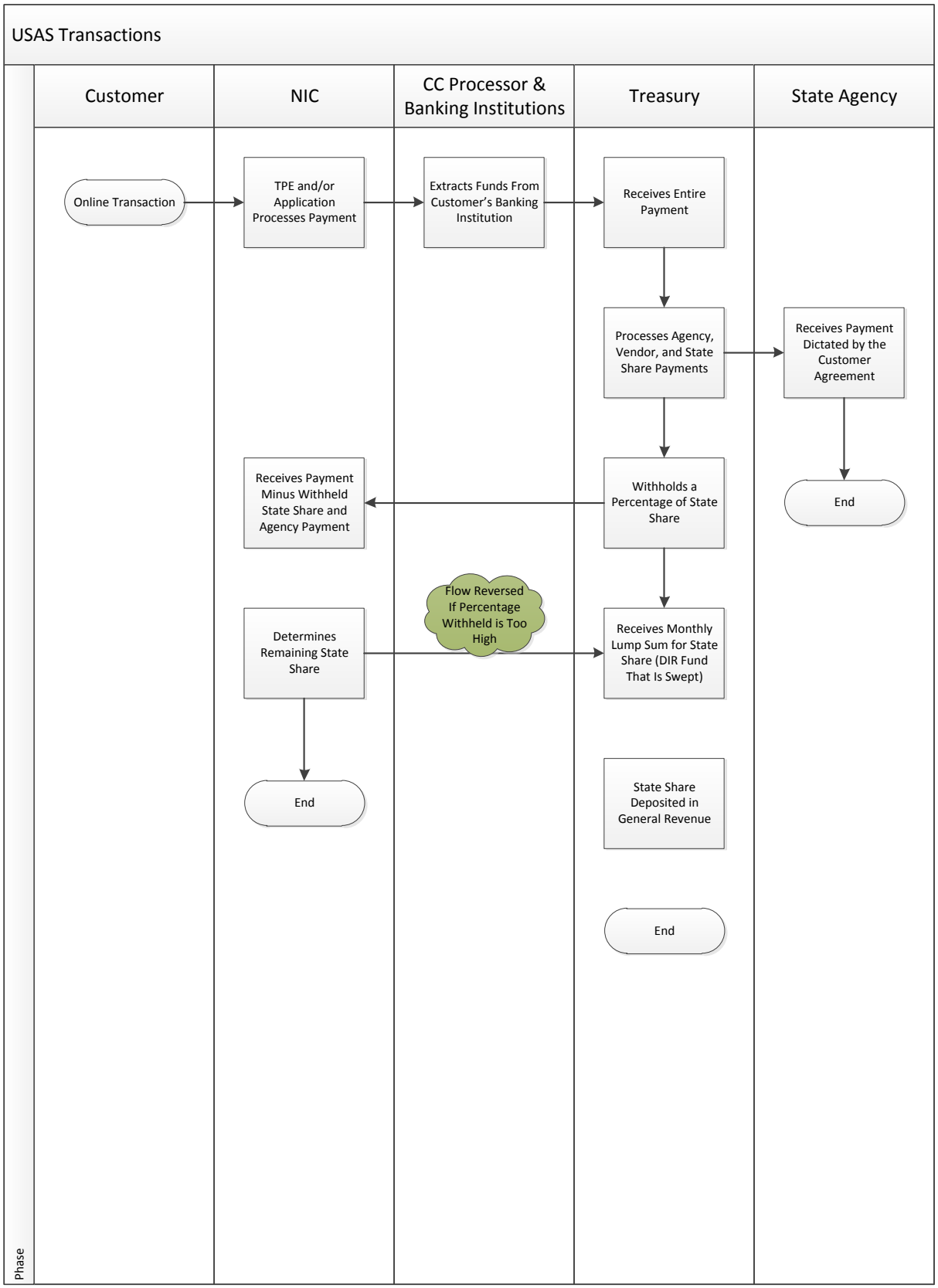
- For Master Work Order Projects covered under the Texas Electronic Framework Agreement, a monthly true-up process ensures that the State Revenue collected is the correct percentage of Texas.gov Revenues.

6.5.1.5 **Steps**

Step	Action
1	**Complete e-Commerce Transaction** A citizen or business completes an e-commerce application or service transaction via Texas.gov. As a part of the transaction Texas.gov authorizes payment for the service through one of the accepted payment methods or channels. Payments include the Customer Fee, as well as any Convenience Fees and Premium Subscription Fees.
2	**Credit/Debit Card Capture** Through a secure Texas.gov financial processing gateway, authorized payment transactions are electronically and securely passed to a credit card processing service, then to the end user's credit card company.
3	**eCheck/ACH Capture** eChecks are similar to paper checks, requiring routing through the Federal Reserve Bank. This is completed via an Electronic Payments Association (NACHA) process. Vendor's payment gateway ensures accuracy of bank routing and account numbers, limiting some of the return check risk. Verified/authorized eCheck transactions are batched for processing through NACHA. Assuming funds are available in the user's account the NACHA process will capture funds.
4	**Settlement of Funds** Captured funds (less third party fees) are automatically deposited into State of Texas Treasury accounts for Comptroller funds settlement. Data required by the Comptroller's Office for proper Credit card and other transactional information is sent by the payment gateway and received by Treasury Operations in the Comptroller's Office.
5	**Comptroller of Public Accounts Distributes Funds** The payment is assigned to the different revenue and expenditure codes according to Customer-specific merchant accounts and recorded in USAS. On a daily and aggregate basis, the CPA issues the following payments: • Customer Fees to the appropriate Treasury accounts • The then-applicable percentage share of remaining Texas.gov revenue for State Share of Total Revenue to the General fund. • The remaining funds to the Texas.gov account.
6	**Vendor Pays Texas.gov Expenses** From the Vendor Texas.gov account, drafts are made against operational expenses. Expenses include payments for Vendor's operational expenses, suppliers, and Subcontractor fees. For DCS and TEX-AN costs, DIR is invoiced. Invoices must be approved by DIR and Vendor. Vendor will pay approved invoices from the Texas.gov

Step	Action
	account.
7	**Vendor Portion of Total Revenue** The remainder of funds from the Texas.gov account becomes the Vendor Portion of Total Revenue and is accessible to the Vendor for distribution to Vendor-owned accounts.

