



Council on Efficient Government

Process for Reviewing Business Cases

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Section 1.0 - Introduction

The Council on Efficient Government (CEG) employs a standard process for reviewing business cases that provides for a deliberative examination of state agency proposals to outsource. The review process contained in this document is largely based on the best practices for business case review developed by the United Kingdom, Office of Government Commerce (OGC). The OGC process has been tailored to address State of Florida requirements.

Chapter 287.0573, Florida Statutes, created the Council and charges it with the following responsibilities:

- 1. Employ a standard process for reviewing business cases.*
- 2. Review and evaluate business cases to outsource as requested by the Governor or the agency head whose agency is proposing to outsource or as required by this act or by law.*
- 3. No later than 30 days prior to the agency's issuance of a solicitation of \$10 million or more, the Council must provide to the agency conducting the procurement, the Governor, and the President of the Senate, and the Speaker of the House of Representatives an advisory report for each business case reviewed and evaluated by the council. The report must contain all versions of the business case, an evaluation of the business case, any relevant recommendations, and sufficient information to assist the agency proposing to outsource in determining whether the proposal should be included in the legislative budget request.*
- 4. Recommend and implement standard processes for state agency and council review and evaluate state agency business cases to outsource, including templates for use by state agencies in submitting business cases to the council.*

5. *Develop standards and best-practice procedures for use by state agencies in evaluating business cases to outsource.*
6. *Recommend standards, processes, and guidelines for use by state agencies in developing business cases to outsource.*
7. *Incorporate any lessons learned from outsourcing services and activities into council standards, procedures, and guidelines, as appropriate, and identify and disseminate to agencies information regarding best practices in outsourcing efforts.*
8. *Develop, in consultation with the Agency for Workforce Innovation, guidelines for assisting state employees whose jobs are eliminated as a result of outsourcing.*
9. *Report annually on innovative methods of delivering government services which would improve the efficiency, effectiveness, or competition in the delivery of government services, including, but not limited to, enterprise-wide proposals.*
10. *Report annually on outsourcing efforts of each state agency which shall include, but not be limited to, the number of outsourcing business cases and solicitations, the number and dollar value of outsourcing contracts, an explanation of agency progress on achieving the cost-benefit analysis schedule as required by s. 287.0574(4)(h), descriptions of performance results as applicable, any contract violations or project slippages, and the status of extensions, renewals, and amendments of outsourcing contracts.*

This document specifically addresses the Council's charge to develop and employ a standard process for reviewing business cases to outsource regardless of dollar amount. For business cases to outsource exceeding \$1 million dollars per fiscal year, Florida law requires agencies to submit an initial and final business case analysis to the Council, the Governor, the President of the Senate, and the Speaker of the House of Representatives.

For business cases to outsource that exceed \$10 million dollars per fiscal year, the Council must review the initial business case and submit an advisory report to the Governor, the Legislature, and the agency containing the Council's assessment of the outsourcing proposal. In addition to the initial business case submission for outsourcing projects exceeding \$1 million to \$10 million dollars per fiscal year, the agency must also submit a final business case after the procurement process but before actual contract execution.

To facilitate this statutory responsibility and to provide the basis for the required advisory report, the Council has developed a two-stage review process. Stage 1 examines the initial business case, reviewing the most critical factors of a business case using proven questions and techniques that lead to more effective, successful outcomes. Stage 2, the final business case review provides for an abbreviated internal post-procurement yet pre-contract execution, business case review by office staff.

Through this standard process for business case review, the Council can ensure the following goals are achieved:

- All proposals to outsource are evaluated for feasibility, cost-efficiency and effectiveness. By deploying a standard process, agencies will fully understand the Council's approach for review and may prepare accordingly.
- Proposals to outsource may enhance an agency's ability to focus on its core mission by leveraging resources and contracting with private-sector vendors whenever vendors can more effectively and efficiently provide services and reduce the cost of government.
- Accountability and transparency in government outsourcing initiatives will be substantially improved through the Council's independent review of business case proposals.

The business case review and recommendation process provides assurance and support to stakeholders responsible for achieving business aims and for those focused on public accountability and value by ensuring:

- The project has strong executive sponsorship i.e. leadership for success.
- The best available skills and experience are deployed on the project.
- All the stakeholders covered by the project fully understand the project status and the issues involved.
- There is assurance that the project can progress successfully to the next stage of development or implementation.
- Realistic time and cost targets are achieved for projects.
- Knowledge and skills among government staff are improved through participation and collaboration with the council review team.
- Advice and guidance to project teams are provided by fellow practitioners.

