U.S. DEPARTMENT OF LABOR
Office of the Chief Information Officer

IT Capital Planning and Investment Control (CPIC) Guide:

Managing IT Investments

Version 4.0
September 2014

PREFACE

The United States Department of Labor spends over $500 million annually on a portfolio of information technology (IT) investments, which support the Department's mission and the delivery of customer services. This level of spending requires the Department to develop and implement a comprehensive approach to responsible management of these IT assets. This document, the Department of Labor's (DOL) IT Capital Planning and Investment Control (CPIC) Guide, is a document for DOL Agencies, IT Project and Program Managers, Integrated Project Teams (IPTs) and IT investment stakeholders that identifies and defines the DOL CPIC process which enables efficient and effective management, budget planning, and performance of the Department's IT investments.

The DOL IT CPIC process is supported and managed by the DOL Office of the Chief information Officer (OCIO). For further information about this Guide or the CPIC process, please contact the Department of Labor's OCIO, Room N1301, 200 Constitution Avenue, NW, Washington, DC 20210 or send an email to OCIOCapitalPlanning@dol.gov .

EXECUTIVE SUMMARY

The United States Department of Labor (DOL) relies upon Information Technology (IT) to support its mission, its business objectives, and the Secretary of Labor's vision of "good jobs for everyone." DOL invests over $500 million annually on a portfolio of IT investments, which provide mission-critical systems and services to DOL stakeholders. This level of investment requires the Department develop and implement a comprehensive and disciplined IT investment management approach to ensure the Department's IT portfolio is planned, budgeted, and managed responsibly (i.e., efficiently and effectively). DOL accomplishes this through the Office of the Chief Information Officer (OCIO). The OCIO implements an integrated approach to IT governance which ensures DOL's IT investments are managed in accordance with legislative mandates such as the Clinger-Cohen Act of 1996, Office of Management and Budget (OMB) requirements and policy, and industry best practices for IT management.

DOL's integrated IT governance process is supported by the OCIO's IT CPIC Program, the IT Security Program, and the Strategic Business Management (SBM) Program. The OCIO CPIC Program has a key role in providing IT investment management guidance and oversight to DOL component Agencies to ensure DOL efficiently and effectively manages its portfolio of IT investments according to its IT governance policies and procedures. The CPIC Program employs the Select–Control–Evaluate[1] life cycle methodology to establish a common set of processes for managing IT investments across the Department. Using this methodology, Agencies and DOL executive leadership "Select" the appropriate IT investments for inclusion in the DOL IT portfolio, "Control" the ongoing effective performance of those investments, and "Evaluate" how well those investments achieve their intended results. The Select–Control–Evaluate methodology provides ongoing, oversight of IT investments' viability, cost and schedule performance, risk management, acquisition planning, earned value, and Return on Investment (ROI). The Select–Control–Evaluate life cycle phases are integrated with DOL's IT investment Management Life Cycle, Framework, and baseline management policy and procedures to help Agencies effectively manage (i.e., plan, budget, execute, monitor and control, and closeout) their IT investments throughout their entire life cycle.

The OCIO CPIC Program also supports the Administration's emphasis on accountability, transparency, and visibility into the Federal government's annual $80 billion IT budget. OMB posts detailed information on all Federal agencies' IT investments on its publicly available IT Dashboard web site at ITDashboard.gov. All DOL Major[2] IT investments are shown on OMB's IT Dashboard including their projects, costs, schedule, performance goals and measures, and

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[1] The Select–Control–Evaluate model is the core tenet of the federal approach to IT investment management. It was initially introduced in GAO's Strategic Information Management (SIM) Executive Guide: *Improving Mission Performance Through Strategic Information Management and Technology*, GAO/AIMD-94-115 (Washington, D.C.: May 1994). It was expanded in OMB's IT investment guidance, *Evaluating Information Technology Investments, A Practical Guide*, in November 1995. It was then refined in GAO's *Assessing Risks and Returns: A Guide for Evaluating Federal Agencies' IT Investment Decision-making*, GAO/AIMD-10.1.13 (Washington, D.C.: February 1997). It provides a systematic methodology for federal agencies to implement in order to minimize risks while maximizing the returns of investments.

[2] A Major IT Investment (versus a Non-Major IT investment) is defined as an IT investment that meets one or more of the criteria or conditions associated with an IT investment as defined in this Guide. (See Section 2.2.2 for more details.)

their OMB Major IT Business Case (MITBC), formerly known as the OMB Exhibit 300, which justify new or continued funding for IT investments. OMB evaluates investments' Dashboard metrics as well as their MITBC in order to make recommendations to Congress on funding and determine if greater OMB oversight of an investment is warranted.

DOL Agencies' program offices and the OCIO CPIC Program office work collaboratively to ensure appropriate IT investments are included in the DOL IT portfolio, comply with DOL IT governance requirements, demonstrate their performance and value through the OMB IT Dashboard public web site perform well, and achieve their intended results on time and within budget. This Guide describes DOL's CPIC program and processes including the Select–Control–Evaluate phases. These important processes support DOL's PMs in planning, budgeting, funding, and delivering business mission focused and cost-effective IT investments at DOL.

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1 INTRODUCTION

1.1 Purpose

This document describes the DOL IT Capital Planning and Investment Control (CPIC) process including the CPIC policies, life cycle phases, processes, procedures, and associated implementation activities and requirements. DOL Agencies are required, in accordance and compliance with DOL's IT management policy[3] and Federal legislation including the Clinger-Cohen Act (CCA) of 1996[4], to implement and comply with the CPIC process and IT investment management requirements described in this document.

This document also serves as a guide to assist and support DOL's agencies in understanding the CPIC process and how it's implemented at DOL to ensure agency IT investments are planned, funded, procured, implemented, and managed efficiently and effectively. The processes described in this guide also ensure DOL's IT investments are in alignment with and support the business missions of the agency and the Department, and achieve their intended purpose – to close an identified business need and/or performance gap, produce expected or required results, and/or fulfill stakeholder expectations.

1.2 Assumptions

IT management responsibilities are addressed throughout this Guide with particular emphasis on the specific and detailed responsibilities of the Project Manager (PM) and the Integrated Project Team (IPT). Roles of DOL executive management, the DOL OCIO, the Capital Planning Program Office within the OCIO, Agency program managers, and Agency sponsors are also addressed. It is recognized that each Agency has established its own IT investment management structure to satisfy any number of variables. This Guide does not assume commonality between Agencies nor does it attempt to impose upon the Agencies an IT management structure that limits the ability to address the management approaches required by widely varying missions and associated business practices. This Guide takes a generic approach to the use of the terms "Agency sponsor," "program management office," and "program manager." Each Agency must interpret these terms to fit its specific approach to IT investment management.

In some cases contractors are designated as PM of DOL IT investments. Note all of the requirements of this Guide apply to the IT investment, regardless of the PMs and IPT members affiliation. Agency sponsors and program managers are responsible for ensuring IT investment PMs and IPT members are qualified to perform their IT investment role and responsibilities and are knowledgeable and capable of completing the requirements in this Guide efficiently and effectively.

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[3] See the *Department of Labor Manual Series (DLMS) 9 – Chapter 100 - General IT Management* for a description of DOL's IT management policy including the Capital Planning and Investment Control (CPIC) policy.

[4] The Clinger-Cohen Act of 1996 is formally known as *The Information Technology Management Reform Act of 1996.* The CCA is comprised of Division E of Pub. L. No. 104–106 of *The Information Technology Management Reform Act of 1996* and Division D of Pub. L. No. 104–106 of the Federal Acquisition Reform Act (FARA).

1.3   Document Overview

This introductory chapter summarizes information about this Guide. The second chapter describes drivers for IT capital planning, an overview of DOL's CPIC Select–Control–Evaluate life cycle phases, DOL's IT governance structure, the integrated IT Governance concept, and the CPIC management responsibilities of the OCIO and DOL agencies including sponsors, PMs, and IPT members. Chapter 3 describes the Select phase in detail including the DOL agency screening/ranking process, the annual select review process, the management processes to be completed during the phase, the need to establish a baseline in order to exist the phase, as well as the management responsibilities of the OCIO and DOL agencies including sponsors, PMs, and IPT members during the Select phase. Chapter 4 describes the Control phase in detail including the management processes occurring during the phase as well as the management responsibilities of the OCIO and the agency IT Investment PMs and IPT members during the Control phase. Chapter 5 describes the Evaluate phase in detail including the management processes occurring during the phase as well as the management responsibilities of the OCIO and agency IT Investment PMs and IPT members during the Evaluate phase. Chapter 6 provides the reader important information and context for the CPIC Select process as it supports the annual IT investment management budget process, which feeds the annual DOL and federal budget cycle. The appendices include an Overview of the IT investment funding process, a glossary, a list of acronyms, a checklist of IT investment management artifacts by CPIC phase, and a list of references.

1.4   Document Revision History

Version	Date	Author	Description of Changes
1.0	02/2005	DOL OCIO	Initial draft developed
1.1	08/2005	DOL OCIO	Administrative updates made.
1.2	09/2005	DOL OCIO	Added content re: Enterprise Architecture, Earned Value Management, Security, and Operational Analysis.
1.3	09/2007	DOL OCIO	Administrative updates made.
2.0	05/2011	DOL OCIO	• DOL's baseline management policy and its associated requirements were added. • Requirements associated with OMB's IT Dashboard public website were added. • Policies and requirements associated with the Office of Management and Budget (OMB) 25 Point Implementation Plan for Federal IT Management Reform were referenced. • Changes to OMB Circular Number A-11 were reflected in this document. • Text on justifying and acquiring IT investment funding was expanded and clarified. • References to the OMB scoring of business cases were removed as OMB no longer scores business cases.

Version	Date	Author	Description of Changes
			• The links in the References section were updated. • The Acronyms list was updated to reflect current acronyms. • References to the Management Review Board were deleted as it no longer exists.
2.1	10/2011	DOL OCIO	• The document was reorganization for clarity and brevity as well as Agency input on formatting, minor grammatical changes were implemented • Links to resources regarding IT Project Manager qualifications was added to appropriate sections. • DOL's new IT governance model was added • OMB's memo on CIO authorities, and updates to OMB's requirements for the Exhibit 300, Exhibit 53, and the IT Dashboard public website were incorporated. • The Post Implementation Review process was described more clearly under the Control phase. • Appendix C was streamlined for clarity and brevity, as was section 4, Baseline Management. • Several tables and figures were deleted or condensed.
3.0	10/2013	DOL OCIO	Updated sections to reflect process changes.
4.0	09/2014	DOL OCIO	Updated version to reflect latest OMB CPIC process changes. See the bullets below for a detailed list of changes.

This version, Version 4.0, includes the following changes:

- As per the guidance and instructions in the OMB FY 2016 IT Budget – Capital Planning Guidance document, references to OMB Exhibits (i.e., Exhibit 300s and Exhibit 53) were renamed throughout this Guide. Specifically, references to the OMB Exhibit 300A and Exhibit 300B were changed to "Major IT Business Case (MITBC)" and "Major IT Business Case Detail (MITBCD)", respectively. References to the OMB Exhibit 53 were changed to "IT Portfolio Summary (ITPS)".

- The Baseline Management chapter was removed and language was included directing the reader to the Baseline Management Guide for details.

- The DOL IT Governance Structure in Figure 2 was updated and the graphic illustration in Figure 1, 3, 4, 5, 6, and 10 was refreshed and updated accordingly. The supporting text for each figure was updated accordingly.

- Figure 2, the DOL's IT Governance Structure was updated to reflect the new CIO position separate from the Assistant Secretary for Administration and Management position.

- Former Section 3, *IT Investment Funding*, has been moved to Section 6 in this document.

- Former Section 4, *The IT CPIC Process*, has been separated into three sections (Section 3, 4, and 5) in this document. The supporting text in each section was updated accordingly to reflect current DOL CPIC process requirements.

- Each of the tables in the document were reviewed and updated accordingly. For instance, Tables 2, 4, and 5 were updated to clarify the management roles and responsibilities of the OCIO, Agency Sponsor, Managers, PMs, and IPT members.

- Table 3, *OMB IT Investment Artifact Upload Requirements to DataPoint*, was added to the document to clarify OMB's requirements for uploading IT investment artifacts to the DataPoint website.

- Former Section 2.2.2, *IT Investment Description from the CPIC Perspective*, was renamed *Key CPIC Concepts, Terminology, and Definitions*, and updated to include the definition of the four types of IT investments.

- General formatting and editorial changes updating and clarifying content were made throughout the document. In addition, all of the figures in the document were made Section 508 compliant with the addition of a description of the figure in the "Alt Text" field of the figure.

- The Table of Contents, List of Tables and Figures, the List of Acronyms, Glossary of Terms, and References were updated, accordingly.

- Hyperlinks throughout the document were tested and were updated accordingly.

- References to the DOL IT Investment Management Life Cycle Guide were included, as applicable, throughout the document.