6.5.1.6 Summary Workflow


USAS Transactions
Customer
NIC
CC Processor & Banking Institutions
Treasury
State Agency
Online Transaction
TPE and/or Application Processes Payment
Extracts Funds From Customer's Banking Institution
Receives Entire Payment
Processes Agency, Vendor, and State Share Payments
Receives Payment Dictated by the Customer Agreement
End
Receives Payment Minus Withheld State Share and Agency Payment
Withholds a Percentage of State Share
Flow Reversed If Percentage Withheld is Too High
Determines Remaining State Share
Receives Monthly Lump Sum for State Share (DIR Fund That Is Swept)
End
State Share Deposited in General Revenue
End
Phase

6.5.1.7 Non-USAS Financial Processes

Figure 6: Certain Agency and Non-USAS Agency Transactions

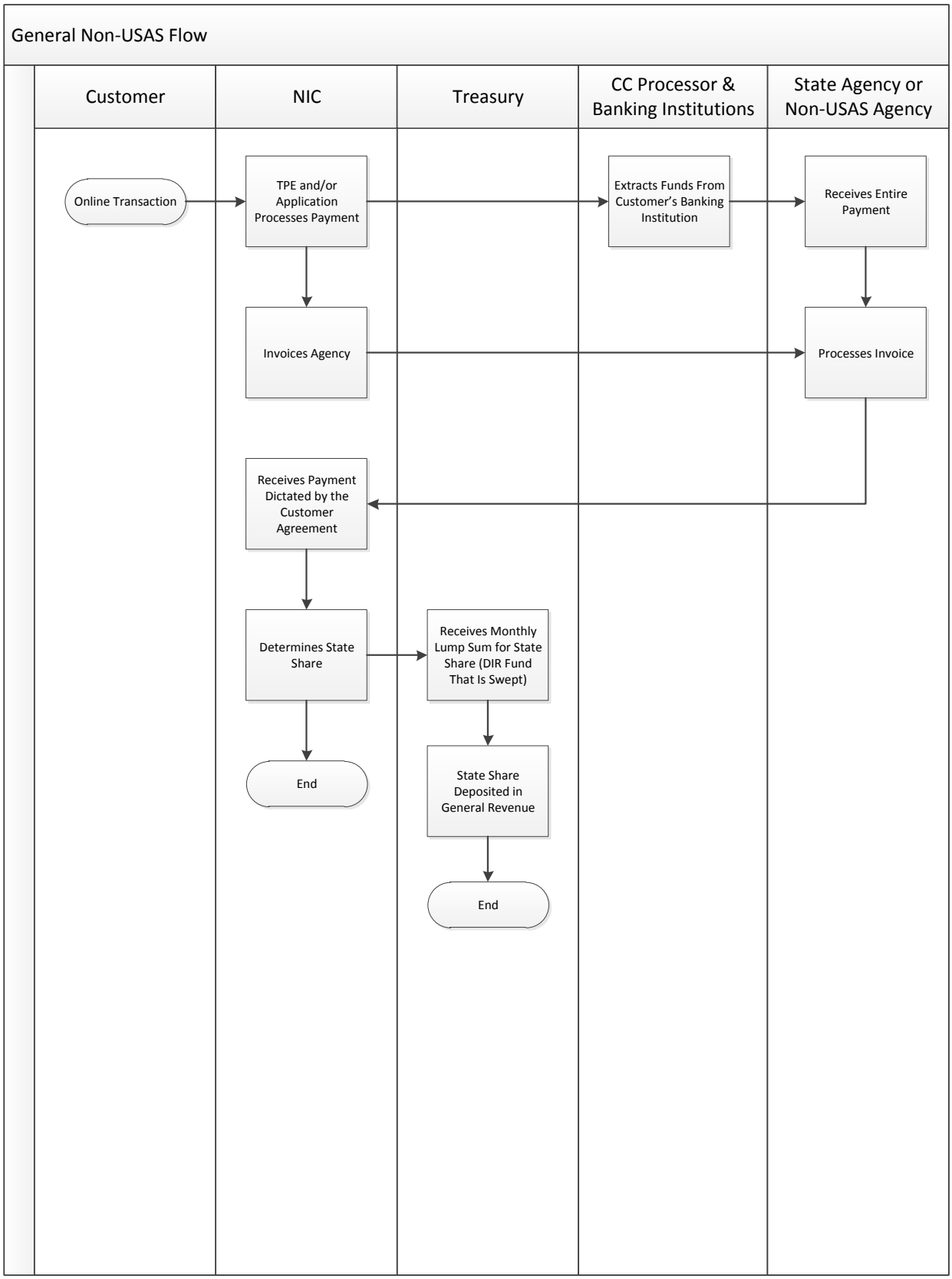

General Non-USAS Flow
Customer
NIC
Treasury
CC Processor & Banking Institutions
State Agency or Non-USAS Agency
Online Transaction
TPE and/or Application Processes Payment
Extracts Funds From Customer's Banking Institution
Receives Entire Payment
Invoices Agency
Processes Invoice
Receives Payment Dictated by the Customer Agreement
Determines State Share
Receives Monthly Lump Sum for State Share (DIR Fund That Is Swept)
End
State Share Deposited in General Revenue
End

