Project Charter Template

**Introduction**

This document provides outlines, for a scalable charter tool and associated charter development methods that can be used by Implementing Agencies (IA) to initiate and authorize a capital project. These tools were prepared by the CPMWG Scalable Project Management Tools Subcommittee as one of the deliverables. The tools may be adjusted to meet IA needs provided the IA keeps the elements of the tools.

PMBOK 20XX provides this definition for a Project Charter: “The project charter is issued by the project initiator, or sponsor that formally authorizes the existence of a project and provides the project manager with the authority to apply organizational resources to project activities.”

The Charter Template is the tool for authorizing all Checklists A, B, and C projects. This tool is scalable for all Checklist A, B, and C project categories as defined in the CPMWG2 Scalable Tools Work Product. The level of detail in the charter should be scaled as appropriate for the size and complexity of the project, but each topic in the Charter Template should be considered for all Checklist projects.

For small projects, under the Checklist threshold (less than $100k), individual IA’s should develop a small project initiation process. The Charter Template tool can also be used as a resource for IA’s to develop their small project initiation process. Some IA’s have also chosen to use a project initiation form to initiate the preparation of the project charter for larger projects.

The project charter tool requires inputs from a variety of project planning and management processes to produce the charter. Examples of these processes include scoping, cost estimating, scheduling and risk evaluation. The recommendations in this document assume that project managers have experience in these processes. The project management processes with particular application in meeting King County’s project chartering requirements are described within the template tool.

**Purpose**

To provide IA management, project managers, and other staff who manage King County capital improvement projects (CIP) with a scalable tool for preparing and approving Project Charters.

**Objectives**

These are the objectives of the charter tool:

1. Describe the use of the Project Charter tool.
2. Present an overview of selected charter development processes that have specific application to King County charter requirements.
3. Familiarize IA staff with terminology associated with project charters.
4. Provide a list of resources to aid in preparing a project charter.
5. – **Project Charter Template**

The Project Charter Template includes key items to include in a charter document, ranging from project identification, scoping, cost, and schedule projections to approvals. The template presents a list of the recommended elements to be included. The project manager should address each individual topic in the Charter Template when preparing a charter. The level of detail should be scaled as appropriate for the size and complexity of the project. For example, Category C projects may have a one sentence discussion of a topic or identify it as “not applicable”. This consistent approach ensures that each important topic is considered and assessed and helps assure that a quality charter is prepared.

**Amending the Charter** - As the project progresses, the charter remains in effect and establishes the plan and limitations for the work. If project conditions vary from those defined in the approved charter, the IA should amend the approved charter in accordance with their change management procedures as defined in their Project Management Manual. When the project baseline is approved at the end of Phase 2, the project charter is either updated to reflect the baseline plan or can be replaced by the approved Baseline Project Plan depending on the specific IA procedures.

1. – **Selected Project Management Processes to Use in Preparing a Charter**

The attached Project Charter template includes an overview of selected charter development processes that have application in meeting King County’s charter requirements. The applicability and use in meeting King County charter requirements is described within the relevant section of the templates.

1. – **Charter Terminology**

This section provides an overview of charter terminology as it pertains to King County capital projects. These terminologies are generically applied to a project that involves all phases of a capital project, including construction.

* + **PMBOK:** The document *A Guide to the Project Management Body of Knowledge*, published by the Project Management Institute. This document provides a guide to the project management body of knowledge that is generally recognized as good practice, and is generally incorporated into King County project management practices. The document is regularly updated; check the PMI website for the latest version.
	+ Project Charter: The IA document that approves the initial project scope, schedule, and budget and authorizes work to commence on the project.
	+ Work Breakdown Structure: WBS is a hierarchical decomposition of the total scope of work to be carried out by the project team to accomplish the project objective and creates the required deliverables.
	+ Project Sponsor – The person or group that provides the financial resources, in cash or in kind, for the project (PMBOK)
	+ Stakeholder - Person or organization that is actively involved in the project, or whose interests may be positively or negatively affected by the execution or completion of the project. A stakeholder may also exert influence over the project and its deliverables.
	+ Project Baseline: The IA document that approves the baseline scope, schedule, and budget at the conclusion of the preliminary design phase and authorizes the project to proceed into Phase 3 – Final Design: Project baseline is used as a basis for variance reporting and performance measurement for the entire project.
1. – **List of Resources to Aid in Preparing Project** Schedules These resources are suggested for IA project managers:
	* King County Administrative Policy CON 7-9-2, *Capital Project and Contract Planning and Management* (King County, May 15, 2009).
	* King County Administrative Policy CON 7-13-1, *Introduction to Construction Management Policies and Procedures* (King County, May 15, 2009).
	* King County Administrative Policy CON 7-14, *Design Management* (King County, October 1, 2000).
	* King County Administrative Policy CON 7-5-1, *Project Closeout* (King County, October 1, 2000).
	* King County Administrative Policy CIP 8-2, *Improving Project Management Processes and Functions, Investing in Training and Staff Development, and Assuring Accountability and Transparency on Capital Projects in King County* (King County, September 30, 2011).
	* King County Administrative Policy CIP 8-1, *Development and Implementation of Consistent, Comprehensive Standards for Reporting, Management and Performance Measurement of Capital Projects* (King County, Mach 18, 201)(superseded by CIP 8-2 above, but included for important references).
	* *A Guide to the Project Management Body of Knowledge (PMBOK Guide)*, published by Project Management Institute, latest edition
	* *King County Capital Projects Management Work Group (CPMWG) Standards Subcommittee Work Product April 2011 (referred to as CPMWG 1 Work Product)*
	* King County Green Building Sustainable Infrastructure Scorecard, current year, web link: [http://your.kingcounty.gov/solidwaste/greenbuilding/scorecard.asp.](http://your.kingcounty.gov/solidwaste/greenbuilding/scorecard.asp)
	* Leadership in Energy and Environmental Design (LEED) Certification Program, United States Green Building Council (USGC) current year, web [link: http://www.usgbc.org.](http://www.usgbc.org/)
	* *King County Capital Projects Management Work Group (CPMWG) Standards Subcommittee Work Product 2014, Resource Assignment Matrix Tool*
	* *King County Capital Projects Management Work Group (CPMWG) Standards Subcommittee Work Product 2014, Cost Estimating Tool*
	* *King County Capital Projects Management Work Group (CPMWG) Standards Subcommittee Work Product 2014, Scheduling Tool*
	* *King County Capital Projects Management Work Group (CPMWG) Standards Subcommittee Work Product 2014, Risk Tool.*