Version 4 of this CPIC Guide reflects the latest changes as directed and described in the OMB FY 2016 IT Budget – Capital Planning Guidance including renaming of the Exhibit 300 and Exhibit 53 to the MITBC and ITPS, respectively. In addition, this revision reflects numerous administrative and editorial changes since the last version of this document was made. For example, the version reflects DOL's latest IT governance structure (shown in Figure 2) and detailed information regarding the Baseline Management process was removed. See the OCIO Baseline Management Guide for details regarding the baseline management process and associated requirements.

2   CPIC OVERVIEW

This chapter provides important background information and a detailed overview of the CPIC environment at the DOL. The following subsections include a description of the fundamental drivers of the program, an overview of the DOL CPIC process including an introduction to the three phases, which comprise the CPIC process, a discussion of important CPIC concepts, terms and definitions to assist and support PMs and IPTs in understanding the CPIC process; an overview of the Department's IT governance structure, which describes the IT related governing bodies, including CPIC related entities, within DOL that guide, oversee, decide and/or approve the direction of IT investments; an overview of DOL's IT Investment Management Life Cycle processes, in which the CPIC process is one of four interrelated IT investment management processes; and a description of the management responsibilities associated with the DOL CPIC process.

2.1   Drivers

The following internal and external drivers represent key CPIC source documents and references, which formed the foundation of the CPIC program and/or contribute to the initiation, implementation, and ongoing execution of DOL's IT CPIC program including the underlying CPIC program principles, methodologies, processes, and practices.

2.1.1   Internal Drivers

The DOL OCIO has published numerous documents establishing Departmental requirements for IT investment management. Agencies and particularly IT PMs should be familiar with these documents to assist and support the efficient and effective planning, budgeting, development, and implementation, and operation of DOL's IT investments. The following documents represent key internal CPIC program drivers and they should be referenced accordingly by PMs and IPT members.

- Department of Labor Manual Series (DLMS) 9 – Chapter 100 - General IT Management describes DOL's general IT management policy.

- Department of Labor Manual Series (DLMS) 9 – Chapter 200 - IT Capital Investment Management describes DOL's IT Capital Investment Management policy.

- DOL Strategic Plan 2011 to 2016 describes DOL's strategic plan for supporting the DOL mission and its business needs; DOL IT investments must support or align with the mission and goals in this strategic plan.

- DOL Information Resource Management (IRM) Strategic Plan describes the DOL IT Strategic Plan for the next five years.

- [DOL Enterprise Roadmap](#) describes DOL's current and future enterprise architectures as well as the transition plan including the IT investment activities to achieve the future architecture.

- [DOL IT Investment Management Life Cycle (IMLC) Guide](#) describes DOL's universal and standards based IT IMLC as well as the associated policies, processes, and procedures and how they apply to support PMs and IPTs in successfully managing DOL's IT Investments.

- [DOL Baseline Management Guide](#) supports PMs in establishing, managing, reporting on and changing IT investment baselines which describe and measure IT project costs, schedule, activities and performance.

- [Earned Value Management (EVM) Operational Guide](#) supports PMs in the implementation and use of an EVM System for their IT investments.

- [Systems Development Life Cycle Management (SDLCM) Manual](#) is a management framework designed to help Agencies successfully manage IT investments throughout the entire investment life cycle. The SDLCM Manual presents a seven-phase structured approach to developing, managing, and operating IT investments throughout their entire life cycle, from concept to disposition.

2.1.2   External Drivers

In addition to internal DOL requirements, which guide and direct IT PMs in their responsibilities, there are external requirements that, through acts of Congress, are established in law. These laws cover the management of Federal capital assets – in this case, IT investments.

2.1.2.1 IT Investment Management/CPIC Related Laws

The National Government Performance Review of 1993 identified significant deficiencies in the planning, budgeting, acquisition and overall management of capital assets throughout the Federal government. As a consequence of these findings, Congress passed the Government Performance and Results Act of 1994 (GPRA) which established the requirement for all government agencies to develop annual performance plans illustrating the acquisition strategies for capital investments which support the agency's long-term goals and objectives.

The Federal Acquisition Streamlining Act of 1994, Title V (FASA V) requires agencies to establish cost, schedule and measurable performance goals for all major acquisition programs, and achieve on average 90 percent of those goals. OMB policy for performance-based management of investments is also provided in this Act.

The Information Technology Reform Management Act of 1996, otherwise known as the Clinger-Cohen Act of 1996 is the primary law defining and requiring executive federal agencies to implement IT investment management and CPIC principles, processes, and practices including OMB budgeting reporting requirements. The Clinger-Cohen Act was named after the co-sponsors of the law - Representative William Clinger, of Pennsylvania and Senator William Cohen, of

Maine. The Clinger-Cohen Act mandates many requirements for Federal Departments and Agencies including the following:

- Implement management processes to maximize value and assess and manage the risk in their IT investments;

- Integrate the IT management process into the department's planning, acquisition, budgeting and program management decisions; and

- Establish performance measures which track cost, schedule, and technical performance.

Although these requirements address Departmental responsibilities, it is the IT PM who is responsible for ensuring the investment is managed in a way that demonstrates the Department's compliance with the Clinger-Cohen Act. The U.S. Government Accountability Office (GAO) audits Federal Departments' compliance with IT investment management regulations and policies.

2.1.2.2 OMB IT Requirements

FASA V requires the Office of Management and Budget (OMB) to report to Congress the cost, schedule and performance goals of Federal capital investments. For those responsible for the management of Major IT investments, it is important to note the President's discretionary authority declines as a percentage of total government outlays, while the percent of government outlays for Major IT investments grows every year. As a consequence of these two dynamics, the cost, schedule, and technical performance goals of Major IT investments are reviewed and analyzed thoroughly by OMB and Congress.

To guide Federal departments and agencies in the management of these investments, OMB publishes the OMB Circular No. A-11: Planning, Budgeting and Acquisition of Capital Assets. Circular A-11 requires PMs to document the performance of their investments, and the extent to which they are being satisfied, in their Department's annual budget submission to OMB. This is accomplished through the MITBC, previously known as the OMB Exhibit 300. The MITBC provides OMB and Congress with critical information on management plans and methodologies, justification for Major IT investments' funding, contract support, and performance metrics identifying variances in cost, schedule and technical performance. OMB uses these MITBC submissions to evaluate new and ongoing investments, review funding requests, and make funding decisions.

Other OMB IT investment management requirements that drive Federal agencies' management of and accountability for the performance of their portfolios of IT investments include, but are not limited to, the following:

- OMB Circular No. A-130 establishes policy for the management of Federal IT resources and mandates agencies establish and maintain a capital planning and investment control process linking mission needs and IT in an efficient and effective manner.

- OMB ITDashboard.gov, all Federal departments are required by OMB to post and update IT investment performance data on its publicly available IT Dashboard website. The OMB IT Dashboard shows Cost and Schedule Ratings for all Major IT investments, as well as Chief Information Officer (CIO) Ratings and Overall Ratings. Performance measures,

contract data, MITBC, and other details are also shown. The OMB IT Dashboard provides visibility into the performance of the Federal government's portfolio of IT investments.

- OMB Memorandum M-10-27 requires Federal agencies to implement an IT investment baseline management policy, procedures, and training to ensure IT investments achieve their intended results on time and within budget. See the DOL IT Baseline Management Guide for DOL-specific details. A copy of the Guide can be found in the OCIO Resource Library on LaborNet.

- OMB 25 Point Implementation Plan for Transforming Federal IT Management describes OMB's plans and requirements for reducing IT costs through the use of "light" technologies and consolidation efforts; increasing Federal agencies' accountability for IT investment performance; aligning and streamlining IT acquisition and IT budget cycles; strengthening the IT project management workforce; and increasing innovation and partnerships with industry.   Increased accountability is achieved through Federal departments' implementation of the TechStat Accountability model.   While the implementation milestones associated with this 25 point plan are complete, the plan still describes numerous key federal IT management reforms and initiatives that are ongoing including, for example, the federal Cloud First policy, Share Services Strategy, and the federal agency TechStat review process.

- OMB Memorandum M-11-29 addresses CIO authorities, holding CIOs accountable for lowering operational costs, terminating and turning around troubled projects, and delivering meaningful functionality at a faster rate while enhancing the security of information systems. CIOs are directed to use strategic sourcing (bulk buying) to bring down costs. CIOs must drive an investment review process to ensure IT projects are on schedule and within budget and work with chief acquisition officers and chief financial officers to make IT portfolio analysis is an integral part of an agency's annual budget process.

- OMB FY 2016 IT Budget – Capital Planning Guidance describes OMB's capital planning instructions for federal agencies in support of the FY 2016 Budget submission process. This document covers capital planning changes from the FY 2015 IT budget guidance, instructions on completing and submitting Agency IT Portfolio Summary, Agency Cloud Spending Summary, Agency Infrastructure Spending Summary, Major IT Business Cases, and Major IT Business Case Details. Note: future versions of this OMB guidance document are applicable to this guide and the DOL CPIC process.

2.1.2.3 GAO IT Investment Management Framework

- GAO Information Technology Investment Management: A Framework for Assessing and Improving Process Maturity (Version 1.1), GAO-04-394G (Washington, D.C.: 2004), describes GAO's IT Investment management maturity framework including the five progressive stages and the management processes and capabilities an agency needs to consistently implement at each stage in order to achieve or mature to the next stage. This DOL CPIC Guide supports and is in alignment with the principles and practices conveyed in and promoted by the GAO ITIM maturity framework. For more information on the five

maturity stages and the associated ITIM management processes and capabilities, see the GAO ITIM framework document.

2.2   CPIC Process Overview

The Department's IT CPIC process is managed by the OCIO and provides a structured approach to managing IT investments. PMs must follow this process to ensure the adequate funding, planning, acquisition, development, implementation and operation of the IT investments under their control. This CPIC process ensures a uniform and structured approach to IT investment management across the Department and provides visibility into investment performance via the Department's IT governance structure. It also ensures DOL IT investment costs, schedule and performance metrics displayed on the publicly available OMB IT Dashboard reflect effective performance and sound project management practices associated with its IT investments.

PMs must plan for, acquire, and manage their IT investments to satisfy the IT CPIC process as well as the Department's strategic plan, IRM Strategic Plan, Enterprise Roadmap, and the IT baseline management requirements, IT security requirements and policy, and other requirements established in other Department policy documents listed in Appendix D.

The DOL IT CPIC process provides PMs with:

- Methodologies to analyze and evaluate investments based on criteria including, for example, cost, schedule, risk, and benefit;

- Criteria to select a portfolio of IT investments that provide value from limited DOL budget resources;

- A framework that integrates the IT CPIC process with the SDLCM, SBM, and IT Security IT management processes as described in the DOL's IT Investment Management Life Cycle Guide;

- A structure that aligns DOL IT investments with the Department's mission, goals, and objectives and the Secretary's vision of "good jobs for everyone;"

- Baseline management policies, practices and procedures that ensure achievable planned costs and schedule as well as rigorous change management;

- Reporting methods that demonstrate earned value for designated agency initiatives;

- Lessons learned from prior IT investment planning, acquisition and operations;

- Methods to integrate IT security into the IT CPIC process;

- Processes to implement and manage cost, schedule, and performance of IT investments;

- Methods for measuring performance variances; and

- Strategies for responding to increasing performance variances and ensuring IT investments achieve their intended results on time and within budget.

2.2.1   CPIC Select–Control–Evaluate Phases

DOL's IT CPIC process follows OMB's recommended three phase model, which include the Select–Control–Evaluate life cycle phases. The three phases cover the identification and selection

of ideal IT investments to include in the DOL IT budget and to implement; the monitoring and control activities for those IT investments being funded and developed; and the evaluation of deployed IT investments - to ensure they fulfilled their intended business gap and achieved the technical and financial benefits as documented in the IT investments' CBA. The Evaluate phase also leads to an opportunity to make implementation adjustments and to document lessons learned. Figure 1 illustrates the three phases of the DOL IT CPIC process.
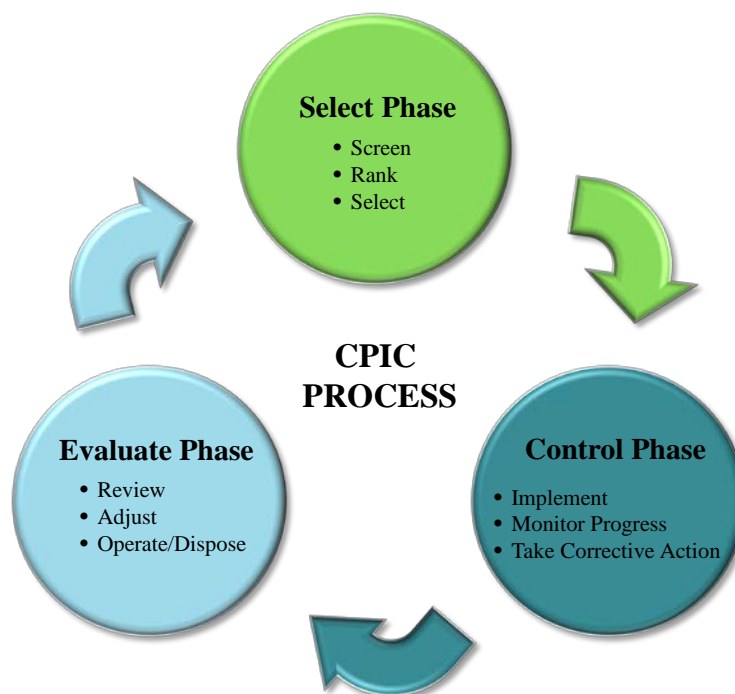
Figure 1: DOL's IT CPIC Process

The three CPIC phases are summarized below.