Figure 7: eFiling

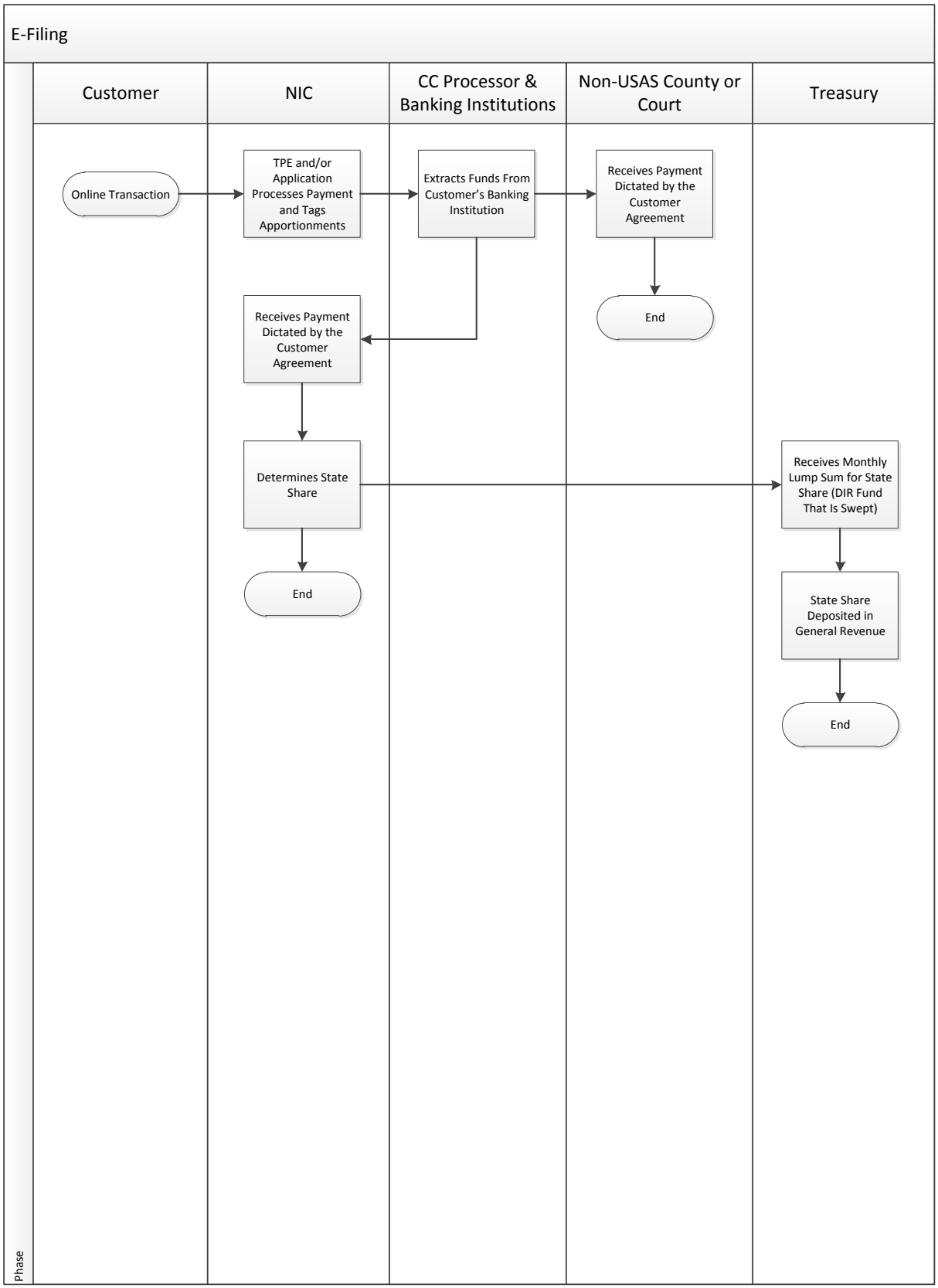

E-Filing
Customer
NIC
CC Processor & Banking Institutions
Non-USAS County or Court
Treasury
Online Transaction
TPE and/or Application Processes Payment and Tags Apportionments
Extracts Funds From Customer's Banking Institution
Receives Payment Dictated by the Customer Agreement
End
Receives Payment Dictated by the Customer Agreement
Determines State Share
End
Receives Monthly Lump Sum for State Share (DIR Fund That Is Swept)
State Share Deposited in General Revenue
End
Phase

Figure 8: TDCJ Commissary

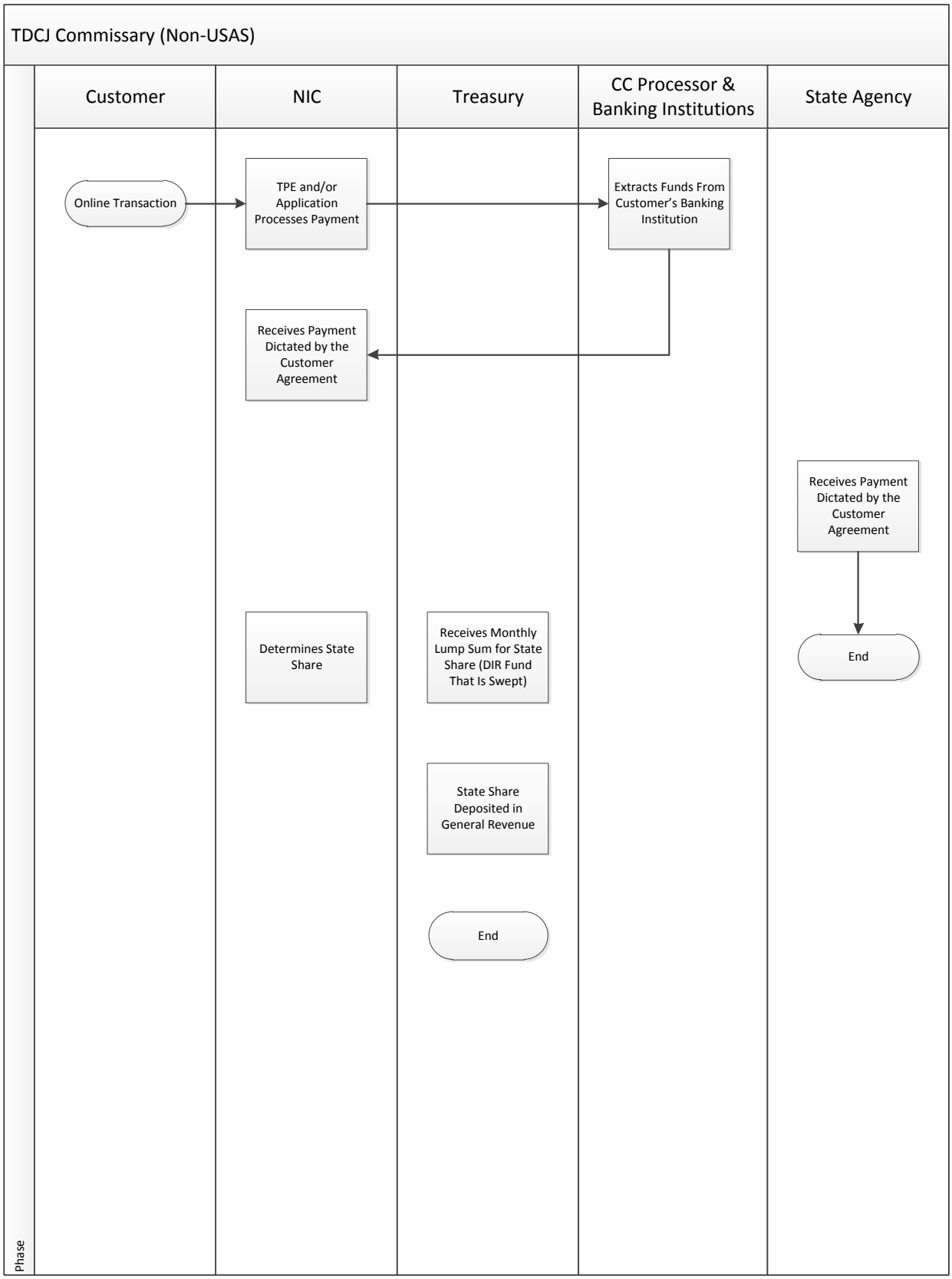

TDCJ Commissary (Non-USAS)
Customer
NIC
Treasury
CC Processor & Banking Institutions
State Agency
Online Transaction
TPE and/or Application Processes Payment
Extracts Funds From Customer's Banking Institution
Receives Payment Dictated by the Customer Agreement
Receives Payment Dictated by the Customer Agreement
End
Determines State Share
Receives Monthly Lump Sum for State Share (DIR Fund That Is Swept)
State Share Deposited in General Revenue
End
Phase

