ABC COMPANY
Extended Accounting System (EAS)
Project Charter
Sample

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1. CONTEXT

This section provides a basis for why the document has been prepared - it gives the reader an understanding of what they should expect to see in the remainder of the document.

The *Project Charter* deliverable is used to establish a formal project. It is the initial deliverable prepared for the Extended Accounting System project and defines why the project was initiated, the scope of the project, the purpose & objectives of the project, the project milestones and a high level estimate on the effort and cost associated with the project.

2. SCOPE

> **This section provides a context for the project and the business solution that will be addressed by the project.**

The ABC Company has evolved its business enterprises to various locations across North America. During this evolution, it continues to face the ongoing struggle to obtain the necessary resources to optimize its business operations.

This is most prevalent in the discipline of Information Technology where resources are scarce and the demand for their expertise continues to grow. To remain competitive, the ABC Company has conducted an initial analysis to assess the potential benefits of having external "vendors" provide IT resources to meet the expanding need.

Upon completion of the assessment, the Director of Accounting has undertaken to sponsor the Extended Accounting System (EAS) project. The mandate of the EAS project is to ensure ABC Company has the necessary operational infrastructure to support the evaluation, acquisition, oversight, and financial reconciliation with "Vendors" who deliver contract resources to the ABC Company.

3. PURPOSE

> **This section provides an overview of the why the project has been initiated and the effects it will have when it is successfully implemented.**

The purpose of the Extended Accounting System (EAS) project is to :

- Develop the operational infrastructure to support and administer "vendors" who deliver contract resources and services to the ABC Company

- Integrate this additional operational capability (vendor sourcing) with existing operational systems, processes and procedures

- Ensure all existing ABC Company staff affected by this project are trained and able to perform their operational roles

- Incorporate the necessary metric and measurement information to assess the efficiency and monitor the utilization of this new operational function

4. OBJECTIVES

This section identifies the high-level milestone targets that will be achieved throughout the project - specific milestone dates should be documented.

The project objectives of the EAS project are to

Identify and obtain necessary EAS project team resource approvals by Apr 30, 2013

Develop the operational requirements to implement the EAS system by Jun 01, 2013

Complete the solution design (technical and process) Jun 25, 2013

Develop and test the code of the EAS application by Oct 15, 2013

Develop all operational processes (aligning with the EAS application) by Oct 15, 2013

Train the necessary users on the functionality of the EAS application and the roles and responsibilities associated with the EAS application by Oct 20, 2013

Implement all functionality of the EAS application by Nov 30, 2013

5. DESCRIPTION

> **This section describes the factors that will be affected/improved as a result of implementing the project.**

5.1 Project Definition

> **This sub-section provides further explanation of the scope of the project by defining what will be "included" and "excluded" from the project.**

The institutionalization of the EAS application includes

- Introducing and organizational structure that will support the new application

- Initial and continued education of all project team members and operational users

- Ensuring all ABC Company best practices, methodologies and processes are followed throughout the life of the project

- Delivering audits to senior management to monitor the implementation of the EAS application

The project scope excludes

- Altering any additional functionality to the existing ABC Company accounting application

- Auditing the performance of resources once the EAS application has been placed into production

5.2 Project Deliverables

> **This sub-section provides a listing of the project deliverables that will be completed on the project - deliverables should be selected from the organizational methodology.**

Project Management

Business Case
Project Charter
Project Deliverables
Project Roles & Responsibilities
Project Plan/Schedule
Project Procedures
Configuration Management Plan
Change Control Log
Quality Assurance Plan
Project Status Reports
User Acceptance Test (UAT) Authorization
System Integration Test (SIT) Authorization
Unit Test (UT) Authorization

Project Close-out Report

Software Development	Detailed Business Requirements
	Requirements Traceability Matrix
	High Level Solution Design
	Detailed Solution Design
	Programming Specifications
	Code
	IT Training/Support
Software Testing	Testing Strategy
	User Acceptance Test (UAT) Plan
	User Acceptance Test (UAT) Evaluation
	User Acceptance Test (UAT) Log
	System Integration Test (SIT) Plan
	System Integration Test (SIT) Evaluation
	System Integration Test (SIT) Log
	Unit Test (UT) Plan
	Unit Test (UT) Evaluation
	Unit Test (UT) Log

6. PROJECT ORGANIZATION

This section provides an overview of the project team, the constraints to be faced by the project team, and the plan (including project cost) associated with the project.