- **Select**- The purpose of the Select phase is to identify, screen, rank, select, and obtain funding for new and existing IT investments to be included in DOL's annual IT portfolio and associated budget request. The portfolio of IT investments must support DOL's mission, business objectives, and stakeholder needs – as efficiently and effectively as possible. During the Select phase, DOL agencies identify IT investments that meet their business needs, screen the investments against agency specified criteria, and justify the need and funding for the IT investment via an agency budget request. If a proposed IT investment is approved by DOL executive leadership and categorized as a Major IT investment, the Agency is required to develop a MITBC, formerly known as the OMB Exhibit 300, including any planning projects and activities to be executed in the CY (Current Year). OMB reviews DOL's funding request and the IT investment MITBC. If OMB approves the funding request, the MITBC and the CY planning projects and activities are published on the OMB IT Dashboard website. Select phase planning efforts proceed and culminate in the establishment of a sound life cycle baseline against which cost, schedule and technical performance is measured. The Select phase ends when the OCIO has approved the IT investment baseline. See Chapter 3 for further details regarding the Select Phase.

- **Control** - The objective of the Control phase is to ensure the efficient and effective development, implementation, and performance of IT solutions as planned, on time, and within budget – per the approved baseline. IT Investment management monitoring and oversight activities are performed throughout the Control phase by the IT Investment's sponsoring Agency and by the OCIO's Capital Planning team. The Capital Planning team's monitoring and oversight activities include Control Reviews, analysis of Major investments' monthly performance data updates made to the OMB IT Dashboard public website, and analysis and approval of baseline management deliverables such as Earned Value Management (EVM) metrics and proposed baseline changes. During the Control phase, decisions to continue, modify, suspend, or terminate an investment are made. The Control phase ends when an IT investment becomes fully operational. See Chapter 4 for further details regarding the Control Phase.

- **Evaluate** - The purpose of the Evaluate phase is to determine whether the performance goals defined in the Select phase and focused on in the Control phase are being realized in the actual outcomes of implemented investments. A Post Implementation Review (PIR) assesses the deployed IT solution against its planned cost, schedule and technical performance objectives; compares the actual Return on Investment (ROI) to the estimated ROI calculated as part of the CBA; identifies opportunities for improvement; and documents lessons learned. The lessons learned are then applied to the Select and Control processes to strengthen the Department's overall IT investment management. Oversight is accomplished through annual Evaluate Reviews. For Major IT investments, monthly performance data updates to the OMB IT Dashboard are also evaluated. The Evaluate phase ends when the IT investment disposition (i.e., the shutdown and decommissioning of the IT investment) has been completed. See Chapter 5 for further details regarding the Evaluate Phase.

All three CPIC phases support the success of DOL's IT investments.

2.2.2   Key CPIC Concepts, Terminology, and Definitions

The purpose of this is section is to highlight key CPIC concepts, terms, and definitions to assist and support PMs and IPT members in understanding and applying them as appropriate throughout the CPIC process.

Consistent with OMB Circular A-130, Memorandum M-10-27, and FY 2016 IT Budget – Capital Planning Guidance, there are four types of DOL IT investments including:

1. **Major IT Investment** - A DOL IT Investment is deemed or declared a "Major" IT investment by the OCIO and OMB if it meets or fulfills one or more of the following criteria:
    - Its importance to the mission or function of a DOL agency or the Department
    - It has significant program or policy implications
    - It has high executive visibility
    - It has high development, operating, or maintenance costs
    - It has an unusual funding mechanism (i.e., funding is derived from non-appropriated or apportioned

- Annual budget request or funding amount is at or above $10M

The OCIO and OMB are responsible for declaring IT investments as major investments.

2. **Non-Major IT Investment** – A DOL IT investment that does not meet the definition or requirements of a Major IT investment. All non-major DOL IT investments are required to be reported in the DOL agency ITPS and captured in the resulting DOL ITPS, which is submitted annually to OMB as part of the annual budget submission process.

3. **IT Migration Investment** – A DOL IT investment made into a larger IT asset such as a system or service managed by another federal agency (i.e., a managing partner) or IT shared service provider where the **migration costs** associated with the partner agency's system or service are not captured either by the managing partner or the interfacing system. This IT investment is for migration costs only. Once migration occurs, then see the "A Funding Transfer Investment" definition below. The description of the IT investment should indicate the UII of the major IT investment of the managing partner.

4. **A Funding Transfer Investment** – A DOL IT investment made into a larger IT asset such as a system or service managed by another federal agency (i.e., a managing partner) or IT shared service provider. This IT investments does not include any migration costs as describe in "IT Migration Investment" above. The description of the IT investment should indicate the UII of the managing partner IT investment.

In addition to four types of IT investments described above, DOL IT investments can at times throughout the CPIC process be referred to or described according to one of the following three categories based on the type of work activities an IT investment is implementing or planning to implement. The correlation between a specific category and the CPIC Select–Control–Evaluate life cycle phases as well as the DOL SDLCM manual life cycle phases is described below.

1. **Development, Modernization, Enhancement (DME)**: An IT investment is described as being a DME investment when all of the investment activities being planned or implemented are development, modernization, and/or enhancement activities.   For example, a new IT investment is considered a DME IT investment since the IT investment is being developed and has no operational components. From a System Development Life Cycle Management (SDLCM) perspective, a DME IT investment is considered to be in one of the first five SDLCM life cycle phases (i.e., Phase 1: Conceptual Planning through Phase 5: Implementation).   From an OMB MITBC perspective, an IT investment is considered to be a DME investment if it is in the "planning" or "full acquisition" phase.

2. **Operations and Maintenance (O&M)**: An IT investment is described as being an O&M IT investment if the entire investment is operating in a production environment and being utilized by users of the IT investment. An O&M IT investment supports the business mission, goals, and functional requirements of a DOL agency or the Department. The term "O&M" is synonymous with the term "Steady State" (SS), which is becoming a less common capital planning term that may appear in some older capital planning related resource documents.

3. **Mixed Life Cycle**: An IT investment is described as being a mixed life cycle investment if it has both DME and O&M activities occurring at the same time. A good example of a mixed life cycle IT investment is one that has been operational for many years (i.e., in O&M) and also has new functional development (i.e. DME) activities going on to support a new legislative mandate or business requirement. A Mixed life cycle investment can also be one that has a component or module, which is operational (i.e., in O&M phase) with the remainder of the system still being developed (i.e., in DME).

Regardless of an investment's category (DME, O&M, or Mixed), the investment must comply with requirements of the DOL CPIC process and the Select–Control–Evaluate phases. The OCIO works with Agencies' PMs to ensure these requirements are understood and met. The DOL IT governance structure, described in the section below, illustrates the IT management decision-making and oversight structure. It is important for agency IT investment PMs and IPTs to be familiar with the IT governance structure.

2.3   IT Governance Structure

In May 2013, the DOL OCIO updated the DOL IT governance structure - an organizational leadership and decision making structure with the goal of ensuring DOL's IT investments are selected, developed, and operated efficiently and effectively in support of DOL business mission and strategic direction. The Department's IT governance structure is illustrated in Figure 2. It shows the various functional groups that comprise the structure and the lines show their interrelationships. The IT Capital Planning Committee, for example, is one of six committees led by a specific program or division within the OCIO - in this case, the IT Investment Management Program. While each committee has a unique charter describing it roles and responsibilities, the general goal of each committee is to assist and support IT related communications and collaboration with the OCIO and between the DOL agencies.
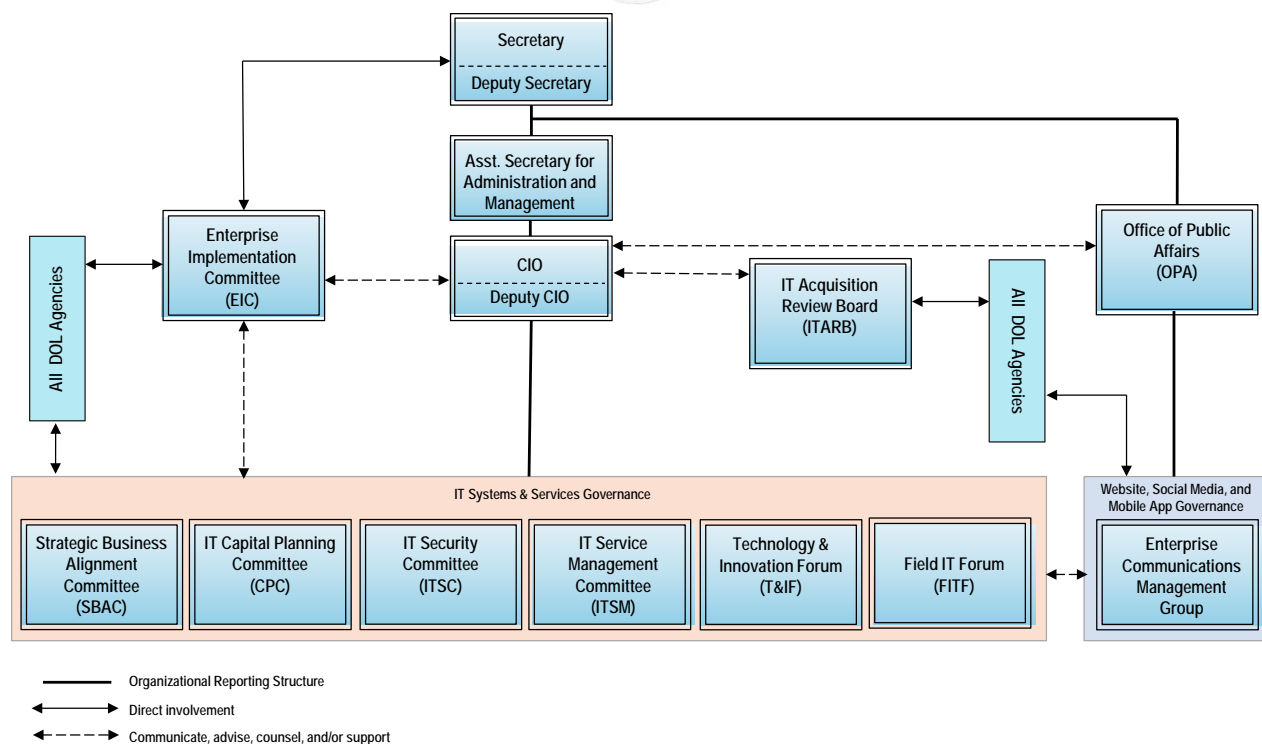
Figure 2: DOL's IT Governance Structure

2.3.1 Office of the Chief Information Officer

The OCIO, led by the CIO and Deputy CIO, have the lead role in most of DOL's IT governance activities shown in Figure 2 including senior management (top-down) reviews as well as bottom-up review and analysis of investment performance and portfolio management. For agency IT investment PMs, the OCIO is a valuable source of IT investment management information. This includes providing IT investment guidance, resources, and standardized project management templates and methodologies to assist PMs in managing and delivering successful IT investments.

The OCIO is the key organization for the implementation of the DOL CPIC process as it:

- Leads the review and management oversight of DOL IT investments;
- Makes recommendations to approve candidate initiatives for inclusion in the Department's portfolio of IT investments;
- Oversees and manages the Departments implementation of the Select–Control–Evaluate phases; and
- Works with Agencies to promote effective IT investment management and performance.

2.3.2 DOL Executive Leadership

DOL executive leadership determines DOL's annual budget requests including requests for funding for new and ongoing IT investments. Executive leadership includes the Secretary of Labor and the Deputy Secretary of Labor with input from the Departmental Budget Center, the

Center for Program Performance and Results, the Office of the Chief Financial Officer, and the Office of the Chief Information Officer. DOL executive leadership ensures the Department's IT portfolio continues to support the Department's mission, goals, and business objectives.

2.3.3   Enterprise Implementation Committee

The Enterprise Implementation Committee (EIC) is DOL's senior management-level panel which provides planning input and operational review of enterprise-wide IT initiatives. The EIC supports the use of IT to meet DOL business objectives, increase collaboration and best practices between agencies, ensure IT performance, and promote innovation. The EIC is chaired by the Deputy Secretary. Its members include senior Agency business executives.

2.3.4   IT Acquisition Review Board

The IT Acquisition Review Board (ITARB) is tasked with reviewing and approving DOL's planned IT acquisitions including purchases, procurements, and/or contract in order to reduce costs, avoid duplication, and pursue strategic sourcing opportunities. This Board supports DOL requirements for the effective use of DOL's IT budget.