Figure 9: SmartBuy

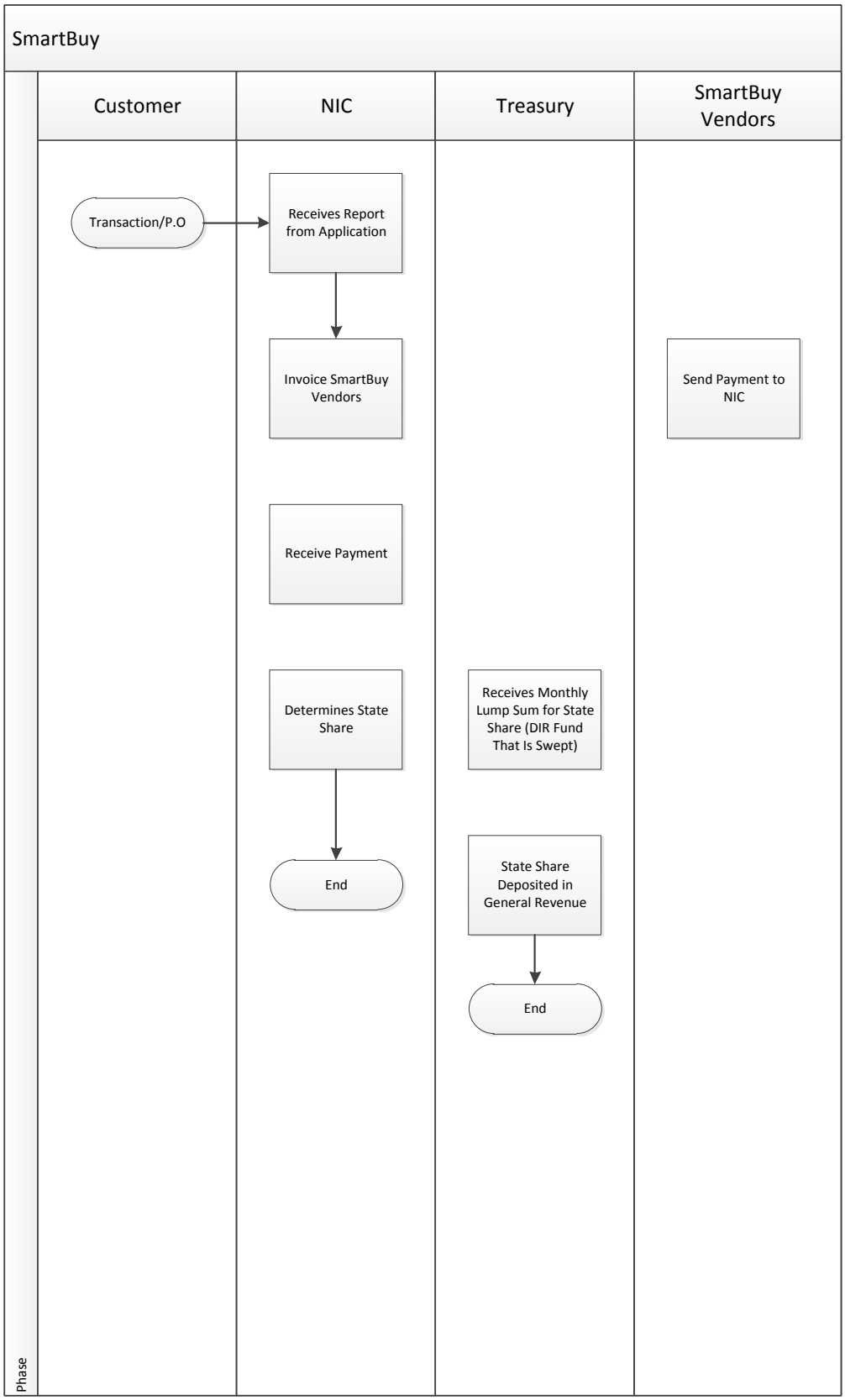
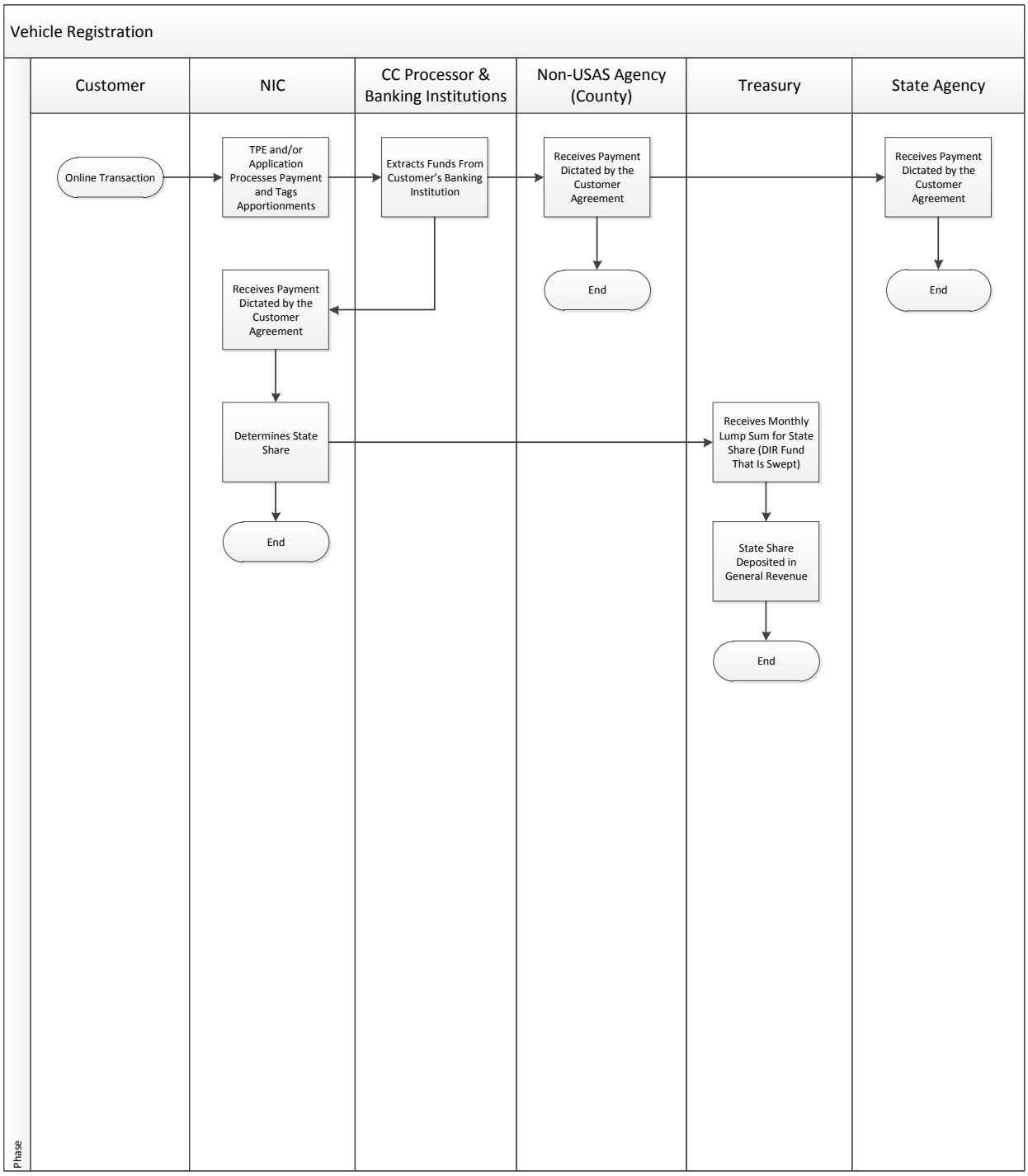

SmartBuy
Customer
NIC
Treasury
SmartBuy Vendors
Transaction/P.O
Receives Report from Application
Invoice SmartBuy Vendors
Receive Payment
Determines State Share
End
Receives Monthly Lump Sum for State Share (DIR Fund That Is Swept)
State Share Deposited in General Revenue
End
Send Payment to NIC
Phase

Figure 11 Vehicle Registration



Texas.gov Annual Budget Process

6.5.1.8 **Purpose**

The purpose of the Annual Budget Process is to ensure that the Texas.gov Annual Budget is developed, reviewed, modified, and approved in an expeditious manner. The Annual Budget Process ensures that the budget is complete, accurate, and accepted by the authorized personnel.

