

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5494

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 project exceeding \$250,000.00:

4 (a) Establish and document a process for accounting for and
5 monitoring of project cost that aligns with industry best practices
6 and includes all of the following:

7 (i) Identification and monitoring of cost overruns.

8 (ii) Change orders and accounting for projects that exceed 1



1 fiscal year.

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

3 (c) Ensure information technology project spending within the
4 information technology fund is accurately tracked and accounted
5 for, including costs for contractors, state employees, hardware,
6 software, and maintenance.

7 (d) Require each state agency to provide and report any
8 additional technology project spending outside of the information
9 technology fund is accurately tracked and accounted for, including
10 costs for contractors, state employees, hardware, software, and
11 maintenance.

12 (e) Require each state agency to report on system-related
13 contracts or projects with specific appropriations to ensure funds
14 are only spent on the development and maintenance of that system.