2.3.5   IT Governance Structure Committees and Forums

There are six committees and forums that provide management and technical advice, council and support to DOL's IT governance process. They include the Field IT Forum, Strategic Business Alignment Committee, Capital Planning Committee, IT Security Committee, Technology and Innovation Forum, and Configuration Control Committee.   The following paragraphs describe the Capital Planning Committee and the CPIC Forum in detail as they are closely related to this CPIC Guide.   See the SDLCM Manual or the Enterprise Roadmap for a description of the other governance committees and forums.

The Capital Planning Committee (CPC) is the IT governance body responsible for providing Department and Agency support and guidance on CPIC issues and activities. This governance encompasses programmatic policies, initiatives, issues, and information related to the creation, management, and oversight of CPIC activities within DOL.   The activities of the CPC are designed to ensure DOL IT investments achieve their intended results on time and within budget. PMs of Major DOL IT investments participate in some CPC activities however in general the Agency's CPC representative is responsible for communicating with PMs and IT staff in the Agency. Chaired by the OCIO Capital Planning Program Manager, the CPC ensures compliance with the capital planning aspects of the Department's internal IT governance process as well as external legislative and OMB IT investment management requirements.

In addition to the CPC, the OCIO has established a CPIC Forum – to proactively engage the DOL agency CPIC community in monthly meetings.   The goal of these CPIC Forums' is to communicate and collaborate on CPIC related topics as well as assist, and/or support agency IT Investment stakeholders (i.e., PMs, IPT members, and/or capital planners) in regards to questions and/or concerns associated with implementing the CPIC process including but, not limited to the budget planning and submission process, the Select–Control–Evaluate process, and the IT investment management life cycle process. For more information regarding the CPIC Forum

including the next scheduled meeting, contact the OCIO Capital Planning team at OCIOCapitalPlanning@dol.gov .

2.4   Integrated IT Governance

DOL uses an integrated IT Governance approach to strengthen IT investment performance and ensure compliance with OMB guidance and legislative mandates. Specifically, Federal agencies are required to integrate, as per the Clinger-Cohen Act and OMB Guidance, IT Capital Planning, IT Security and Strategic Business Management (formerly known as Enterprise Architecture (EA)) processes. Consequently, DOL's IT governance process incorporates all three areas. For example:

- During the Select phase, the Capital Planning, IT Security, and SBM programs within the OCIO evaluate Agencies' Performance Budget Issue Papers and provide recommendations on the IT portions of the papers to DOL leadership. The three programs evaluate Agencies' MITBC, and/or ITPSs prior to submission to OMB and work with Agencies to strengthen their funding requests.

- During the Control phase, all three OCIO programs evaluate investments' compliance with Departmental SBM, Security, and Capital Planning requirements and present their findings in Control Review scorecards which are reviewed by the Deputy CIO.

- During the Evaluate phase, Agencies' Operational Analyses and ongoing performance are analyzed by the Capital Planning, Security and SBM programs within the OCIO.

To comply with DOL IT Investment Management requirements, Agencies meet requirements in all three areas as well as the life cycle phases in the SDLCM manual.

2.4.1   IT Investment Management Program

The DOL IT Investment Management Program within the OCIO IT Governance Division leads many of the DOL IT investment management review processes to ensure DOL complies with internal and external requirements for effective and integrated IT investment management. For example, the OCIO Capital Planning Program Office coordinates OCIO reviews of the IT components of Agencies' Performance Budget Issue Papers with the Chief Technology Officer (CTO), and the IT Security, SBM and other offices within the OCIO. The Capital Planning Program Office coordinates Control and Evaluate Reviews, baseline reviews, and MITBC/ ITPS reviews by multiple offices within the OCIO.

2.4.2   IT Security Program

The OCIO's IT Security Program Office has a key role in DOL's integrated IT governance process. Ensuring the security and privacy of information is an integral part of all phases of the CPIC process. Every phase of IT investment planning, development, implementation, operations, and disposition must incorporate security and privacy as a major concern.

The Federal Information Security Management Act (FISMA) requires agencies to integrate IT security into their capital planning and SBM processes, conduct annual IT security reviews of all programs and systems, and report the results of those reviews to OMB. OMB Circulars A-11 and

A-130 integrate IT security into the CPIC process to promote greater attention to security as a fundamental management priority. Federal agencies are required to:

- Report security costs for all information technology investments;
- Document that adequate security controls and costs have been incorporated into the life cycle planning of each investment; and
- Identify investments that support homeland security (directly and indirectly).

These and other mandates require DOL to manage and protect the information and assets that are defined by the Department's portfolio of IT investments. For more information on DOL IT security and privacy requirements and processes, consult the DOL Computer Security Handbook on LaborNet.

2.4.3   Strategic Business Management (SBM) Program

The DOL SBM Program within the OCIO also has a key role in DOL's integrated IT governance process. This office works with Agencies on architecting business solutions that align with the Federal, Departmental and Agency "target" architectures. This ensures IT investments support approved business objectives and strategic plans and are not redundant.

OMB A-11 and A-130 require all Major IT investments to align with the Federal Enterprise Architecture (FEA) to ensure the government's lines of business are fully supported by the IT investments designed to perform those functions. The FEA was commissioned in 2002 to:

- Define and align Federal business functions and supporting IT via a set of models;
- Identify opportunities to re-use and re-deploy IT assets across the government; and
- Improve the effectiveness of IT spending to help yield substantial cost savings and improve service delivery for citizens.

Essentially, the FEA is a set of function-driven taxonomy, which describes the PRM, BRM, SRM, DRM, and TRM and internal functions performed by the Federal government independent of the agencies that perform them. The FEA business function is managed by OMB and also serves as a key performance indicator in the capital planning process. For example, as part of the OMB MITBC, PMs must identify and report against established performance goals that support and/or are aligned with the Performance Reference Model within the FEA. The ITPS reports on IT investments' alignment with the FEA. For information on the DOL SBM Program and associated resources, see the SBM section in the Resource Library on LaborNet.

2.4.4   DOL IT Investment Management Processes and Framework

PMs must understand the correlation between the Select–Control–Evaluate life cycle phases comprising the DOL CPIC process and the other concurrent IT investment management related processes including Strategic Business Management, SDLCM, and IT Security life cycles. Figure 3 illustrates the DOL IT Investment Management Framework (IMF) and how the CPIC life cycle phases relate to the SDLCM, Security, and SBM life cycle phases. Each of these life cycle
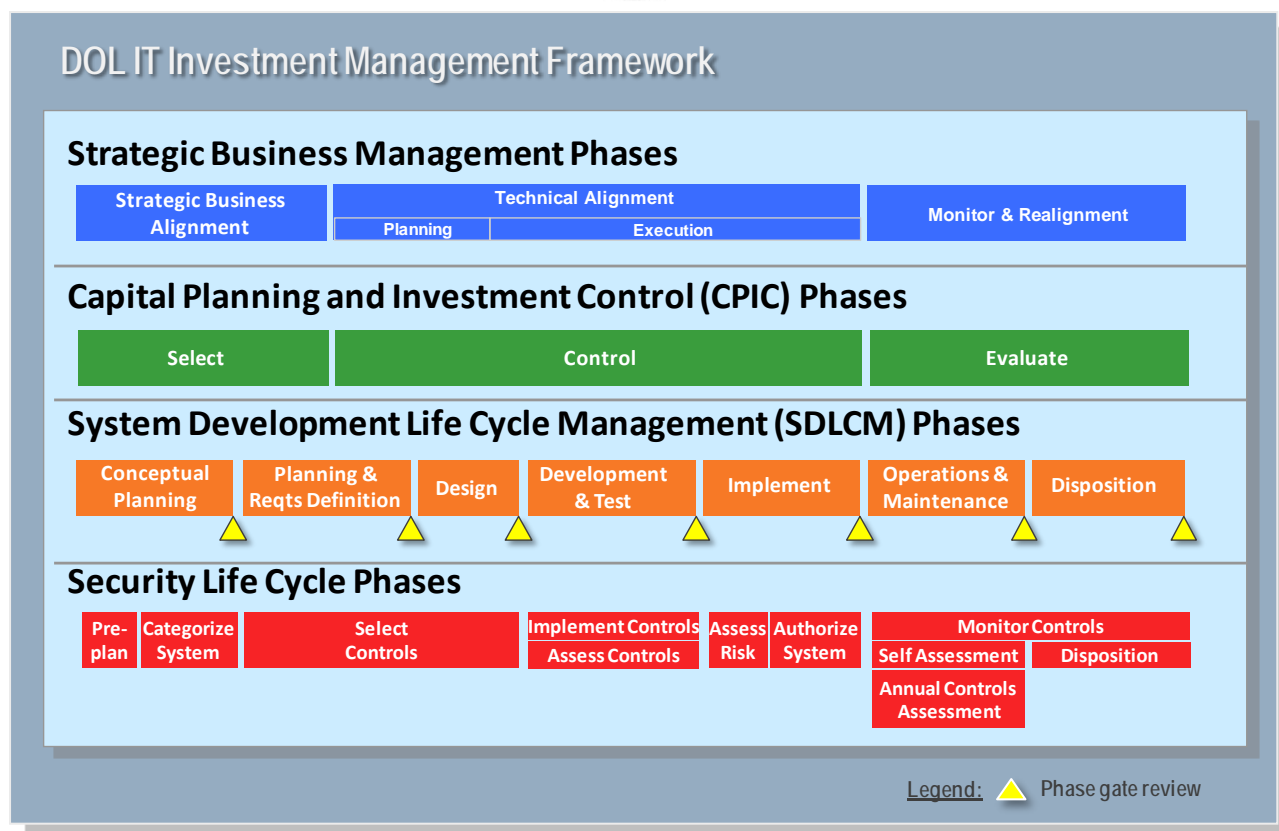
Figure 3: DOL's IT Investment Management Framework (IMF)

management areas and their associated phases as described in the following paragraphs.

Strategic Business Management (SBM) - As shown in Figure 3, there are three SBM life cycle phases, they include:

1. Strategic Business Alignment (SBA)
2. Technical Alignment (TA)
3. Monitor and Realignment (M&R)

The focus of the SBA phase is on aligning a DOL agency IT investment to the strategic business mission goal and objectives of the agency the investment is supporting as well as the Department's five year Information Resources Management (IRM) Strategic Plan, which describes the Department's IT strategy including the strategic goals and objectives as well as the annual DOL Enterprise Roadmap. By aligning to the DOL IRM Strategic Plan and Roadmap, an IT investment is ensuring its alignment with the Department's IT strategic plans, the Department's Strategic Plan as well as the President's Management Agenda (PMA) and/or Office of Management Budget (OMB) driven strategic initiatives. This alignment is important to meeting Departmental as well as Administration goals and objectives. It's also essential to show alignment to increase the chances of securing necessary IT investment funding from OMB during the annual budget planning and request process. (For further information on the DOL IRM Strategic Plan and Enterprise Roadmap, see the applicable subsections below.)

The SBA phase also ensures an IT investment is in alignment and/or compliance with the Federal Enterprise Architecture Framework (FEAF) Business and Performance Reference Models as described in OMB's, The Common Approach to Federal Enterprise Architecture, May 2012. This supports and allows DOL agencies to better manage their IT investments as strategic business assets and as a component of their IT portfolio to identify various opportunities including for example strategic sourcing, standardization, consolidation, and/or shared services to enhance and/or optimize the utilization of agency resources. To assist and support agency IT investment PMs and/or IPTs in complying with the intended goals and requirements associated with this phase, the DOL OCIO has developed an IT Investment Target Architecture (TA) and Transition Strategy and Sequencing Plan (TS&SP) template to be completed and submitted as part of the DOL IT CPIC quarterly Control Review process. The OCIO reviews agency IT Investment TAs and TS&SP to ensure compliance with policies and standards but analyzes the information to identify potential opportunities to enhance and/or optimize the utilization of resources across the Department. A copy of the TA and TS&SP templates can be found in the OCIO [Resource Library] on LaborNet under the Strategic Business Management (SBM) subject area. (For further details on the CPIC Control Review process, see Chapter 4.)

The Technical Alignment phase focuses on the planning, development, alignment, and/or compliance of an IT investment's Data & Information, System & Application, Network & Infrastructure, and Security & Privacy architectures in accordance DOL associated policies, guidance, processes, and standards as well as in compliance with the associated components and requirements of the TA and applicable FEAF models. Technical alignment allows DOL agencies to manage their IT investments on an individual basis and as part of their portfolio to identify opportunities to enhance and/or optimize the utilization of their resources. It also supports the OCIO in identifying potential opportunities to enhance and/or optimize the utilization of resources at the Department level. The DOL Chief Technology Officer (CTO), who also chairs the DOL Enterprise-wide Technology Innovation Forum, is responsible for implementing and ensuring the activities associated with the Technical Alignment phase. This includes for example the Data and Information, Systems and Applications, and Network and Infrastructure domains of the enterprise architecture[5], as well as the technology standards and configuration management. The CTO is responsible for ensuring DOL agencies are in compliance with the requirements of this phase.