6.5.1.9 **Objectives**

The objectives of the Annual Budget Process are to achieve the following:

- Provide a roadmap for Texas.gov budget approval
- Document personnel responsibility as it relates to the budget process
- Ensure stability of Texas.gov operations by providing ongoing operational funding

6.5.1.10 **Roles and Responsibilities**

As defined earlier in the PPM, DIR and Vendor have various roles in the review and approval of the Texas.gov Annual Budget.

Vendor's personnel participating in the Budget Process include:

Title	Budget Process Role
Texas.gov Director of Finance	Prepares and proposes budget
Texas.gov Director of Portal Operations	Prepares and proposes budget
Texas.gov Executive Director	Recommends budget and approves budget amendments
Corporate Vice President Portal Finance	Recommends budget
Corporate Controller	Recommends budget
Corporate Executive Vice President	Approves budget

DIR's personnel participating in the Budget Process include:

Title	Budget Process Role
Assistant Director eGovernment Services	Recommends budget
eGovernment Director	Recommends budget
Financial Officer	Recommends budget
Director Technology Sourcing Office	Recommends budget
Chief Operating Officer	Recommends budget and approves budget amendments
Executive Director/Chief Information Officer	Approves budget

Title	Budget Process Role
DIR Board	Reviews budget

6.5.1.11 Budget Development Steps

The following steps are required for completion of the Texas.gov budget development:

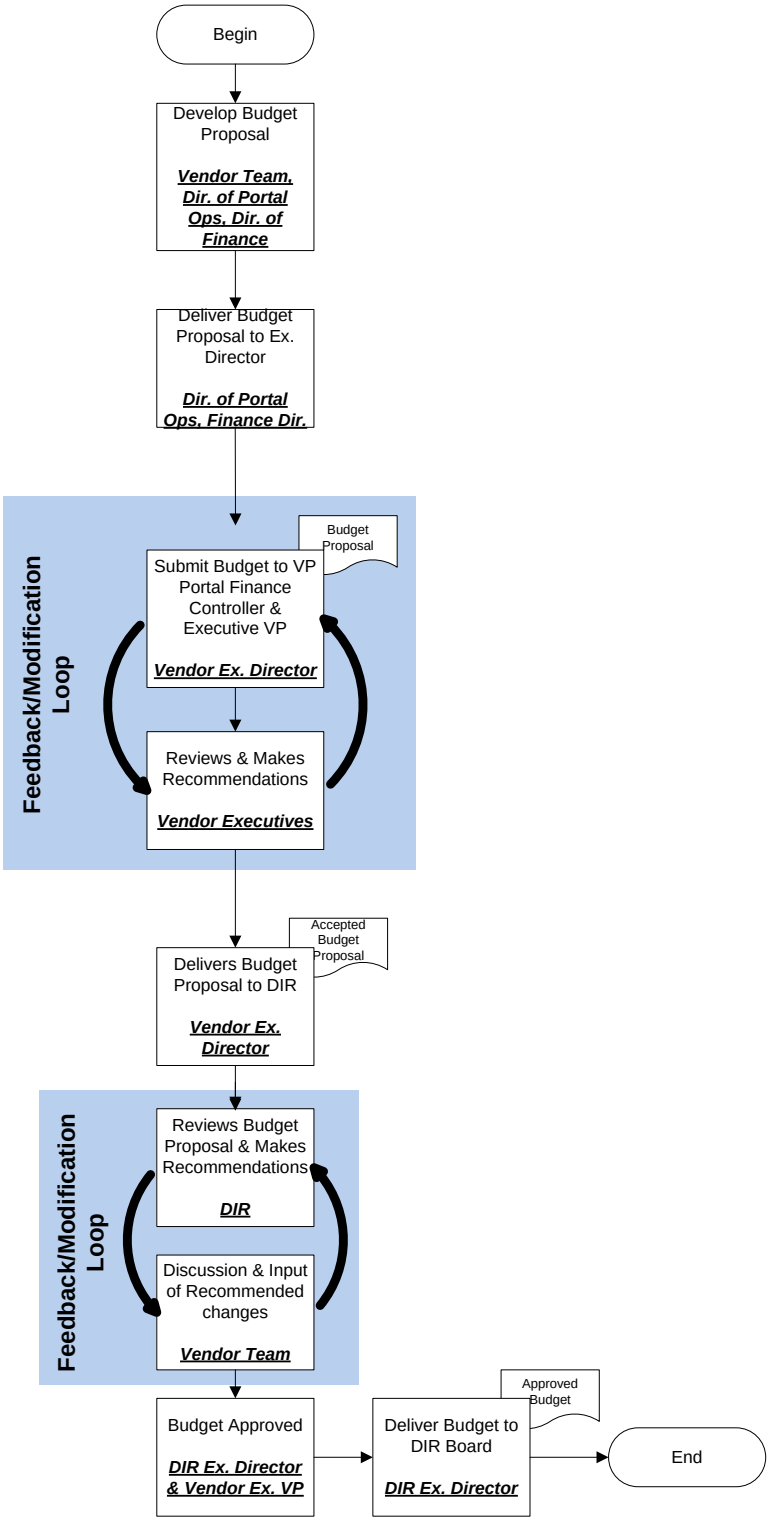
Step	Action	Assigned To
1	Develop the budget proposal. ***Note:*** The budget proposal will include: • Statement of operations, • Investment in capital Projects, • Distribution of revenue share, • Detail revenue budgets by service, • Detail expense budgets, • Capital cost budgets, • Marketing Plan, • Statement of Compliance with Most Favored Customer status, and • Other reports as directed by DIR.	Managers from the Vendor team, the and the Director of Finance
2	Deliver budget proposal to Vendor Executive Director and set review meeting date.	Vendor Director of Portal Operations and Finance Director
Budget proposal enters internal feedback/modification loop		
3	Recommends budget to Corporate Vice President Portal Finance, Corporate Controller, and Corporate Executive Vice President for review, comment, or acceptance.	Vendor Executive Director
4	Reviews recommended budget and makes recommendations	Vice President Portal Finance, Controller, and Executive Vice President
Budget proposal enters external feedback/modification loop		
5	Upon acceptance by Vendor's corporate officers, delivers and recommends the annual Texas.gov budget proposal to DIR personnel. ***This step of the process is to be completed no later than end of day, each June 1.*** DIR personnel to whom the budget will be distributed	Vendor Executive Director

