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December 27, 2021

New Mexico Department of Information Technology  
Attn: EPMO  
P.O. Box 22550  
Santa Fe, NM 87502-2550

RE: Repeal /Replacement of NMAC 1.12.9 Project Certification of Technology Projects

EPMO:

This purpose of this letter is to provide written comment to the proposed repeal and replacement of NMAC 1.12.9. Project Certification of Technology Projects.

As the current rule has not been updated since 2005, replacing it to be in alignment with the times should certainly occur. However, the New Mexico Department of Workforce Solutions (NMDWS) has concerns with the new language proposed which defines what constitutes a project, and the cost threshold requiring certification associated with that proposed definition.

According to the Project Management Institute (PMI), a project is defined as a temporary endeavor that is unique and differs from routine operations. It carries a measure of risk and opportunity and often is transformational, which warrants management separate from daily operations. The currently proposed definition in 1.12.9.7.F to include any hardware or software system purchase is overly broad and does not conform to the definition established by the worldwide authority on project management. It would result in coverage of ordinary matters that do not warrant Project Certification Committee review, inevitably adding to their expense, and the time required for implementation which would negatively impact our continuity of operations and ability to effectively serve our staff and the citizens of New Mexico.

Additionally, the language in 1.12.9.8.B of the proposed rule requires the certification where "the cost of the project is equal to or exceeding \$100,000", using the proposed definition on 1.12.9.7.F, above. Based on this language, items as routine as yearly renewals on our existing network infrastructure could require certification, IV&V, etc., at a significant increase in cost and administrative overhead to the State of New Mexico with no added value or benefit. As there is currently a mechanism for DoIT oversight of IT purchases over \$100,000 (PO approval process in SHARE), this language is unnecessarily restrictive. Therefore, the NMDWS requests that the retention of the existing cost threshold of \$1 million for required

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project review. To address these concerns, NMDWS recommends the following language modifications in the proposed replacement rule.

Replace 1.12.9.7.F. with the following:

F. "Information technology project" or "project" means a temporary information technology endeavor with an established beginning and end time that has a set of defined tasks and assigned resources, undertaken to develop a unique product, service or result that:

- (1) establishes a new technology-based system or service;
- (2) facilitates a significant business process transformation using technology; or
- (3) includes a major change in technology architecture or a system migration beyond that considered as general maintenance, enhancement, or refresh activity.

Replace 1.12.9.8.B. with the following:

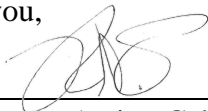
B. Certify information technology projects that meet one or more of the following:

- (1) the project is funded through the C2 Computer System Enhancement Fund (CSEF); or
- (2) the cost of the project is equal to or exceeds \$1,000,000.

The State of New Mexico has made considerable improvements to the management of information technology projects since 2005. Mechanisms to define rules and a process for oversight has been a big part of that improvement. DWS has worked in close collaboration with the EPMO, DoIT and other state Agencies to advance our project management body of knowledge to ensure effective, efficient and successful execution of projects that serve our citizens and staff. These efforts have always been value driven and should continue to be so under the rule changes. The modified language requested by NMDWS will support that endeavor.

We sincerely appreciate the public hearing held to discuss the proposed changes, the ability to submit comments and for consideration of the above recommendations.

Thank you,



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Ricky Serna, Acting Cabinet Secretary



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Sue Anne Athens, Chief Information Officer

cc: EPMO, via email to [epmo@state.nm.us](mailto:epmo@state.nm.us); Raja Sambandam via email to [raja.sambandam@state.nm.us](mailto:raja.sambandam@state.nm.us)