The Monitor and Realignment phase focuses on monitoring and controlling the SBM status of DOL's IT investments including most notably the review and evaluation of IT Investment TAs and TS&SP's as part of the CPIC Control Review process. The review and evaluation process ensures alignment with DOL SBM goals, objectives and established standards as well as compliance with the FEAF and the associated components and requirements of the Common Approach. Based on the outcome of this SBM review and compliance assessment/evaluation process, DOL agency IT investments are provided guidance and feedback from the OCIO on how to better align the IT investment's architecture (i.e., Business Reference Model (BRM) and Performance Reference Model (PRM)) to the OCIO's Enterprise Roadmap and to the Departmental IT goals and objectives as described in the DOL five year IRM Strategic Plan.

Capital Planning and Investment Control (CPIC) – An IT investment performance-based management process ensuring IT investments support DOL's mission and business processes,

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[5] See *The Common Approach to Federal Enterprise Architecture*, May 2, 2012 for further details on the concepts, standards, and principles associated with the Federal Enterprise Architecture Framework.

fulfill legislative mandates, as well as OMB and DOL requirements for IT investment management. DOL's IT investment CPIC requirements are captured in this DOL CPIC Guide, the annual Investment Review Requirements document, as well as the DOL IT Investment Management Life Cycle Guide. The latest copies of these documents can be found in the OCIO Resource Library on LaborNet.

System Development Life Cycle Management (SDLCM) - Guidance, policies, and procedures for developing IT systems throughout their seven life cycle phases from Conceptual Planning through Disposition. The DOL SDLCM methodology is based on standard SDLC principles and practices that are time-tested and have been proven successful for managing IT investments in the private sector as well as in the Federal Government including civilian agencies and the Department of Defense. The SDLCM methodology serves as the structured mechanism to ensure that DOL IT investments are developed, modified, enhanced, as well as operated and maintained efficiently and effectively. Following the SDLCM methodology ensures DOL IT Investments are managed properly and are delivered on budget, schedule, and with the promised functionality. It also assists and supports IT investment managers in achieving the intended or planned investment mission, goals, financial benefits as well as applicable DOL IT strategic goals and critical success factors. It sets forth a standard, repeatable, and reliable process for managing IT investment development, acquisition, implementation, and operating activities. The life cycle process ensures IT investment are monitored, controlled, measured, documented, and managed efficiently and effectively in accordance and compliance with DOL IT policy and legislation (e.g., the Clinger Cohen Act). The SDLCM adds value to DOL IT investments by establishing a uniform and standardized approach to IT investment management. The methodology supports as well as guides IT investment PMs and IPT members through many required activities and challenging issues throughout the life cycle of an IT investment. The SDLCM methodology is flexible and adaptable as DOL IT PMs and IPTs are able to choose the best approach to implementing the life cycle phases for their IT Investment. For example, IT PMs and IPTs are able to choose between phased, sequential, modular, iterative and/or incremental development approaches depending on the nature (e.g., size, scope, complexity, criticality, and/or timing) of the IT investment being developed. For major and/or complex IT investments, the DOL OCIO and OMB are requiring modular, iterative, and/or incremental development approaches. That is, "useful components" of a system are designed, developed and implemented in six to twelve month cycles, thus reducing the risk of future funding uncertainties. See the latest version of the SDLCM Manual on LaborNet for more details on the seven SDLCM life cycle phases and the associated IT Project Management deliverables required for each phase.

Security - A management process to ensure the appropriate security and privacy protections for IT systems. The purpose is to protect the confidentiality, integrity, and availability of automated information and the resources used to enter, store, process, and communicate the information.

2.5   CPIC Management Responsibilities

Management responsibilities and levels of investment oversight vary dependent on the investment's size, complexity and scope. This section describes the management responsibilities of the OCIO, the PM, and the Agency sponsor with regard to the Department's IT CPIC process.

2.5.1   OCIO's CPIC Management Responsibilities

The DOL OCIO has the following CPIC management responsibilities:

- Publish policies, procedures, and guidelines that clearly define the Department's IT CPIC process.

- Exercise oversight of compliance with CPIC policies by performing Select, Control, and Evaluate reviews.

- Assist PMs in meeting DOL IT CPIC requirements by creating and offering templates, automated tools, guidance, workshops, training classes, and other resources.

- Provide detailed information on all internal and external reporting requirements, including formats, deadlines and review and approval responsibilities.

- Ensure the IT CPIC process is fully integrated with other concurrent IT investment management processes.

- Ensure budget requirements for IT investments have visibility in the Department's budget process

- Ensure OMB required IT budget submission documentation is submitted in the correct format, on or before the submission deadlines.

- Ensure valid and appropriate IT investment data for all submittals to OMB.

- Exercise management oversight of all IT investments (i.e., majors and non-majors).

- Review all IT investments in the ITPS to ensure those investments are recommended to the Department's executive leadership for inclusion in the Department's IT budget submission.

- Brief the IT Capital Planning Committee on capital planning issues such as OMB requirements, Government Accountability Office (GAO) reviews, etc.

- Respond to project managers' requests for additional guidance and management resources required by the investment but not available within the sponsoring Agency.

- Manage the administration and maintenance of the Department-wide Electronic Capital Planning and Investment Control (eCPIC) IT portfolio management shared service with the General Services Administration (GSA).

2.5.2   eCPIC System

DOL uses the Electronic Capital Planning and Investment Control (eCPIC) system as an automated tool to assist and support the management and oversight of DOL's portfolio of IT investments. The eCPIC system is a government-owned, web-based IT investment management system designed to help Federal agencies, such as DOL, to manage and control agency and Department-wide IT initiatives as well as prepare and submit to OMB IT budget documentation, i.e., OMB MITBC and ITPS.   eCPIC is available via the internet at https://dol.ecpic.gov eCPIC also includes templates for Control & Evaluate Reviews, Post Implementation Reviews, Operational Analyses, and other pertinent documents. eCPIC brings consistency to IT planning, budget formulation, and management processes and provides real time access to the information that is required to prioritize, select, monitor, and evaluate IT investments. PMs of investments are required to use the DOL eCPIC system to provide investment data and artifacts to the OCIO and ultimately use to this data to populate the MITBC and ITPS.

For more information regarding the eCPIC system, including a user's guide, , eCPIC Rules of Behavior, and instructions for requesting an eCPIC account or deactivating an account, please see the eCPIC section in the [Resource Library](#) on LaborNet.

2.5.3 DOL Agency CPIC Management Responsibilities

DOL IT PMs have the following CPIC management responsibilities:

- Possess the appropriate skills and credentials for managing IT investments including for example:

    - As per OMB requirement, the Federal Acquisition Certification for Program and PMs (FAC-P/PM) is required for all Program and Project Managers (P/PMs) that are assigned to Major IT Investments. The OCIO recommends that all IT investment PMs be FAC-P/PM cerfitied. This requirement serves as evidence DOL P/PMs are meeting core training and experience requirements for general program and project management. P/PMs must be certified at the FAC-P/PM Senior/Expert Level (Level 3), and the target completion date for this certification is one year from the date of assignment to the program or project. To maintain FAC-P/PM Level 3 certification, P/PMs are required to earn 80 continuous learning points (CLPs) every two years.

        The FAC-P/PM requirements were established on April 25, 2007 when OMB issued a Memorandum for Chief Acquisition Officers entitled "The Federal Acquisition Certification for Program and Project Managers."

- Understand DOL CPIC requirements. The OCIO CPIC Program Office offers training classes annually which cover areas such as Cost Benefit Analysis, Risk Management, DOL's IT IMF, Acquisition Planning, the MITBC, and artifacts supporting the submission to OMB.

- Comply with DOL CPIC requirements including:
    - Agency, OCIO, and OMB reporting requirements
    - Responsibilities associated with the Select–Control–Evaluate life cycle methodology
    - Responsibilities associated with utilizing the eCPIC IT portfolio management tool to entering IT investment management information and actively managing agency IT investments according to DOL's IT investment policies, practices, and guides
    - Management requirements such as Earned Value Management (EVM), operational analysis, and requirements associated with system development life cycle management (SDLCM) manual
    - MITBC development providing comprehensive justification for funding as well as information on risk, performance goals, cost and schedule, etc. (Majors only)
    - Monthly cost and schedule performance updates and other updates for the OMB IT Dashboard (Majors only)
    - Performance goals, measures and metrics
    - Establishing, managing, reporting on, and changing baselines

- Identify advocates to support and approve major IT investments and ensure the major IT investments are recognized and have senior management's attention in the Department's budget process

- Assemble an Integrated Project Team (IPT) of subject matter experts to provide advice on a wide variety of issues unique to each investment. The IPT includes technical and management experts who provide advice and support. The IPT is an OMB and EVM requirement and the required members of the IPT include the P/PM, Business Process Owner, Contract Specialist, IT Specialist, and IT Security Specialist.

- Make recommendations for the disposition of the investment based on criteria such as obsolescence, redundancy, the availability of a preferable government or commercial off-the-shelf solution, or failure to support DOL mission or performance objectives.

2.5.4 Agency Sponsor's CPIC Management Responsibilities

An Agency sponsor is typically the Agency Head (or a senior business manager) responsible for the operations, administration, and management of a business organization including the overall performance and execution of the organization in achieving the business mission. Agency sponsors have the following CPIC management responsibilities:

- Serve as an investment advocate before OCIO and DOL executive leadership reviews (including TechStat Accountability Reviews) as well as formal and informal reviews and audits by GAO, OMB and other entities.

- Exercise management oversight of all Agency IT investments.

- Ensure appropriate funding of the investment over its life cycle.

- Conduct management reviews against approved baselines and performance measures.

- Ensure designated PMs are qualified.

- Review and approve all OMB reported data prior to submission to the OCIO.

- Ensure appropriate subject matter experts serve on the investment's IPT.

- Ensure Select criteria for IT initiatives are approved and implemented and proposed IT investments have been appropriately screened and ranked to identify the strongest candidates.

- Review for approval all small dollar IT investments relative to the agencies budget.

- Review for approval all IT investments reported in Part 3 of the ITPS.

- Sign the Project Charters for approved IT investments to authorize them.

- Sign the Cost Estimation Summary Report to approve baseline cost data.

- Approve documents needed to secure OCIO approval of new and changed IT investment baselines.

3 Select Phase

This chapter describes the detailed IT investment management requirements associated with the CPIC Select phase shown in Figure 4 below.
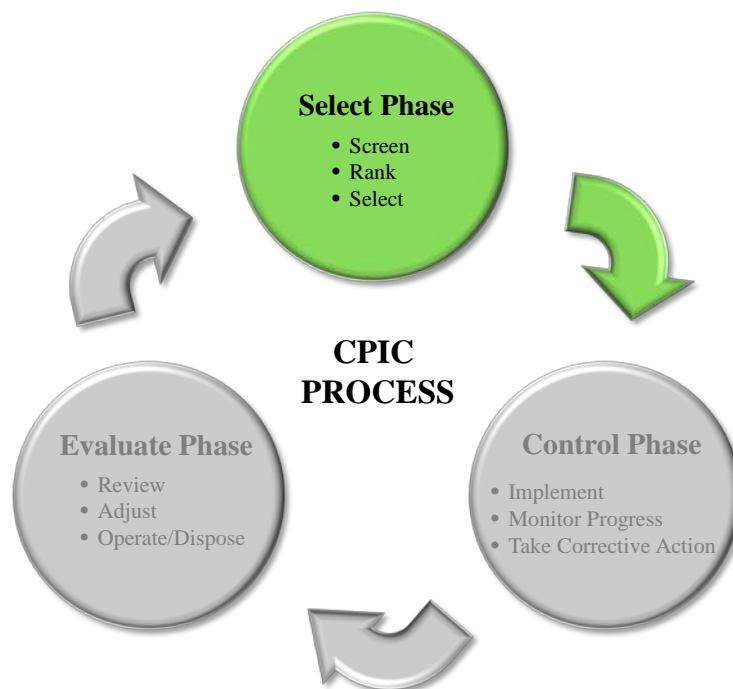
Figure 4: The Select Phase

As initially described in Chapter 2, the goal of the Select Phase is to identify, screen, rank, select, and obtain funding for new and existing IT investments to be included in DOL's annual IT portfolio and associated budget request. DOL's portfolio of IT investments are required support the Departments mission as well as the various business mission needs and objectives of the agencies within DOL. During the Select phase, DOL agencies identify IT investments that meet their business needs, support the Department's mission, screen the investments against agency specified criteria, and justify the need and funding for the IT investment via an agency budget request.

If a proposed agency IT investment is approved by the DOL OCIO and executive leadership it is included in the Departments annual IT portfolio summary and funding request document, referred to as the DOL IT Portfolio Summary (ITPS). The DOL ITPS is submitted to OMB as part of the annual budget formulation process. To support the development of the DOL ITPS, PMs of Major and Non-major IT investments are required to complete and submit their ITPS templates within eCPIC.