Step	Action	Assigned To
	include: • Assistant Director of eGovernment Services, • eGovernment Services Director, • Chief Financial Officer, • Director Technology Sourcing Office. • Chief Operating Officer	
6	Provides confirmation of receipt of budget.	DIR
7	Reviews budget and provides review, comment, or acceptance.	DIR
8	Reviews DIR comments and modifies as agreed in advance of an Annual Budget review meeting.	Vendor
9	Annual Budget meeting to review and modify, as necessary, the edited budget	Vendor and DIR
10	Recommend budget to DIR Executive Director for review, edit, or authorization.	DIR
11	Reviews, edits, or authorizes.	DIR Executive Director
End of external feedback/modification loop		
12	Upon approval by the DIR Executive Director and Vendor Executive Vice President, the budget approval form is completed.	DIR Executive Director and Vendor Executive Vice President
13	Delivers approved budget to the DIR Board.	DIR Executive Director

6.5.1.12 **Summary Workflow**

Summary workflow of the Budget Development and Approval Process is provided in Figure 10: Budget Development Process below.

Figure 10: Budget Development Process



6.5.1.13 **Budget Amendment Process**

There may be a need to amend the Annual Budget outside of the Annual Budget Process. Either DIR or Vendor may submit to the other Party a written Budget Amendment. If DIR and the Vendor agree upon the proposed Budget Amendment, the Parties will execute the written Budget Amendment, and the revised Annual Budget will be posted on the dashboard. If the DIR and Vendor cannot agree on the proposed change, the change may be submitted to the Executive Steering Committee for recommended resolution; however, any change will require the approval of both DIR Chief Operating Officer and Vendor Executive Director.

7 Texas.gov Source Code Escrow

The purpose of software escrow is to provide the State of Texas with certain Source Code (as defined in *Exhibit Q – Source Code Escrow*) that can be accessed in the event of a contractual event or trigger.

1. Scope of Texas.gov Escrow

   The escrow encompasses all Texas.gov custom software that the Vendor currently manages under the Texas.gov Master Agreement.
   In scope:

   - Texas.gov portal
   - Texas.gov custom applications
2. Contents of Escrow Deposit

   The escrow artifacts are delivered on a CD to Escrow Associates.
   The following are included in the software escrow deposits:

   - Description of the contents
   - Software

     The software is packaged using standard packaging tools, TAR (Tape Archive) and ZIP. The package is a self-decrypting, password protected archive which includes:

     - Custom source code for application and services
     - Build scripts
     - Web content – JavaScript, CSS, xml
     - Database schemas – Agency data is not provided
   - List of dependencies to compile and execute the software
     - 3rd party software and version
     - OS version
3. Deposit Schedule

The escrow deposit will be delivered to Escrow Associates on a quarterly basis within the first seven (7) business days of the month. The following lists the ending months the deposit is compiled and delivered for.

- February
- May
- August
- November

8 Incident Management Process

8.1 Overview

Vendor's approach to Incident Management employs an industry-proven Information Technology Infrastructure Library (ITIL) methodology. Vendor uses this approach to manage all Incidents through their lifecycle. The goal of Incident Management is to minimize the adverse effects of any interruption to an application or service for Texas.gov. An Incident is defined as an unplanned event which causes (or may cause) an interruption to or a reduction in the quality of service.

Vendor's objectives of Incident Management include:

- Restoring service to users as quickly as possible
- Minimizing the adverse impact of failure
- Ensuring the best possible level of service quality and availability are maintained
- Improving Customer satisfaction

8.2 Roles and Responsibilities

Incidents may be identified by anyone associated with or affected by an application, online service, or by an automated monitoring system, at any time throughout the duration of the program. The Incident has the potential of moving laterally or hierarchically through Texas.gov staff throughout the lifecycle:

8.2.1 The Role of the Texas.gov Service Desk is to:

- Provide first and single point of contact for Texas.gov Service and Application related issues for Customers (Agency and internal) throughout the entire lifecycle of an Incident with the primary goal of restoring normal service as quickly as possible.
- Respond to incoming Incidents via phone, email and Help Desk escalation; perform troubleshooting, mitigation and root cause in an effort to resolve on frontline; provide

workarounds or escalate to Level 2/Technical Support Teams according to defined procedures.

- Record, categorize, prioritize and close Incident and service requests using the BMC Remedy Service Desk ticketing system, while keeping users informed of progress.
- Communicate Incidents and impairments with various groups, internally and externally, at the onset of an Incident, during and at the conclusion.
- Fulfill reporting obligations by drafting Incident reports and summaries as needed.
- Create, maintain, and update scripts and updates for applications, services and Incident response to the24-hour Help Desk.
- Perform continuous incident analysis, classification and trending of Incidents and seek to proactively resolve Incidents where possible or work towards a permanent solution for repetitive Incidents in collaboration with change management

8.2.2 Level 1 Support staff are members of the Level 1/Service Desk. Responsibilities include:

Level 1 support staff are members of the Level 1/Service Desk. Responsibilities include:

- Creating, classifying, and updating Incident records
- Verifying the Customer profile data and updating the information if appropriate
- Escalating Incidents that need to be resolved based on perception of urgency
- Resolving Incidents or assigning for resolution
- Coordinating and validating resolutions with customers
- Closing Incidents and determining customer satisfaction

8.2.3 Level 2 Support staff are subject matter experts. This is typically System Administrators, Database Administrators, Developers, etc. Responsibilities include:

- Investigating and diagnosing Incidents
- Providing periodic updates to Level 1/Service Desk on progress of Incident closure
- Resolving Incident, else escalate to lateral support team (e.g. internal SysAdmin to Network) and/or Level 3
- Providing steps taken to resolve Incident in the Incident Management ticketing system and move Incident ticket to “Resolved”

8.2.4 Level 3 support are external support teams. These are typically 3rd party vendors and/or cross-organizational support team (e.g., Team for Texas). Responsibilities include:

- Receiving escalations from Level 1 and Level 2 support
- Providing last-level support to the Customer and/or Vendor – duties and responsibilities based on type of Incident classification (e.g., hardware Incidents are routed to a hardware 3rd party vendor)
- Communicating progress, results, and resolution to the Customer and Vendor

8.2.5 Incident Manager

The Incident Manager is responsible for the quality and integrity of the Incident Management processes. Support group leads and managers are responsible for the work of members of their support group. They coordinate the assignment of Incidents to support staff. Their responsibilities include:

- Monitoring Incidents
- Monitoring open Incidents requiring assignment
- Managing the assignment of Incidents to their appropriate support groups for resolution
- Receiving notifications of Incident assignments and escalations
- Facilitating the resolution of escalated Incidents in accordance with the escalation policy
- Ensuring the resolution of Incidents within the support group's service targets
- Ensuring the overall completeness and accuracy of closed Incidents
- Reviewing reports
- Conducting weekly Incident Review meetings to obtain status of open Incidents with stakeholders
- Ensuring that Incidents requiring root cause analysis are copied into Problem Management

8.3 Stages of Incident Management

The stages within the Incident Management process are:

1. **Identification**
2. **Logging**
3. **Categorization**
4. **Prioritization**
5. **Initial Diagnosis**
6. **Escalation**

7. **Investigation and Diagnosis**
8. **Resolution and Recovery**
9. **Closure**

These stages correspond directly to the Incident Management ticketing system.