**Project Charter**

# The Project Charter is the document that formally authorizes the project manager to proceed with a county capital project. The following template provides guidance as to what information and authorizations should be included in the Project Charter.

Considering the diversity of the county’s capital projects, as well as the range of costs and complexity, each Implementing Agency should scale the Project Charter document to an appropriate level of detail to adequately define their individual projects.

## Project Identification

Project Name: *(official name as stated in budget submission)* Project Number: *(include subproject number if appropriate)* Project Sponsor/Client: *(as defined by the Agency)*

Project Manager: *(mandatory entry)*

Project Team: *(optional entry, if identified at this point)*

Key Stakeholders: *(optional entry, if identified at this point)*

## Project Need/Justification

Describe the operational need and justification for this project, and how it supports the agency’s mission and goals, (e.g., “This pump station is approaching its design capacity. An upgrade is necessary to ensure compliance with our contract obligations to provide capacity to our local service providers).

## Project Objective

State the primary objective of this project, e.g., “the primary objective of this project is to provide needed capacity to customers in the SE Suburban Water and Sewer District.”

Secondary objectives may be stated below the primary objective as well but should be called out as secondary objectives.

## Preliminary Project Scope Statement

Describe the product, service, or result that this project will produce (e.g., “This project will upgrade the existing Baxter Pump Station from 31 million gallons per day to 35 million gallons per day approximately ‘where’ and by ‘when’. The project will include odor control facilities, an emergency generator, a fuel tank, I&C controls, and building improvements.

## Project Alignment with Agency Strategy

Describe how this project supports or directly contributes to accomplishment of the agency’s mission and strategic plan.

## Key Project Deliverables

List the ultimate deliverable authorized by this project charter (e.g., document whether this project results in a study and set of recommendations or whether the projects continues to deliver physical infrastructure)

Key intermediate deliverables such as design iterations, bid documents, substantial completion of physical product may be added as needed by the agency.

## Planning Level Schedule Assumptions

Include at a minimum, the anticipated or desired start and end dates of the project. Where appropriate, include the assumed start and end dates of each phase by quarter and year.

Additional key schedule milestones may be added as defined by the agency.

## Planning Level Cost Range

The planning level cost range is to address the full project expected costs including construction, allied costs (design, permitting, staff labor, etc.), and contingencies and, where appropriate, estimated cash flow for the project. Total project cost range should be presented to correspond with the initial schedule assumptions and adjusted as appropriate to recognize the very preliminary nature of this cost range.

## Initial Project Assumptions

List any high-level planning assumptions for the project, e.g., there is a potential for grant funding or federal funding assistance, how the schedule and construction costs were calculated or derived, etc. Include the basis for the schedule assumptions and cost ranges.

## Initial Project Constraints/Risks

List any conditions that may limit the project team’s options with respect to resources, personnel, or schedule (e.g., predetermined budget or project end date, limit on number of staff that may be assigned to the project, fish windows, setbacks, jurisdictional issues, permit issues, community issues, etc.).

## Sustainability Development Programs

Discuss options on how this project as a goal will address the County directives related to environmental sustainability, such as: climate change, green building and sustainable development practices for capital projects (e.g., LEED Certification, or cost-effective sustainable practices); energy efficiency, conservation and cost savings; and any other related County directives in this area.

## Project Approval Process

Identify who evaluates and decides on project continuance at intermediate review milestones, and project success and gives ultimate sign-off of project completion. Agencies may refer to other standard processes of project acceptance if used within that agency.

## Success Criteria

The following success criteria apply to all projects and should be listed under this heading. Other criteria can be added as well. Success criteria listed in the Project Charter shall be

evaluated in subsequent project management documents and at project completion.

Was the project objective met?

Were the technical requirements met?

What is the variance from the schedule baseline? What is the variance from the budget baseline? Were the Sustainability Program goals met?

Other Success Criteria as defined by the agency

I have reviewed and approved this Charter.

Project Sponsor/Client Date

Project Sponsor/Client Date

Date Approved by Management

This represents the date the Charter was formally accepted by Division Management in accordance with applicable Division-level procedures.