The Council's mission is to provide additional oversight and accountability to ensure that the expected savings and results from outsourcing can be achieved. Business cases are independently reviewed to provide a thorough and objective review of each component of the business case. Proposed projects are evaluated and scored based on the below methodology:

STAFF EVALUATION				
Level 1 – Project Value of \$1 Million Dollars or Less (Section A)				
Section Description	Business Case Score Per Section			
	-1 Does Not Meet Requirements	0 Not Applicable	+1 Meets Requirements	Total Possible Points
A. Florida Statute Business Case Requirements				17
Level 2 – Project Value of \$1 Million to \$10 Million Dollars (Sections A-J)				
Section Description	Business Case Score Per Section			
	-1 Does Not Meet Requirements	0 Not Applicable	+1 Meets Requirements	Total Possible Points
B. Business Case Overview				15
C. Benchmarking – Describing Current Service, Program or Function				11
D. Rationale – Basis for Project				11
E. Project Assumptions and Methodologies				7
F. How Recommended Solution was Formulated & Costs Analyzed				20
G. Identify Impact and Risk of Project to State and Agency				12

H. Employee Transition Management Plan				2
I. Identification of Critical Success Factors				6
J. Procurement Process				9
Level 3 – Project Value of \$10 Million Dollars or Greater (Sections A-P)				
Section Description	Business Case Score Per Section			
	-1 Does Not Meet Requirements	0 Not Applicable	+1 Meets Requirements	Total Possible Points
K. Business Justification				11
L. Business Case and Stakeholders				12
M. The Wider Context (Big Picture)				4
N. Cost Benefit Analysis, Budget and Investment				9
O. Risk Management				8
P. Procurement Strategy				4
		Total: 158 Points Possible		

Each section includes key questions that are used to determine the level of detail and completeness of the business case submission. With these goals and assurances in mind; the Council and its staff are committed to adding value and support to agency initiatives that seek to improve the efficiency and effectiveness of government.

Section 2.0 - Stage 1, Initial Business Case Review

Pursuant to Section 287.0574, Florida Statutes, the Council shall review and issue an advisory report on all initial business cases for services not exempt from review, pursuant to s. 287.0571(4)(a)-(d), whose projected costs exceeds \$10 million per fiscal year.

Submission & Review Process						
	Required Submission of INITIAL Business Case by Agency		CEG INITIAL Review Process	Required Submission of FINAL Business Case by Agency		CEG FINAL Review Process
Project Cost	To Whom	When Due	Internal Review Process:	To Whom	When Due	Internal Review Process:
LEVEL 1 Less than \$1 Million (per fiscal year)	N/A	N/A	N/A	CEG	After conclusion of negotiations and at least 30 days before execution of contract.	Schedule XII Checklist
LEVEL 2 \$1 Million to \$10 Million (per fiscal year)	CEG, Governor's Office, Senate President, House Speaker	30 days before issuing the solicitation	CEG Business Case Review & Recommendation Form	CEG, Governor's Office, Senate President, House Speaker	After conclusion of negotiations and at least 30 days before execution of contract.	Final business case will be reviewed and an advisory report may be issued, if deemed appropriate by staff.
LEVEL 3 Greater than \$10 Million	CEG, Governor's Office, Senate President,	60 days before issuing the solicitation	CEG Business Case Review & Recommendation	CEG, Governor's Office, Senate President,	After conclusion of negotiations and at least 30 days before	

(per fiscal year)	House Speaker	CEG will submit advisory report to all parties within 30 days of receipt of business case.	Form	House Speaker	execution of contract.	
* Outsourced as defined in Chapter 287.05721(2), F.S.						

The Council will use the methodology found on Exhibits A, B and C to review business cases based on the project cost per fiscal year.

Confidential, Propriety, or Trade Secret Material:

The Council on Efficient Government takes its public records responsibilities as provided under chapter 119, Florida Statutes and Article I, Section 24 of the Florida Constitution, very seriously. If a business case submitter has been advised or considers that any portion of the documents, data or record submitted to be confidential, trade secret or otherwise not subject to disclosure pursuant to chapter 119, Florida Statutes, the Florida Constitution or other authority, the submitter must also simultaneously provide the Council on Efficient Government with a separate Redacted Copy of its response. This Redacted Copy shall contain the Agency's business case name, number, and the name of the submitter on the cover, and shall be clearly titled "Redacted Copy." The Redacted Copy shall be provided to the Council on Efficient Government at the same time submitter submits its business case and must only exclude or obliterate those exact portions which are claimed confidential, proprietary, or trade secret.