If an agency proposed IT investment is categorized by the OCIO as a Major IT investment, the Agency is required to develop a Major IT Business Cases (MITBC), formerly known as the OMB Exhibit 300. The MITBC describes the investment in detail including, for example, a description

of the investment, the objectives of the investment for the Current Year (CY) and Budget Year (BY), a summary of life cycle costs, a description of the funding sources, and summary of the investment's acquisition strategy. See OMB's Guidance on the MITBC for further details. In addition, OMB reviews DOL's funding request including the ITPS and the MITBCs. If OMB approves the funding request associated with a major IT investment, the MITBC and the CY planning projects and activities are published on the OMB IT Dashboard website. Select phase planning efforts proceed and culminate in the establishment of a sound life cycle baseline against which cost, schedule and technical performance is measured. The Select phase ends when the OCIO has approved the IT investment baseline.

If an IT investment is not approved by DOL senior management, it will not be included in the Department's ITPS.

The following bullets summarize the Select phase activities associated with new and existing IT investments requirements.

- **New IT investments** – An IT investment is considered new if it has not appeared in a prior fiscal year DOL IT budget submission to OMB (i.e., it does appear in a prior DOL ITPS) and all of the project and activities within the investment are new (i.e., DME) activities. A new IT investment is selected and included in the DOL ITPS when DOL executive leadership approves the IT investment and the associated funding request for the investment.
- **Existing IT investments** are reviewed for inclusion in the DOL IT portfolio based on their status and/or performance via the OCIO CPIC Control and Evaluation phase scorecard review process and other related and relevant IT investment management life cycle deliverables and processes. Existing IT investments must continue to achieve their intended results on schedule and within budget, and managers must seek to reduce the operational costs. If the business need of the IT investment remains unchanged, performance goals are being met, and managers are seeking to reduce costs, then the IT investment is typically selected for continued operational funding.

3.1   DOL Agency's Screening / Ranking Process

The annual DOL budget planning and development cycle occurs two years in advance i.e., fiscal year 2017 budget planning begins in fiscal year 2015. (See Section 6.2 for a full description of the DOL budget cycle.) The cycle begins when the DOL Departmental Budget Center (DBC) budget guidance is released each Spring and DOL agencies begin to review the guidance including the specific IT guidance. Agencies' begin with a clear understanding of their business need(s) and/or the performance gap(s) to be addressed. Agencies should then identify either new and/or existing IT investment solutions to address the need(s) and/or fulfill the gap(s). Once candidate solutions are identified, agencies will need to prioritize them according to their own internal screening and/or ranking process in order to identify the priority IT investments to fund. DOL agency screening and/or ranking processes should consist of the following steps.

1. **Identify and Document Business need(s) and/or performance gap(s).** Agencies clearly identify and document the business needs and/or performance gaps to be addressed by an

IT investment. This step requires prioritizing the needs and/or gaps according to their importance and/or criticality to the business mission.

2. **Identify candidate IT investment solutions.** Agencies need to identify via market research candidate IT investment solutions that will fulfill the critical business need(s) and/or the close the performance gap(s). See the Alternatives Analysis section of the OCIO CBA template for further details. A copy of the CBA template can be found in the Resource Library on LaborNet.

3. **Analyze and Screen the candidate IT investment solutions.** OMB has identified three fundamental questions to assist federal agencies in screening candidate IT investments during the Select phase. They are:

    1. Does the IT investment support the Department's mission and satisfy customer needs?
    2. Does the IT investment need to be undertaken by DOL because no alternative private sector or government source can better support the function?
    3. Does the IT investment support work processes that have been simplified or otherwise redesigned to reduce costs, improve effectiveness, and make maximum use of commercial, off-the-shelf technology?

   Assuming the answer to these three questions is affirmative, a DOL Agency must evaluate the candidate investments' risk, costs, benefits, criticality, and likelihood of funding approval. The questions in Table 1, on the following page represent good examples of the types of questions DOL Agency's should ask while possible IT investment solutions. In addition, see the Alternatives Analysis section of the OCIO CBA template for further details. A copy of the CBA template can be found in the Resource Library on LaborNet.

4. **Rank the candidate IT investment solutions.** It involves making tough choices about which IT investments are most critical and most likely to get funding approval. Many IT investments may be worthwhile but they are not necessarily good candidates for funding approval. All candidate investments should be rank-ordered from first to last, based on agency defined criteria. Only the top investment, or the top several, should be proposed for funding approval. It is not realistic to expect a large number of "best" candidates would be approved for funding. A top candidate is an IT investment that is mission critical; aligned with DOL's strategic plan; strongly supportive of the Secretary's priorities; fully consistent with the Administration's priorities; and expected to produce cost savings. If the investment includes an IT component, then it must also be aligned with DOL's IT policies (such as identity management, "cloud first," and IT modernization) as well as the Administration's IT direction and priorities. Agency managers must select the top several candidates and submit funding proposals <u>only</u> for those initiatives.

Table 1 provides sample screening and ranking questions to assist and support DOL Agencies' in implementing the Select phase IT investment screening and ranking processes.

Table 1: Sample Screening and Ranking Questions for Agencies' "Select" Processes

SAMPLE QUESTIONS FOR AGENCIES TO USE IN DETERMINING POSSIBLE IT INVESTMENTS

These sample questions guide the Agency in determining which potential IT investments should be proposed for funding approval. The questions help the Agency to fulfill its "due diligence" role in screening and ranking possible IT investments to identify the top several best candidates. Note that it may not be possible to answer all of the questions for every possible IT investment.

1. General

1.1   What are the key issues and challenges associated with this IT investment?
1.2   What sensitivities are associated with this IT investment (organizational, political, technical, financial, etc.)? How big of a risk do these sensitivities pose to funding approval? Is it realistic to proceed with a request for funding approval?
1.3   How does this IT investment align with DOL IT policy (identity mgmt., "cloud first," etc.)?
1.4   What performance gap or business need does this investment address?
1.5   How critical is this proposed investment relative to other investments that could be proposed?
1.6   How strong is the justification for this investment relative to the other possible candidates?

2. Initiative Sponsorship and Support

2.1.   Does the user community support the proposed investment? How is the community support known?
2.2   Have users and sponsors been involved in functional requirements definition?
2.3   Do they understand future commitment requirements in terms of resources (time, dollars)?

3. Risk Analysis

3.1   What is the level of risk associated with this investment? Who was involved in making the determination of risk? What documentation was used or created?
3.2   What types of risk avoidance and risk mitigation activities are planned for this investment?
3.3   Have reserves (management reserve, contingency reserve, schedule reserve) been included in the funding proposal to cover a risk event?

4. Alternatives Analysis

4.1   Have alternative courses of action been identified for this investment if so, what are they?
4.2   What were the strengths and weaknesses associated with these alternatives?
4.3   Was a cloud solution evaluated? What were its strengths and weaknesses?
4.4   Has an ROI been identified for the investment and if so, what is it?

5. Cost Issues

5.1   Have cost savings been identified for this investment and if so, how and what are they?
5.2   What is the estimated life cycle cost (over a ten-year period)?
5.3   What is the cost for development and how long will development take?

6. Methodology

6.1   Will "useful components" be delivered to end users in 6- month cycles?
6.2   What are the useful components – at least the initial ones?
6.3   How does the chosen methodology address the uncertainty of future funding?

The OCIO may conduct Agency IT portfolio reviews after Agencies have completed the four steps above. IT portfolio reviews are voluntary meetings between the OCIO and Agency executive leadership and senior IT managers, the IT capital planning staff, Program and PMs and budget managers. The goal is to review the Agency's top IT investments; identify strategies for strengthening the funding requests; and ensure the funding requests are consistent with the IT budget guidance. The Agency must screen and rank its candidate IT investments prior to meeting with the OCIO. For the best results, funding requests should also be drafted prior to the meeting.

The Agency's funding requests are called Performance Budget Issue Papers (PBIPs) and they are submitted to the DOL DBC for review as part of the annual budget formulation process. Issue Papers are submitted by completing the Issue Paper template in the Departmental E-Budget System (DEBS). The funding proposal must comply with the detailed budget guidance, including the IT budget guidance, in order to be considered for approval and inclusion in the DOL IT portfolio and the associated annual IT budget submission to OMB. See Chapter 6 for details on the Federal, DOL and DOL IT budget process.

3.2   Annual Select Reviews - OCIO Review of Proposed Investments' IT Components

After DOL Agencies submit their PBIPs, the OCIO analyzes the IT components of the issue papers to determine the following:

- Does the IT investment support DOL's business mission, IRM Strategic Plan, and IT policies? Is it consistent with identity management requirements, IT modernization, and "cloud first" and other DOL IT policies?

- Is the proposed IT investment duplicative or redundant? Could it leverage existing systems?

- Does the IT investment proposal reflect an understanding of DOL's SDLCM methodology? Will a modular approach be used in which useful components are delivered to end users in six month cycles?

- Has adequate funding been requested to ensure DOL IT investment management life cycle requirements will be met, including the SBM, IT Security, SDLCM, and Capital Planning requirements?

- If the OCIO and the Agency participated in an IT portfolio review, does the proposed IT investment reflect the priorities and outcomes of the review?

OCIO recommendations on the IT components of PBIPs are provided to DOL executive leadership during the annual budget formulation process. If the IT component of a PBIP is incomplete or poorly done, a positive recommendation will not be made. If the funding proposal is approved at DOL and meets the criteria for a Major IT investment, the Agency must prepare an MITBC for submission to OMB. The MITBC includes high-level planning projects, planned budget amounts, a justification for the investment and other preliminary data. DOL approved IT funding requests need to be incorporated into the ITPS as a new investment or part of an existing investment. If OMB approves the funding for the investment, the PM initiates or continues tasks required by the DOL System Development Life Cycle Management (SDLCM) and IT investment management life cycle processes. These tasks culminate in the establishment of an approved

baseline which is the "blueprint" for achieving the investment's intended outcomes on time and within budget.

3.3   Select Phase – Management Processes

Management processes in the Select phase focus on identifying, selecting, and attaining funding for new and existing priority IT investments (as described in the sections above) and then once funding is approved - on establishing and finalizing an OCIO approved baseline.

The following subsections summarize key Select phase management processes and artifacts that enable the IT investment PM to establish a sound baseline. Note the CPIC Select phase and the SDLCM planning phases (i.e., the Conceptual Planning Phase and a portion of the Planning and Requirements Definition Phase) are aligned (as shown in Figure 3) and as such the activities in these phases occur at the same time. By completing the SDLCM planning phase activities and associated deliverables an IT investment PM/IPT will have completed the required elements associated with the baseline management package, which will need to be reviewed and approved by the OCIO. For example, the PM/IPT must complete an alternatives analysis in order to identify the feasible and viable alternatives, complete a CBA, and develop a complete baseline package to reflect the chosen-best value alternative from the CBA. PMs should understand and comply with as all of the IT IMF requirements in order to manage IT investments effectively and effectively. Note for a complete description of the IT IMF and how it's an integral part of the IT investment management life cycle process see the DOL OCIO IT Investment Management Life Cycle (IMLC) Guide. Throughout the Select phase, the OCIO meets with the PM frequently to discuss requirements, resources, and progress towards establishing a baseline.

3.3.1 Project Charter

A Project Charter, also referred to as a Charter or IT Investment Charter, is the first official IT investment deliverable produced as part of the SLDCM Conceptual Planning Phase establishing and authorizing the IT investment. The charter formally establishes the IT investment by describing the business need or performance gap the IT investment is intended to fill. The charter also includes a description of the IT investment as well as the scope of the investment including internal and external entities (i.e., organizations, systems, etc.) that will be associated with or have an interface with the IT investment. The charter is also required to have a description of the high level business requirements, objectives, risks, schedule, budget, and resources including the assigned PM and IPT members to lead and manage the IT investment. The charter must be signed by the agency sponsor(s) and the other listed individuals listed in the signature block in order for it to be considered final and approved.

Ideally, for new IT investments, a Project Charter should be completed and signed before the investment is included in the Department's IT portfolio and budget submission (i.e., the DOL ITPS). In addition, the IT investment MITBC should include the date of the investment's charter and names and contact information for key members of the IPT.

The charter is considered a living document and it should be updated as necessary throughout the life cycle of the IT investment to reflect changes in the investment – including for example its purpose, scope, budget, resources and/or schedule. The P/PM, Business Process Owner, Contract

Specialist, IT Specialist, and IT Security Specialist must be named in the charter. See the latest OCIO standardized Project Charter template in the Resource Library on LaborNet for details.

3.3.2 Cost Benefit Analysis

Funding for a proposed IT investment can be estimated and requested prior to performing a detailed Cost Benefit Analysis (CBA), however, citing the results of a well developed CBA strengthens a request for IT investment funding. OMB requires a CBA for all Major IT investments and can make funding approval contingent upon review of the CBA. At DOL, CBAs must be conducted every three to five years and refreshed annually. The annual refresh of a CBA involves validating or modifying its assumptions, updating cost estimates, revising benefits as needed, and determining whether or not the conclusions are still defensible and valid.

