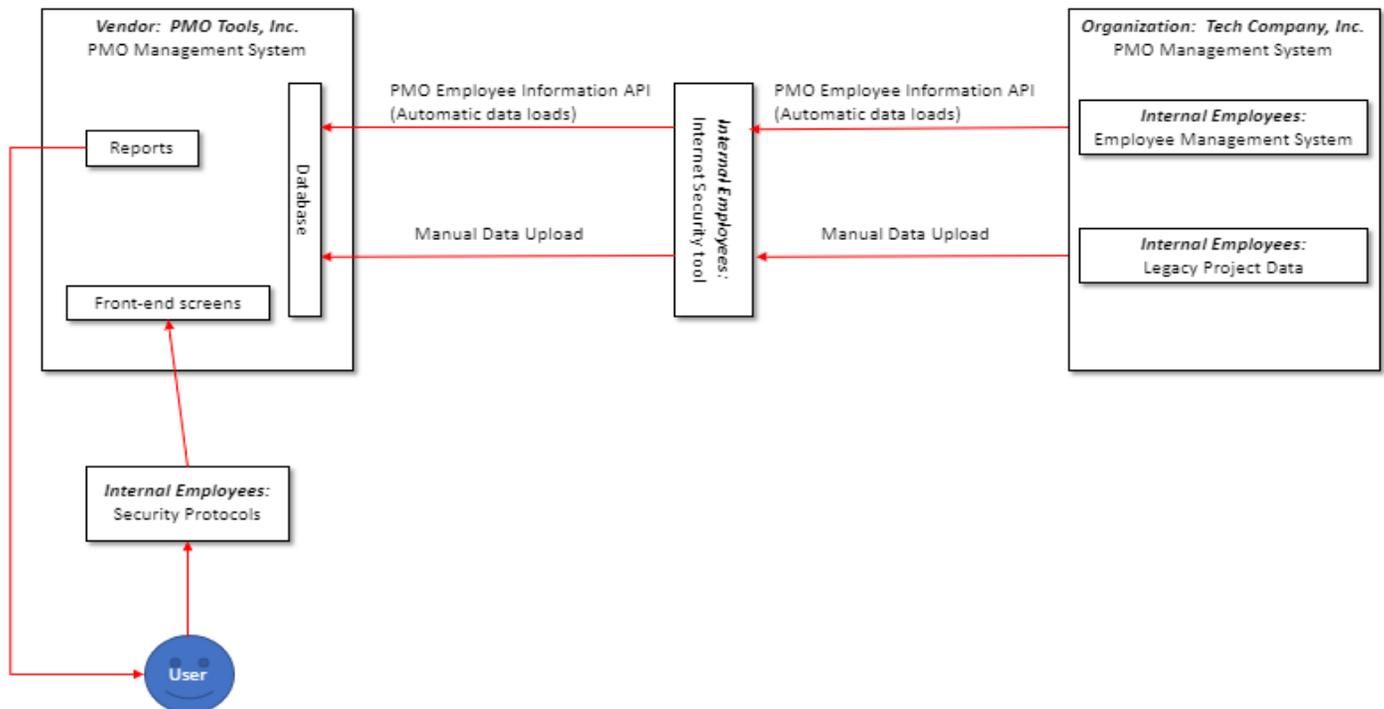


The overall goal of this project is to establish a new Project Office web application that will provide the following functionality:

- Ability for senior managers to view the status of the project. This includes the financial status of the project as well as earned value measurements.
- Ability for senior managers to see metrics as it relates to:
  - Projects or programs in RED status
  - Projects or programs over/under budget by +/- 10%
- Ability for the new system to read payroll time entries by resources from the company's HR systems. Then, compute cost against project budgets based on this data.
- Ability for project managers to enter status reports.
- Ability for project managers to manage their budget plans and reforecast monthly & quarterly.

The below image represents a high-level overview of how we intend this new system to look and we'll discuss some of the areas of this project that will impact the budget plan.



On the top left, you will notice that we will leverage a vendor called PMO Tools, Inc to construct our new PMO Management tool. This vendor was selected after a careful review of other vendors to select the best possible contractor to build our

new system. Please see more information regarding the vendor review process at the end of this document.

Since we are using an external vendor, we will require a Statement Of Work or SOW to outline the milestones that the vendor will achieve. The SOW is discussed in more detail in the *SOW Overview* resource at the end of Section 3. These milestones will be covered under the Capital vendor expense area of the budget plan.

The vendor's management (PMO Tools, Inc) has invited Tech Company Inc's project team to their location in London. For this, funds will need to be allocated for travel for Tech Company's trip to the UK. These funds will need to be budgeted in the Time and Expense account of the Operating expense area of the budget plan.

If you look at the right side of the diagram on the previous page, you will see that we will need internal Tech Company Inc. resources to help us to integrate their system with PMO Tools, Inc:

1. Data transfer from the existing human resources system on the right side of the diagram over to the new vendor PMO product on the left.
2. Historical data transfer from the legacy PMO system that's being decommissioned (right side of diagram) over to the PMO product on the left.
3. Lastly, if you look at the middle of the screen, there is a web internet security team that will need to update their security to accommodate the new system. You can also see this at the bottom left of the diagram when the system ultimately goes live with the user accessing the new PMO system.

All of the above will require budget allocation for the Capital Internal Labor account on our Budget plan.

If you look at the bottom left of the diagram, the users that will be leveraging this new system will need brand new laptops as their equipment has not been upgraded in the last 4 years. There will be a need for the project to have a hardware expense budgeted for.

Finally, the project manager represents Operating Internal Labor as this person will be overseeing this project but will not deliver specific artifacts specific to this project. Status Reports, project plans, RAILS, or action lists are not part of the capital required to build the new system. These are operational items.

We will revisit the above items in more detail in the *Budget Overview* resource.