8.4 Identification

The Incident Management process begins when the Incident is reported. There are two primary channels for Incident reporting – internal and external.

Internal Incidents:

- Incident Management ticketing system.
- Event Management (internal system/application management tools)
- Internal staff observations

External sources include, but are not limited to:

- Help Desk
- Get Satisfaction
- Partner
- Customer

Exclusions are made in cases where email access is impaired, pager functionality is rendered unavailable, access to the ticketing system is not readily available or a Disaster Recovery scenario has impacted standard methods for reporting Incidents. In such cases, Major Incidents may be reported by other means such as pager, email, phone, text messaging, etc. The goal is to initiate Incident Diagnosis stage as quickly as possible for Major Incidents.

Voicemail is **not** an acceptable method to notify support staff of accountability to an Incident. A proper acknowledgement of the issue must be confirmed by the staff member and not assumed.

Incident Communication is defined in *Attachment G-13 Help Desk Management Plan* and the *Communication Management Plan.*

8.5 Logging

The purpose of logging an Incident is to track details associated with the Incident. This includes timestamps, assignees, lateral escalations, categorizations, impact and urgency of the Incident. Logging is also important to track how the Incident was resolved and if a subsequent Known

Error or Workaround is associated to the Incident in Problem Management. See *Attachment G-6, Problem Management Plan* for additional information on Known Errors and Workarounds.

8.6 Categorization

The Incident Management ticketing system provides a categorization mechanism for Incident classification. Prioritization determines Vendor's response and level of effort to be assigned to each Incident. The support staff entering the Incident ticket defines the Impact and Urgency of the Incident and the ticketing system will calculate the priority. During the lifecycle of the Incident, the Impact and/or Urgency may be updated to reflect current status of the Incident. The Incident Manager, support group leads and Managers are authorized to review and modify these fields within the Incident ticket.

Table 1. Priority Coding System

Priority Coding System		**Impact**			
		Extensive Widespread	**Significant** Large	**Moderate** Limited	**Minor** Localized
Urgency	**Critical**	1	2	2	3
	High	2	2	3	4
	Medium	2	3	4	4
	Low	3	3	4	5

Table 2. Target Response Time

Priority Code	**Description**	**Target Response Time**
1	Critical	15 minutes
2	High	30 minutes
3	Medium	60 minutes
4	Low	240 minutes

5	Planning	Planned

8.7 Prioritization

Prioritization is an algorithm that is automatically generated by the Incident Management ticketing system. This calculation is based on two inputs: Urgency and Impact (see: Categorization). Urgency is the assessment of how quickly a solution is required. Impact is a measure of the effect of an Incident, Problem or Change on business processes. Impact is often based on how service levels will be affected.

8.8 Initial Diagnosis

Incidents are resolved either through a direct fix or a Workaround. The steps taken to resolve an Incident are recorded within the Incident ticket. Workarounds are recorded in the Incident ticket or within the Known Error database (see: *Problem Management Plan* for more details on Workarounds).

8.9 Escalation

Escalation can be both functional and hierarchical.

Functional Escalation: move the Incident further through the support chain where additional technical knowledge and skills are required; the process is typically a 'lateral' move through IT support groups, including third party support groups such as Team for Texas, NIC Corporate or vendors and suppliers. The decision to escalate functionally originates with the Texas.gov team member who initially diagnoses the issue. If the issue is not within the control of Texas.gov to resolve, the support member will engage both functionally and hierarchically to ensure proper visibility. External support groups have various methods to initiate support including email, ticketing systems, and phone numbers. Texas.gov employs the most sensible strategy to contact an external support team based on the Urgency and Impact of the Incident.

Hierarchic Escalation: moves the Incident up the management chain usually to inform appropriate management groups; the purpose is to inform, ask for a decision, adjust the classification and prioritization, or request additional resources

8.10 Investigation and Diagnosis

Investigation and diagnosis involves troubleshooting the Incident and determining an optimal resolution. Investigation and diagnosis is often the trigger to processes such as Change Control and Emergency Change Control, which invokes the Change Control Board processes (see: *Attachment G-4, Change Management Plan* for more details).

8.11 Resolution and Recovery

Once the resolution is identified, it is either executed quickly (e.g., restart application servers in response to unhealthy state) or it is moved through the Change Control process and presented to the Change Control Board for approval. Incidents involving a controlled change as a resolution must always follow the process for promoting changes through the environment (development, test, stage and production). Depending on the nature of the Incident, the Quality Assurance team, the Customer or Agency will confirm that the resolution resolved the Incident.

8.12 Incident Closure

Incident closure is the responsibility of the originating source that entered the ticket to validate that the Incident is resolved to the satisfaction of the Customer or Agency. The closure process within the Incident Management ticketing system is not complete until the Incident moves through the “Confirm Issue Resolved w/ Customer” status to the “Closed” status.

8.13 Incident Communication

Incidents that involve Impairments or Outages are communicated immediately to the Customer and/or specific Agencies. It is the responsibility of the Service Desk to maintain and update the list of individuals to notify dependent on the type of Incident and the impact of said Incident.

The initial notification is at the Initial Diagnosis phase where information on the Incident may not be fully available, but includes the current known description of the Incident and Impact to the portal, applications, or payment system. Ongoing communication is provided in the form of progress updates, based upon information provided to the Service Desk by either the Level 2/ Technical Team (who will also represent communications for vendors and suppliers) or an external support team (e.g. Team for Texas or NIC Corporate). When the Incident reaches the Resolution and Recovery stage, the Level 1/Service Desk will provide a final Incident resolution notification. Level 1/Service Desk coordinates Incident communication. Additional updates may be requested by the Customer or by Texas.gov management at any time during the Incident lifecycle.

The prioritization scale is weighted in the decision when to provide notification, but is not the sole determination. There are scenarios when a Priority 1 Incident does not require notification to DIR and agencies. For example, if an agency is undergoing user acceptance in a pre-production environment and the environment becomes unavailable, the Incident ticket may be logged as a Critical Urgency and Extensive Impact, which calculates at a Priority 1.