6.1 Project Team Structure, Roles, Responsibilities

This sub-section provides an overview of the individuals on the project team and the roles they will play on the project (further clarity and definition can be defined in the Roles & Responsibilities deliverable).

See EAS project "**Roles & Responsibilities**" deliverable.

6.2 Organizational Constraints

This sub-section defines the constraints the project team will experience throughout the life of the project.

The following represent the existing constraints on the EAS project

- Organizational expertise in procuring "outsourcing services" is limited

- Project team has limited exposure with the recently implemented organizational methodologies (PM, development, testing)

- Necessary infrastructure to support the EAS project does not exist

6.3 Project Plan & Budget

This sub-section establishes the high level plan and budget for the project. The reader should have an understanding of the who, the how and the costs of the project.

The EAS work Breakdown Structure (WBS) can be reviewed in the EAS **Project Plan** deliverable. The availability of costing figures for resources were not available at the creation date of this deliverable. They will be incorporated into this deliverable as they become available.

Planning Assumptions

Resources identified on the project team hierarchy and the project plan will be required for the duration of the project

	Hours per Week	Duration in Weeks
Project Owner	1	40
Steering Committee (4)	1	40
Project Manager	40	40
System Manager	40	40
Technical Architect	40	40
Business Analyst (4)	40	40
Systems Analysts (4)	40	40
Programmers (6)	40	26
Integration Test Analysts (4)	40	10
User Acceptance test Analysts (4)	40	10

Project Plan

See Project Management "**Project Plan/Schedule**" deliverable

7. CRITICAL SUCCESS FACTORS

This section identifies the factors that must be addressed throughout the life of the project.

Project Ownership

The Project Owner must be able to define the project priority - when clashes exist between existing operational priorities (product to the client) versus strategic priorities (implementing best practices). The System Owner must be able to recognize these contesting interests and balance and communicate the solutions in a timely manner. "Touch-points" as the intersection of ABC Company organizational process versus the EAS project must remain under constant review throughout the duration of the project.

Organizational Infrastructure

An organizational infrastructure must be established to guide the introduction and support the new roles to support the new EAS functionality.

Project Roles & Responsibilities

Although the project roles have been identified, it will be crucial for the success of the project for resources to become more knowledgeable in their field of expertise. There will be a learning curve for all project team members as they utilize the new methodologies while building and implementing the EAS project.

8. IMPACTS ON THE ORGANIZATION

This section identifies the factors that will impact the organization as a result of initiating the project and the effects the project will have on the organization throughout its evolution.

Though initially focused on IT services, this project will have effects on other departments within the ABC Company. Specifically, the IT department will have to adopt new processes to identify, evaluate, select and monitor the resources received from the "Vendor". The Procurement Department will be required to adjust its existing processes/procedures to incorporate the additional functionality of IT services. The Accounting Department will have to adjust its accounts payable functions to incorporate "vendors" who have deliver IT services to the ABC Company.

9. PROJECT RISK ANALYSIS

This section identifies the factors that could jeopardize the successful implementation of the project. These factors are maintained in the Risk Log and mitigated throughout the life of the project.

The primary risk associated with this project include

Organizational Culture Change - the prescribed EAS application will introduce the potential for "outsourcing" at ABC Company. This introduces a potential risk for the team developing the application and the resources who will be performing new roles once the solution has been implemented. It should be anticipated that certain elements and cultural realities will resist incorporating this added operational functionality and will resist its implementation - this could have adverse effects on the project team and resources that will be supporting the additional functionality once it is implemented.