

# HOUSE BILL NO. 5494

February 18, 2020, Introduced by Reps. Glenn, Whiteford, Huizenga, Sabo and Hammoud and referred to the Committee on Appropriations.

A bill to amend 1984 PA 431, entitled  
"The management and budget act,"  
(MCL 18.1101 to 18.1594) by adding section 261e.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1           Sec. 261e. Not later than October 1, 2021, the department of
- 2   technology, management, and budget shall do all of the following
- 3   for each information technology system development vendor contract
- 4   or maintenance project exceeding \$250,000.00:
- 5           (a) Establish and document a process for accounting for and



1 monitoring of project cost that aligns with industry best practices  
2 and includes all of the following:

3 (i) Identification and monitoring of cost overruns.

4 (ii) Change orders and accounting for projects that exceed 1  
5 fiscal year.

6 (b) Communicate process and defined roles to involved parties.

7 (c) Ensure information technology project spending is  
8 accurately tracked and accounted for, including total project  
9 costs, costs for contractors, state employees, hardware, software,  
10 and maintenance.

11 (d) Ensure that the legislature is informed of changes to the  
12 scope or budget of a project as required by law.

13 (e) Ensure that appropriations specific to system-related  
14 contracts or projects are only spent on the development and  
15 maintenance of that system.