A CBA requires the PM to develop, research, compile, and analyze alternatives that will best fill the documented business need(s) and/or performance gap(s). A CBA enables PMs, program managers, the OCIO, and OMB to compare the potential benefits of a new or enhanced IT investment with the anticipated costs for each potential alternative and thus, the CBA provides decision makers with the information they need to Select and fund an investment. In general, there are nine major steps to completing a CBA:

1. Defining and documenting the business need, requirements, and/or performance goals
2. Conducting market research
3. Performing an Alternatives Analysis (i.e., identifying and analyzing feasible and viable alternatives)
4. Completing a life cycle cost analysis for each alternative
5. Completing a life cycle benefit analysis for each alternative
6. Completing a risk analysis (i.e., risk adjusting the costs and benefits)
7. Completing a life cycle financial analysis (i.e., calculating the Net Present Value (NPV), Return on Investment (ROI), and Payback Period (PP) for each alternative)
8. Completing a sensitivity analysis
9. Evaluating the CBA results and selecting the best value solution to implement

The OCIO has developed a comprehensive MS Excel-based CBA tool and a detailed CBA template/guide to assist and support PMs and IPTs in performing a CBA. The CBA tool and template are required to be used and completed for all DOL Major IT investments. The CBA tool is a series of linked spreadsheets with macros that step the user through the process of identifying and evaluating alternatives, identifying and comparing their costs and benefits, risk adjusting the estimates, and documenting the assumptions that are made. The tool automatically calculates each alternative's ROI, PP, and Net Present Value (NPV). For more details on the CBA tool and associated CBA template see the CBA subject area under the SDLCM subject area in the OCIO Resource Library on LaborNet

3.3.3 Acquisition Plan

PMs are responsible for planning the acquisition of IT resources in a way that is consistent with the Federal Acquisition Regulations and OMB Circular A-11, Part 7, *Planning, Budgeting, Acquisition, and Management of Capital Assets.* This is a detailed, complex process; PMs must work closely with the DOL Office of Procurement Services. An OCIO Acquisition Plan (AP) Guide and an AP template are available to assist and support PMs and IPTs. Both can be found in the Resource Library on LaborNet.

After the AP is developed and approved, it is implemented. The AP is considered a living document and it must be updated whenever key acquisition activities have changed, need to be re-planned, and/or if new plans need to be documented and approved before execution.

3.3.4 Risk Management Plan

Risk Management is an important part of IT investment management. Too many IT investments fail because the risks associated with the investment were not adequately identified and properly managed. To address this issue, the DOL SDLCM Manual requires the development of a Risk Management Plan (RMP) and Risk Register (RR) for all IT investments; this normally occurs during the Select phase after an alternative has been chosen. (Note: risk is required to be factored into the alternatives analysis and in the CBA financial analysis. However, a detailed RMP and RR are not normally completed until after the selection of the most viable solution based on the results of the CBA.) To assist and support DOL IT PMs and IPTs with risk management, the DOL OCIO has developed a comprehensive Risk Management Plan template as well as a Risk Register template.

In context of this CPIC Guide, it is important IT investment PMs and IPTs understand the following:

- A RMP is required for all DOL IT investments.
- The DOL OCIO RMP template and RR template are required to be used to manage risks.
- The IT investment RMP is considered a living document describing the plan on how a PM and IPT will manage risks throughout the life cycle of the IT investment. The RMP should be reviewed annually and updated as needed or necessary to reflect changes in the approach or plan to managing the IT investment risks.
- To ensure ongoing and active risk management, IT investment PMs and/or IPTs are required to maintain and update on a periodic basis (i.e., weekly, bi-weekly, monthly, and/or quarterly) an IT investment RR. The periodic updates of the RR will be decided by the PM and IPT members based on the nature and criticality of the IT investment and the associated risks and/or risk mitigation strategies being managed.
- As part of the DOL OCIO CPIC quarterly Control Review process, the IT investment RR is required to be updated by the PM and/or IPT and submitted for OCIO review, as per OCIO Control Review instructions.
- For IT investments in the Evaluate phase, the OCIO reviews updated RRs annually.

While the OCIO's review of risk artifacts is performed initially as part of the baseline review and then on a quarterly (or on an annual basis for Evaluate phase IT investments), IT investment PMs

and/or IPTs are highly encouraged to utilize the RR as a proactive tool that is reviewed and updated as part of routine project management status meetings to actively manage risks.

One way of mitigating the risk associated with large IT investments is to break apart a single large investment into smaller, independent, "useful" components with easily defined and separable sub-systems that are short in duration (six to 12 months), limited in scope, and useful upon deployment. PMs are encouraged to use this iterative approach whenever possible but must carefully identify and examine interdependencies between components to eliminate the possibility of complicating the transition from one component to another. The goal is to reduce financial risk by funding the investment incrementally without increasing the risks associated with complicating management controls.

Copies of the latest DOL OCIO Risk Management Plan template and Risk Register template can be found in the Resource Library on LaborNet. Use of the latest versions is required.

3.3.5 Project Management Plan

Like Risk Management, Project Management is also an important part of IT investment management.

The DOL SDLCM Manual require IT investment PMs and/or IPTs to develop a Project Management Plan (PMP) to document all aspects of managing the IT investment. The PMP provides a framework and approach to planning and managing the investment – its organization, stakeholders, scope, tasks, schedule, allocated resources, risks, quality approaches, and more. The DOL OCIO has developed a detailed PMP template this is required to be used by DOL IT investments. A copy of the DOL PMP template is available in the Resource Library on LaborNet.

3.3.6 Quality Management Plan

The Quality Management Plan (QMP) describes the investment's quality standards and how the PM will ensure they are achieved. There are four processes involved:

1. **Quality Planning** – a process of **identifying the quality requirements and standards** for the investment processes and products and documenting how compliance will be measured.
2. **Quality Assurance** – a process of **auditing** the quality requirements and the results from quality control measurements that ensure appropriate quality standards are achieved.
3. **Quality Control** – a process of **monitoring and documenting** the results of performing the quality activities to assess performance and if necessary identify changes.
4. **Process Improvement** – a process of **implementing preventative or corrective plans** to eliminate problems with investment processes and products and to prevent recurrences.

Often the quality standards are documented in the Statement of Work (or the Performance Work Statement). This conveys to the contractor what must be done / produced, how well it must be done / produced, and how it will be measured. Without specific standards, managing quality is a meaningless task. See the DOL OCIO QMP template for further details on the expectations and requirements for DOL IT investments. Note: larger, more complex projects will often involve a

contract for Independent Verification and Validation (IV&V) as part of the overall approach to quality management.

3.4   Establish a Baseline

The processes and artifacts described above lay the groundwork for establishing an IT investment baseline – a detailed "blueprint" for achieving the intended results of the investment on time and within budget. The DOL IT Investment Management Baseline Guide in conjunction with the IT IMF (i.e., Figure 3) and the DOL IT Investment Management Life Cycle (IMLC) Guide requires rigorous planning from PMs and IPTs to ensure a comprehensive, accurate, valid, and realistic IT Investment baseline is developed and established. An IT Investment must meet all the baseline requirements specified in the DOL Baseline Management Guide. A copy of the DOL Baseline Management Guide can be found in the Resource Library on LaborNet.

It is important to note throughout the Select phase (while the baseline is being planned and developed), the OCIO and the IT Investment PM/IPT need to meet frequently to review, discuss, and understand the baseline requirements, resources, and progress. IT PMs and IPTs are highly encourage to use the "Establishing a Baseline Tracker" from the DOL Baseline Management Guide to measure progress and ensure all baseline requirements are met.

Once the proposed IT investment baseline is approved by the OCIO, the Select phase ends and the IT investment moves into the Control phase.

3.5   Management Responsibilities

Table 2 summarizes the CPIC management responsibilities during the Select phase for the PM, OCIO and the Agency sponsor.

Table 2: Select Phase Requirements and Responsible Entity

Select Phase Requirement	Responsible Entity
1. Identify the Business Need(s) or Performance Gap(s) to be addressed by an IT Investment(s)	Agency Sponsor, Managers
2. Identify potential IT Investment solutions (i.e., conduct market research, leverage knowledge from similar IT investment solutions, and identify potential new IT investment(s) and/or DME actions for an existing IT investment(s))	Agency Sponsor, Managers (Collaborate with the OCIO, as necessary)
3. Analyze, Rank, and Select the Best Value IT Investment Solution to Pursue (i.e., conduct an Alternative Analysis (AA) and a CBA to determine whether a new IT investment and/or DME actions for an existing IT investment is the best value solution to pursue.)	Agency Sponsor, Managers (Collaborate with the OCIO, as necessary)

Select Phase Requirement	Responsible Entity
4. Identify the Funding Source(s) for the chosen IT Investment. If necessary or required, request New or Additional IT Investment Funding by developing a PBIP funding proposal to be submitted to the DOL DBC as part of the annual DOL budget cycle led by the DBC.	Agency Sponsor, Managers (Collaborate with the OCIO to identify potential funding sources beyond Agency sources.)
5. Develop a draft PBIP funding proposal/request (for the new IT investment and/or DME activities for an existing IT investment)	Agency Sponsor, Managers (Collaborate with the OCIO on the development of the PBIP and necessary supporting IT investment documentation. Also follow the DBC annual budget memo, PBIP, and OCIO IT Investment instructions.)
6. Submit the draft PBIP funding proposal/request (for the new IT investment and/or DME activities for an existing IT investment) to the OCIO for review and comment	Agency Sponsor, Managers (Collaborate with the OCIO on the development of the PBIP and necessary supporting IT investment documentation. Also follow the DBC annual budget memo, PBIP, and OCIO IT Investment instructions.)
7. Submit a final PBIP funding proposal/request to DOL DBC as part of the annual DOL budget cycle led by the DBC (The final submitted PBIP funding proposal request should reflect changes based on the OCIOs review and comments.)	Agency Sponsor, Managers (Collaborate with the OCIO on the development of the PBIP and supporting IT investment documentation. Follow the DBC annual budget memo, PBIP, and OCIO IT Investment instructions.)
8. Review and assess the Agency's final PBIPs - IT Investment Funding Request received from the DOL DBC	OCIO – IT Governance
9. Determine whether the Agency PBIP - IT Investment Funding Request is a Major or Non-major IT investment	OCIO – IT Governance
10. Recommend to DOL senior management whether the Agency PBIP - IT Investment Funding Request be approved and included in DOL's annual IT portfolio submission to OMB	OCIO – IT Governance
11. Receive Acknowledgment/Approval from the DBC regarding the PBIP request for new or additional IT Investment funding	Agency Sponsor, Managers
12. Develop and/or update the IT Investment ITPS template in eCPIC	Agency Sponsor, Managers

Select Phase Requirement	Responsible Entity
13. For Major IT Investments, Identify a qualified Project Manager (PM); Begin the DOL SDLCM Conceptual Planning Phase Activities	Agency Sponsor, Managers
14. Form an IPT; Approve IPT Membership	PM, Sponsor
15. Develop, Approve, and Sign a Project Charter	PM, IPT, Sponsor
16. Perform Market Research and Conduct CBA[1]	PM, IPT, Sponsor
17. Develop Risk Management Plan and Risk Register[1]	PM, IPT, Sponsor
18. For Major IT Investments, develop a complete draft MITBC for the IT investment in eCPIC and notify the OCIO for review and comment (Note: Depending on the OCIO's schedule of activities and other priorities, the OCIO reserves to the right to defer this potential out of cycle draft MITBC review to the annual CPIC budget submission cycle.)	PM, IPT, Sponsor (Collaborate with the OCIO on the development of the MITBC and necessary supporting IT investment documentation.)
19. For Major IT Investments, complete a final MITBC per the CPIC schedule for the annual DOL budget submission cycle (The final submitted MITBC should reflect changes based on the OCIOs review and comments.)	PM, IPT, Sponsor (Collaborate with the OCIO on the development of the final MITBC.)
20. Submit DOL's ITPS and MITBCs to OMB in September	OCIO – IT Governance
21. Update the IT Investment ITPS and MITBC - for Major IT investments in eCPIC as per OCIO guidance and/or instructions to address OMB "Passback" guidance	PM, IPT, Sponsor (Collaborate with the OCIO on the update of the ITPS and/or MITBC, as necessary or required to address OMB passback guidance.)
22. As current agency funding allows, continue Planning Phase Activities (i.e., IT IMLC, IT Investment Management Framework (i.e., SDLCM, CPIC, SBM, and IT Security activities)	PM, IPT, Sponsor
23. President's Budget Submission to Congress	OMB
24. President's Budget review, authorization, and appropriations process	Congress
25. Upon agency IT Investment funding request allocation and/or commitment, continue Planning Phase Activities (i.e., IT IMLC, IT Investment Management Framework (i.e., SDLCM, CPIC, SBM, and IT Security activities)	PM, IPT, Sponsor

Select Phase Requirement	Responsible Entity
26. Develop a PMP, Acquisition Plan, and QMP utilizing the templates from the OCIO (See the Resource Library on LaborNet for copies of these templates.)	PM, IPT, Sponsor
27. Develop a Baseline and Supporting Artifacts per the procedures and requirements as documented in the DOL Baseline Management Guide (See the Resource Library on LaborNet for a copy of the Baseline Management Guide. See also the latest version of the Investment Review Requirements document for details on the Initial and Final Select Review process and associated requirements.)	PM, IPT, Sponsor
28. Submit the IT Investment Baseline and Supporting Artifacts to the OCIO for the Initial Select Review	PM, IPT, Sponsor
29. Review and Comment on the Initial Select Review of the IT Investment Baseline and Supporting Artifacts[2]	OCIO – IT Governance
30. Address OCIO Initial Select Review comments in the IT Investment Baseline and Supporting Artifacts	PM, IPT, Sponsor
31. Submit the IT Investment Baseline and Supporting Artifacts to the OCIO for the Final Select Review	PM, IPT, Sponsor
32. Review and Comment on the Final Select Review of the IT Investment Baseline and Supporting Artifacts[2]	OCIO – IT Governance
33. Address OCIO Final Select Review comments in the IT Investment Baseline and Supporting Artifacts	PM, IPT, Sponsor
34. Submit necessary IT Investment Baseline and Supporting Artifacts to the OCIO for Final Approval	PM, IPT, Sponsor
35. IT Investment Baseline and Supporting Artifacts Approval	OCIO – IT Governance
36. Baseline Locked and the IT Investment Proceeds to the Control Phase	PM, IPT, Sponsor

Table 2 Footnotes: [1]This task can be accomplished before, during or after the OMB MITBC submission, depending on the timing of the budget submission process. IT Investment PMs/IPTs should coordinate with the OCIO on the timing of the development of the initial CBA. [2]IT investment CPIC Control Phase activities and SDLCM Phase 3 - Design activities cannot begin until a baseline is approved by the OCIO.