The submitter shall have the responsibility to protect, defend, and assist the Council on Efficient Government with any and all public records requests or claims made against the Council on Efficient Government regarding portions of its Redacted Copy being confidential, proprietary, trade secret or otherwise not subject to disclosure.

If submitter fails to submit a Redacted Copy with its business case submission, the Council on Efficient Government may be required to produce the entire documents, data or records submitted by submitter in answer to a public records request for these records.

Section 4.0 - Conclusion

By deploying a straight-forward, proven technique that asks the right questions, makes good business sense and ensures an adequate and appropriate level of business case review, the Council assists state leaders achieve a more effective and efficient method of service delivery with more predictable costs and successful outcomes achieved through a sound procurement process. By employing a standard process for reviewing business cases agencies will fully understand the Council's approach for review and may prepare accordingly.

The Council and its staff are committed to adding value and support to agency initiatives that seek to improve the efficiency and effectiveness of government.

EXHIBIT A

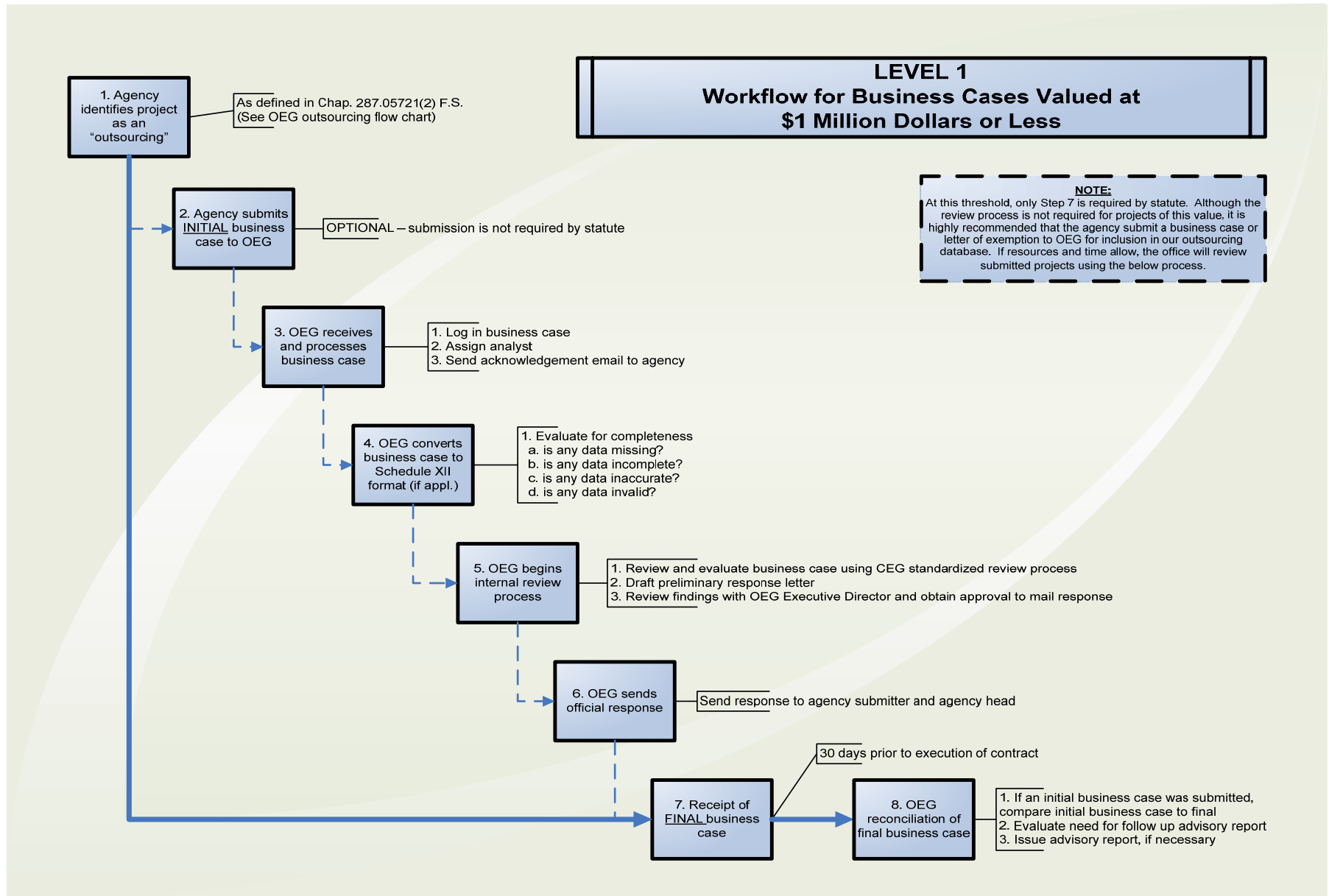


EXHIBIT B

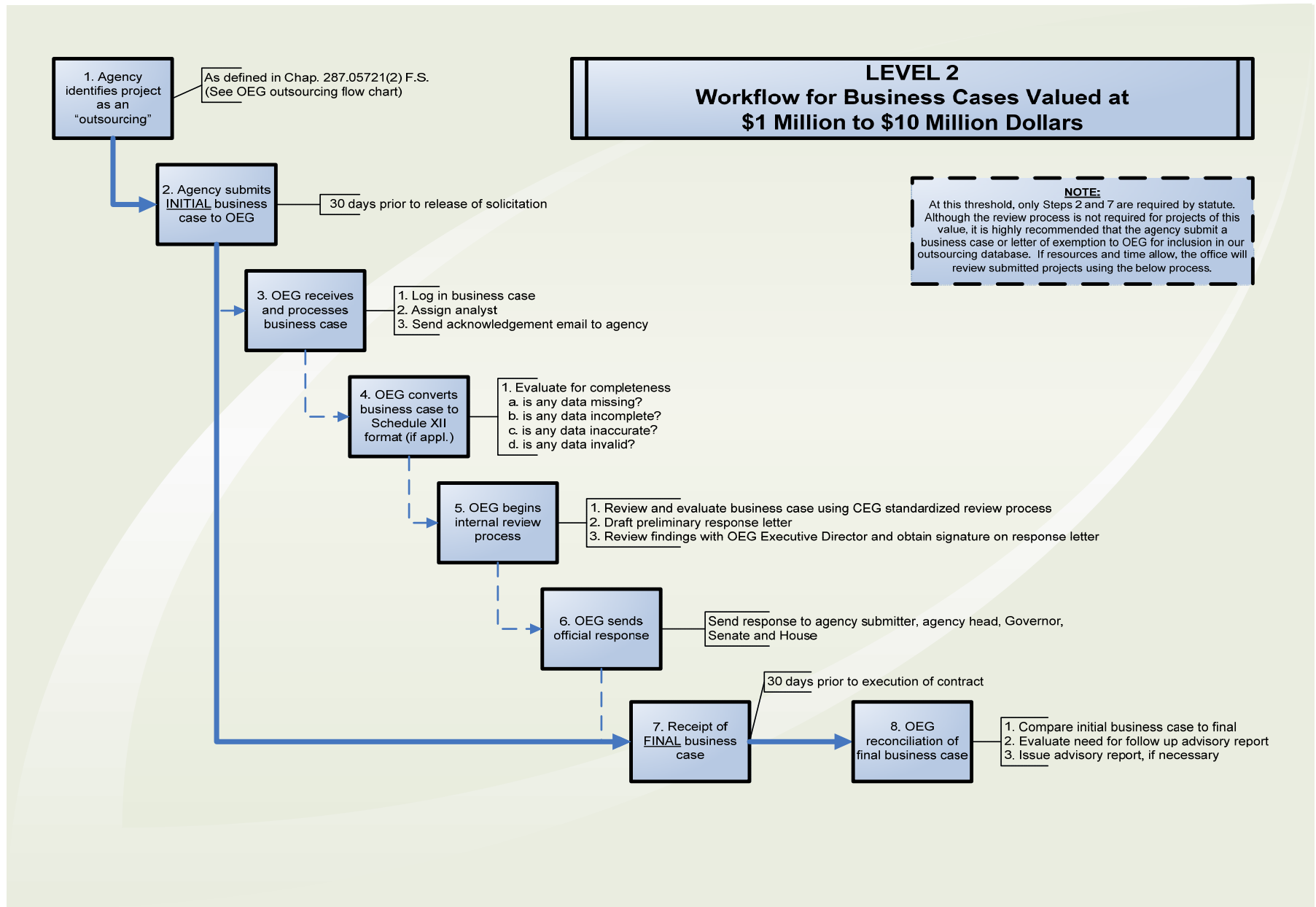


EXHIBIT C

