



# Enterprise Project Management Office

## Re-Baselining Policy and Process

### Introduction

This re-baselining policy is established to ensure that the State's major Information Technology (IT) investments are managed effectively and that the performance of those investments is measured and reported to the Maryland Department of Information Technology's (DoIT) on a regular basis. This policy applies to all Major Information Technology Development Projects (MITDP's) as defined by The Maryland State Finance and Procurement Code Ann. § 3A-308, which are under DoIT's legislative mandate to provide oversight to MITDP's in the State of Maryland. Oversight includes, but is not limited to the determination that a project requires re-baselining at any point during its lifecycle.

### General

Baselining is considered an agreed-to set of requirements, cost, schedule, designs and documents that will have changes controlled through a formal approval and monitoring process. Essentially, it is the act of recording your original project estimates so you can compare them to actual results at a later time.

Re-Baseline by implication represents updating or modification of a projects baseline, as a result of any approved change to the schedule, cost, or deliverable content. This may result in changes to the entire project or just one phase/module/component with no downstream impact. The decision to re-baseline is made for any of the following reasons, with the goal being to establish a new planned baseline:

- Current baseline is no longer useful as a management tool for realistic performance measurement.
- Scope, requirements or objectives change resulting from internal or external management decisions, changes in funding level/ availability, or contract issues (including contract protests).
- Where an incremental or iterative system development and planning lifecycle is in use, re-baselining may be necessary when transitioning from one iteration or increment to the next, as scope and objectives evolve.

Upon completion, re-baselining generally yields the following benefits:

- The ability to accurately assess a projects performance.
- Improve the accuracy of future schedule and cost estimates.
- Provide an opportunity for scope evaluation.



## **Re-Baselining Policy**

The Department of Information Technology maintains the following policy on Re-Baselining:

DoIT may initiate re-baselining process if:

- a. It is anticipated that an ongoing projects estimate completion cost exceeds the current baseline by 10% or more.
- b. A deliverable or milestone is forecast to slip by more than 60 days.
- c. The estimated completion schedule exceeds the current baseline by 10% or more.
- d. The project or the customer proposes to add or modify functional requirements that would result in changes that exceed the cost and schedule thresholds previously agreed upon.
- e. The project or customer proposes to defer or eliminate functional requirements previously determined to be significant, even if current cost or schedule baselines are unaffected.
- f. The project is unable to proceed from the Project Planning Request (PPR) phase to the Project Implementation Request (PIR) phase.
- g. 50% or more of scheduled targets in the preceding 6 months have been missed.

Agencies will be required:

1. To have a re-baselining plan developed for all MITDP's. The plan must state that the new baseline is to be validated, reviewed and approved by management and furthermore reviewed by DoIT.
2. To document all re-baselining decisions, including the reasons, specific changes, management reviews and approval.

## **Re-Baselining Request**

A request to re-baseline must describe in detail, the portions of the original baseline (scope, cost, and/or schedule) that are to be re-baselined by comparing the currently approved baseline to the requested baseline. The level of detail required is as follows:



- If budget or reserves are to be changed, provide a side-by-side comparison of the previously approved budget vs. the proposed re-baseline.
- If the project completion date is to be extended, provide a side-by-side comparison of the previously approved master schedule vs. the proposed re-baselined master schedule.
- If project success criteria or technical objectives are to be modified (e.g., de-scoped), provide a detailed side-by-side comparison of the previously approved scope baseline vs. the proposed re-baseline.
- For all major investments, provide an updated Analysis of Alternatives of the chosen alternative's cost data at a minimum (or a new analysis if any of the original alternatives is no longer valid) and related recommendation.

### **Re-Baselining Approvals**

All MITDP re-baseline decisions must be approved by the Agency sponsor, in consultation with DoIT. Once a re-baselining request is approved, the Project managers must follow the re-baselining process described in **Appendix A: DoIT Re-Baselining Process** to establish new Performance Measurement Baseline which will be agreed to by all parties and against which performance will be measured henceforth.

### **Policy Exceptions**

A project sponsor may request an exception to Re-baselining. In the request for an exception, the project sponsor must explain fully how the performance risk of the MITDP has been mitigated sufficiently to justify the exception.

### **Enforcement**

Any Agency found not to be implementing this policy for their MITDPs will be in danger of having the MITDP suspended or terminated.



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## **Appendix A: DoIT Re-Baselining Process**

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### **Step 1: Determine that the project should be re-baselined**

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- A. An explanation of how the revised baseline will lead to success. This explanation must identify the problems that led to the need to re-baseline, why the current plan is not feasible, and remediation plans to prevent problem recurrence, if applicable.
  - B. DoIT leadership makes the final determination of whether or not to re-baseline
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### **Step 2: Develop the proposed new baseline**

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- A. Pre-defined decision criteria to be used to determine if the plan is valid.
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### **Step 3: Validate the proposed new baseline with stakeholders**

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### **Step 4: Go through Review and Approval process**

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### **Step 5: Ensure all re-baseline decisions are documented**

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- A. A requirement for the proposed baseline to be well-documented, comprehensive, complete, and credible and consistent with industry best practices.
  - B. Documentation of risks associated with cost, schedule, technical performance and management.
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### **Step 6: Establish New Baseline**

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- A. Notification of the baseline revision by updating the Integrated Master Schedule and reporting to DoIT within 30 days of approval of the new baseline.
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