9 Problem Management

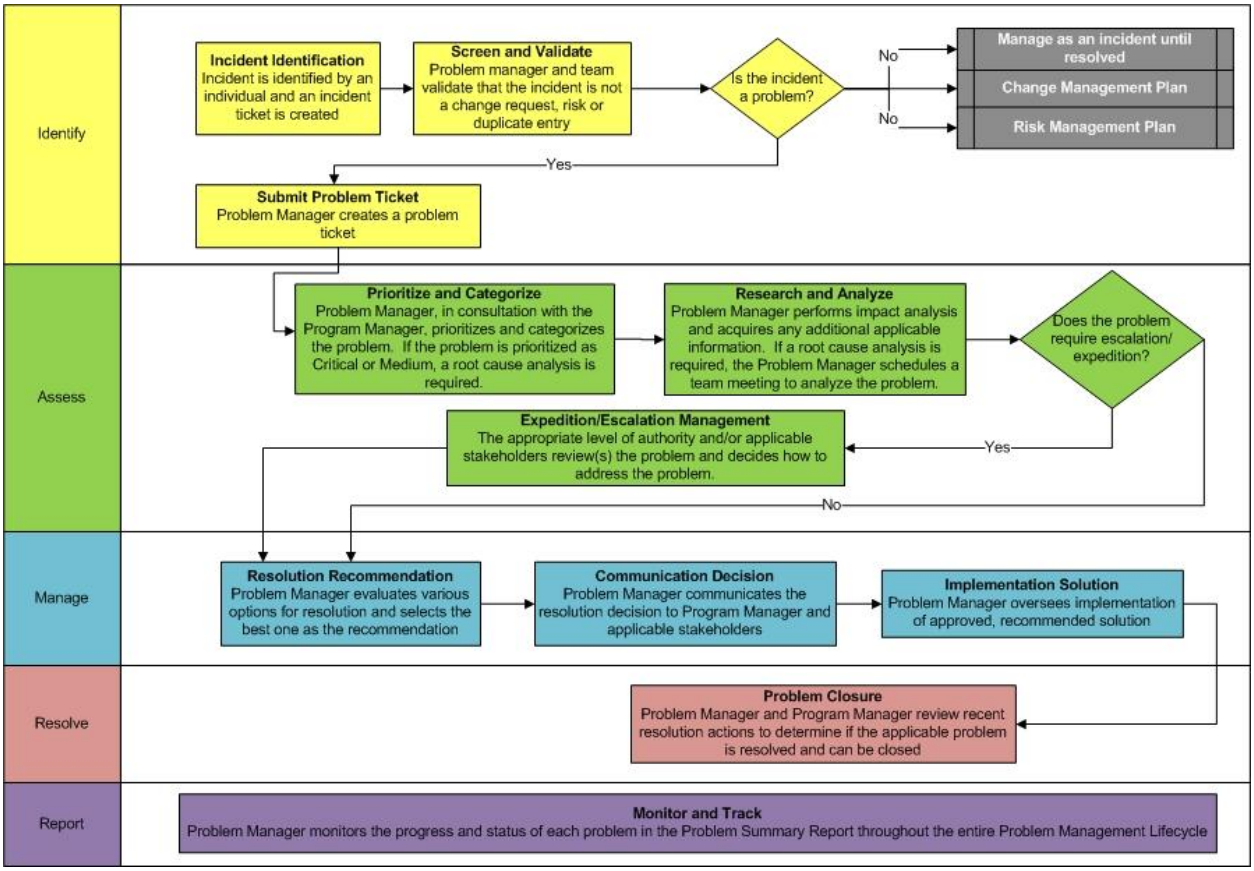
See: *Attachment G-6, Problem Management Plan*.

The goal of Problem Management is to reduce the number and impact of service failures and repetitive Incidents. Problem Management includes Known Error database and root cause analysis sub processes.

9.1 Relationship to Problem Management

The diagram below details the scope of Incident Management in relation to the Problem Management process as defined in *Attachment G-6, Problem Management Plan*.

Figure 1: Incident Management Relationship to the Life Cycle of an Issue



10 Texas Administrative Code

The Texas Administrative Code (TAC) is a compilation of all state agency rules in *Texas. TAC Title 1, Part 10, Chapter 210* contains the rules that apply to the state electronic internet portal, Texas.gov.

10.1 TAC Rules and Attachment H-1 Policies and Procedures Manual

Changing TAC rules is undertaken every four years. Information that may change more frequently - such as dominant industry standards or URLs - is captured in the PPM which has a scheduled refresh of once a year.

TAC 210 rules include general requirements and guidelines (such as a requirement that payment information meet industry security standards) which then point to the PPM for details (such as which industry standards indicate compliance).

In addition to adhering to the contractual requirements for modifying the PPM (see *TexasOnline 2.0 Master Agreement Exhibit H - Governance*), changes to the list of infrastructure components referenced in 210.36 will be considered under the following criteria:

1. Legislative mandate or executive order
2. Costs to the state of duplicating the component
3. Sharing the infrastructure component is integral to the delivery of the solution (such as with Federated Identity Management.)

All factors will be considered as a whole prior to recommending a new infrastructure component for inclusion.

The process for updating the list of infrastructure components which may not be duplicated requires DIR to draft a proposal that includes:

1. Reasons for the proposal,
2. Anticipated repercussions for failure to adopt the proposal, and
3. High-level Customer impact analysis.

This proposal will be called the Recommendation to Amend the List of Infrastructure Components.

The Recommendation to Amend the List of Infrastructure Components will be presented to the Customer Advisory Council and to the Executive Steering Committee at least sixty days before a decision to implement the change is needed. DIR will determine whether input on the recommendation from any other governance body and/or Customer is appropriate, and will promptly circulate the recommendation to those identified.

These groups or Customers will provide analyses and recommendations for adjustments to the proposal.

10.2 TAC Chapter 210 Detail

Three of the rules in Chapter 210 specifically set standards for state agencies, local governments or Institutions of Higher Education that contract to use the state electronic internet portal.

Rules 210.34, Payment Security Compliance, and **Rule 210.54**, Institutions of Higher Education Payment Security Compliance, require those who contract with the state electronic internet portal to comply with payment security requirements such as the Payment Card Industry Data Security Standard (PCI DSS). Information about these

standards and how to be in compliance with them are available at the PCI Security Standards Council website**.**

Rule 210.35, State Agency Infrastructure, says that a State agency may not duplicate an infrastructure component listed in this Policies and Procedures Manual without an exemption from the Department of Information Resources.

The infrastructure components that may not be duplicated are:

1. The payment gateway (TPE) the web-based payment processing solution provided by Texas.gov and
2. The eGrants system

The application for exemption from these two infrastructure components is available http://www.dir.texas.gov/texasonline/Pages/waiver.aspx.

10.3 Link to TAC 210

http://info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC?tac_view=4&ti=1&pt=10&ch=210

Appendices

NOTE: Business Case Templates are stored in SharePoint and can be requested through the Contracts Manager or PMO.