

SAM – INFORMATION TECHNOLOGY
(California Technology Agency)

FEASIBILITY STUDY REPORT
(Revised 12/12)

4819.35

1. The mechanism for approving information technology projects is the Feasibility Study Report (FSR). The FSR establishes the business case for investment of state resources in the project by setting out the reasons for undertaking the project and analyzing its costs and benefits.
2. An FSR, prepared in accordance with SAM Section 4928, must be approved for every information technology project prior to the encumbrance or expenditure of funds on the project, including the use of staff resources, beyond the feasibility study stage. The only exception to this requirement is that the feasibility studies for projects whose costs fall below a specified level may be documented by means of a Project Summary Package (see SAM Section 4930 and SIMM Section 20). Agencies are required to follow the SIMM Section 20 instructions for preparing and submitting the FSR.
3. If, during project development or implementation, the agency finds that program requirements cannot be adequately satisfied by the course of action described in the approved FSR and that an alternative course of action is more appropriate, a Special Project Report (SPR) (SAM Sections 4945-4945.2 and SIMM Section 30) shall be prepared. No encumbrance or expenditure of funds, including the use of staff resources, shall be made to implement such change or alternative course of action until approval has been received from the Technology Agency, or from the agency director if the Technology Agency has delegated approval of the project to the director and the project remains within the limitations of the agency's delegated authority. SPRs that must be submitted to the Technology Agency must be transmitted within 30 days after recognition of the situation that necessitates preparation of the SPR. Agencies are required to follow the SIMM Section 30 instructions for preparing and submitting the SPR.
4. Projects subject to approval by the Technology Agency (non-delegated projects) require submission of an FSR to the Technology Agency and to the Office of the Legislative Analyst. In addition, the FSR must be submitted to the Department of General Services when the contract total exceeds the agency's delegated purchasing authority. See SIMM Section 20.
5. The DGS is responsible for policies and processes for IT procurement. The DGS Procurement Division (DGS-PD) will review the procurement planning information in the FSR, as applicable, to evaluate the proposed IT procurement strategy.
 - For projects reportable to the Technology Agency that contain a procurement, the cost of which exceeds the agency's DGS delegated purchasing authority, agencies must send a copy of the FSR to the DGS-PD to enable the evaluation of the proposed IT procurement strategy.
 - For delegated or non-reportable projects that contain a procurement, the cost of which exceeds the agency's DGS delegated purchasing authority, agencies must send a copy of sections 1-5 of non-reportable or delegated FSRs to the DGS-PD to enable the evaluation of the proposed IT procurement strategy.
6. Projects whose approval has been delegated to the agency director normally require an FSR prepared in accordance with SAM Section 4928 and approval of the FSR by the agency director (SAM Sections 4921 and 4926). A copy of the report, including the Project Summary Package, and a signed document indicating approval by the agency director must be on file in the agency.
7. The Technology Agency may decide to review specifications in procurement documents before they are advertised to ensure that the specifications are consistent with the functional specifications and system design in the FSR or SPR for the projects. See SAM Section 5211.1.