4 Control Phase

This chapter describes the detailed IT investment management requirements associated with the CPIC Control phase as shown in Figure 5 below.
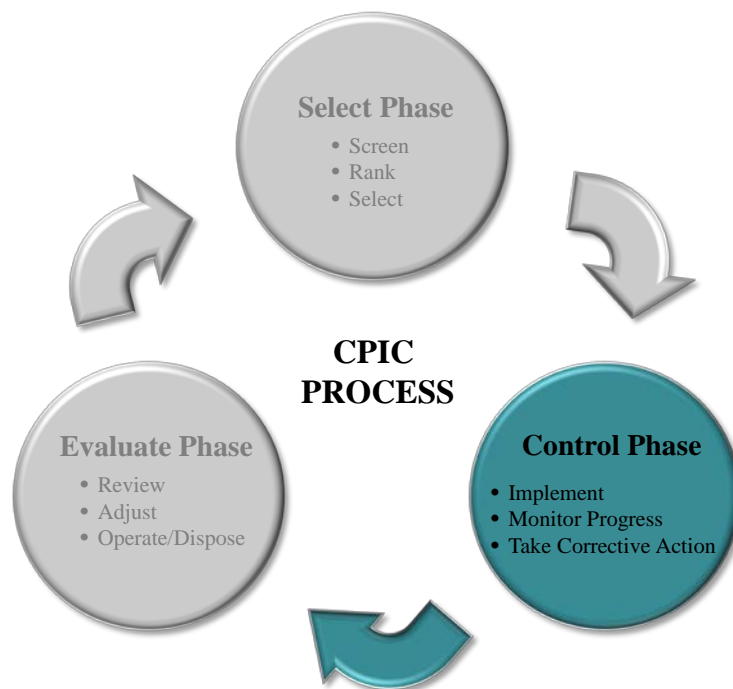
Figure 5: The Control Phase

As initially described in Chapter 2, the goal of the Control Phase is to actively oversee and monitor the development, implementation, and performance of DOL's IT investments to ensure they support DOL's mission, business objectives, and stakeholder needs efficiently and effectively.

The Control phase begins once the IT investment baseline has been reviewed and approved by the OCIO Capital Planning team. In the Control phase, the IT investment PM and IPT are responsible for implementing and managing IT investment according to the approved baseline documentation. In addition, the PM and IPT are responsible for reporting on *actual* performance compared to the *planned* performance documented in the approved baseline. This involves proactive, effective, and timely oversight of all project activities, quality control, and risk management as well as meeting DOL IT investment management life cycle requirements, meeting or exceeding performance goals, and staying on schedule and within budget. At times corrective actions will be needed.   These include but, are not limited to temporarily shifting resources, replanning, participating in a CPIC team review or a TechStat Review, and potentially rebaselining for legitimate reasons. The DOL Baseline Management Guide describes requirements for managing and reporting on performance throughout the investment's life cycle as well as the appropriate reasons for rebaselining an IT investment.

The Control Phase ends when the IT investment is fully implemented, the planned requirements have been met or satisfied, and the solution is accepted by the sponsor whom signed the Project Charter or an equivalent/replacement agency business owner.

4.1   Control Phase - Management Processes

The following investment management processes occur during the Control phase:

1. **Quarterly Control Reviews** performed by the OCIO (as per the latest quarterly control review schedule published by the OCIO Capital Planning team found in the [Resource Library](#) on LaborNet) examining IT investment cost and schedule performance, risk management, and other IT investment management framework requirements;

2. **Monthly Earned Value Management** analysis (only for Major IT investments with $1M or more in DME annually);

3. **Monthly data updates** to the **OMB IT Dashboard** and the submittal of MITBCs (for Major IT investments only); and

4. **Meetings** between the PM/IPT members and OCIO to discuss cost and schedule variances, the "health" of the investment, TechStat Reviews, or any corrective actions leading to a rebaselining of the IT investment.

4.1.1 Quarterly Control Reviews

The OCIO conducts quarterly Control Reviews (CRs) for Major and Non-Major investments in the Control phase.   See the latest version of the OCIO CPIC team's *Investment Review Requirements* document in the Resource Library on LaborNet for detailed requirements and guidance on CRs including a sample CR template used by the OCIO to review and assess agency IT investments, exceptions to the CR process, and agency artifact CR submission due dates. This document also includes a current list of IT investments in the Control phase. CR results are documented in scorecards in which the OCIO evaluates the investment's Security compliance, SBM compliance, cost and schedule performance, risk management, and SDLCM compliance. As part of the CR process, the CPIC, Security, and EA Teams within the OCIO review and score relevant artifacts submitted by the PMs. For instance, PMs must submit:

- IT Investment artifacts such as the Risk Management Plan, Cost Benefit Analysis, Acquisition Plan, and the Operational Analysis.

- Updated Project Plans and Risk Registers. These provide evidence of ongoing, proactive, and effective cost, schedule, and risk management. The Project Plan submitted for the last review of the year should show detail for the upcoming fiscal year.

- A summary of their IT investments' performance using the CR template in eCPIC.

The OCIO conducts two quarterly CRs for Major and Non-Major investments for Q2 and Q4. Formal Control Reviews are not conducted for Q1 and Q3, however, all Major investments are thoroughly reviewed by the OCIO in Q3 as part of the annual IT budget submission to OMB.

PMs are required to submit required Control Review artifacts in eCPIC by the 15th of the first month following the end of the quarter for which the CR will be conducted. Late submittals result in downgraded scores; missing artifacts result in "red" scores. After the OCIO has finished the scorecards, the Deputy CIO sends them to Agency Administrative Officers (AO) and IT agency leads for review and any follow-up actions. Annual CR requirements and due dates are available in the Resource Library on LaborNet. See Appendix C of this Guide for a summary of IT capital planning requirements by CPIC phase.

4.1.2 Earned Value Management

Earned Value Management (EVM) is a DOL OCIO and OMB mandated IT investment performance-based management process, which integrates cost, schedule, and technical performance to provide decision makers timely and accurate information on the overall performance or health of an IT investment with DME activities. The purpose of EVM is to measure IT investment cost and schedule performance results by comparing planned, budgeted, and scheduled work activities against actual work accomplished. As work is accomplished on an IT investment, IT investment value is "earned." The EVM process is also used as a predictive tool to highlight investment risks and identify opportunities and strategies to improve the performance of the IT investment.

For more information on DOL's EVM Program, policy, system, and IT investment EVM requirements, please consult the Department's EVM Operations Guide. The latest version of the Guide can be found in the Resource Library on LaborNet.

4.1.3 OMB IT Dashboard Updates

During the Control Phase PMs of all Major IT investments provide monthly updates to investment data, which is posted to OMB's IT Dashboard (ITDB) public website. This data includes cost and schedule performance data, updated metrics for performance goals, contracts status, risks, and, periodically, updates to budget authority dollar amounts. Investment Data updates are required in eCPIC by COB of the 10th day of every month. The OCIO Capital Planning team reviews and approves updates to cost and schedule data; makes updates to CIO Ratings; and uploads data from eCPIC to the ITDB. The CIO Ratings reflect the CIO's assessment of the overall performance of the investment and may be used to highlight an investment's risk, schedule delays, budget cuts, or changes in management teams.

OMB performs calculations on investments' updated cost and schedule data and CIO Ratings to create Cost, Schedule, and Overall Ratings which are posted to the ITDB in the form of red-yellow-green "stoplight" ratings. We believe the "CIO Rating" carries the most weight in the overall rating calculation as this reflects OMB's view that the CIO has the best perspective and most accurate information on the investment's status and performance.

Because the ITDB is a public website, DOL IT investment Ratings may be viewed by GAO, Congress, the public, "watchdog" groups, and anyone else who is interested. OMB's intention in making investment performance information available to the public is to provide transparency and accountability for Federal government IT spending and investment performance.

4.1.4 IT Investment Artifact Upload to OMB DataPoint Site

In accordance with OMB FY2015 Exhibit 53 and 300 Guidance (July 2013), DOL agencies are required to develop, maintain, and submit specific artifacts to OMB for all major IT investments. The artifacts are to be submitted to an OMB developed online interface, located within the OMB MAX website portal, called DataPoint. This DataPoint site was developed by OMB to facilitate sharing of agency IT investment artifacts. This site will also allow OMB quick and easy access to agency IT investment and project management related artifacts. The list of required DOL major IT investment artifacts to be up loaded to DataPoint is shown in Table 3.

Table 3: OMB IT Investment Artifact Upload Requirements to DataPoint

OMB Artifact Type	Responsive DOL-Standard Artifact(s)
Risk management plan	Latest risk management plan (not risk register, can be common use)
Investment charter, including IPT	All latest "component" charters: • Investment charter • Project charter for each current project
Investment-level alternative analysis and benefit cost analysis	All latest "live" CBAs: • For each proposed DME initiative for which funding is requested • Existing for each pending and current DME project, otherwise "ROI calculation" document (see OCIO Capital Planning) • Existing for each completed DME project for which the period of analysis has not been completed or superseded
Operational analyses (for operational or mixed life cycle systems)	Latest existing OA
Post implementation review results (investment level or project specific)	Existing PIR for each operational system/application
Documentation of investment re-baseline management approval(s)	"Approval document" for each rebaseline in investment history, e.g.: • Memorandum • Email response • Approved BDR request [template] • PBCR (contact OCIO Capital Planning)

OMB has developed a user guide to assist and support users in uploading IT investment artifact into the DataPoint site. This guide is available via the OMB MAX portal site, which requires agency users to login to access. Please refer to this guide for the specific uploading instructions to the DataPoint site.

4.1.5 PM and OCIO Meetings

Control phase meetings between the IT Investment PM and the OCIO focus on investment management issues and strategies for resolving them. The OCIO initiates meetings with IT investment PMs in response to the following types of circumstances.

- Schedule or budget variance is greater than + / - 10 percent; a project is significantly delayed; or costs are increasing significantly.

- Requirements and work scope change frequently.

- Activities or costs are omitted from or added to the baseline without prior approval.

- Approved performance goals no longer support the mission or business functions, or reported metrics indicate the performance goals are not being met.

- Required artifacts are not submitted or are submitted late. Quality is not acceptable.

- Legislative changes require new or changed scope for the investment.

- Major technical problems with the selected technology occur and the recommended resolution of the problem does not allow the investment to be developed as planned.

The PM and the OCIO collaborate to identify next steps or strategies for addressing the issues. These include but are not limited to the following:

- **Proceed** – move forward with the investment because actions are being taken to resolve the problems, i.e., additional resources are being brought in to support the project.

- **Modify** – the investment should move in a different direction, or a corrective action plan (CAP) is needed, or a rebaseline / replan is needed.

- **Suspend** – stop the investment while management, resource, or other issues are resolved.

If the investment must be replanned or rebaselined, meetings continue throughout the process. The Rebaseline Tracker in the DOL Baseline Management Guide is used to review requirements and resources and to track progress. This ensures an efficient process for the PM and the OCIO as well as full compliance with DOL IT IMLC including the IMF requirements.

A TechStat Review may be held to determine next steps for the investment. The purpose of a TechStat Review is to either turnaround or terminate a failing or under-performing IT investment. A TechStat Review is chaired by the CIO, and participants include the Agency head, investment sponsor, PM, program manager, Deputy CIO, OCIO CPIC Program Manager, and others. The PM and the OCIO work together to plan the TechStat Review. During the Review, specific outcomes / next steps are identified and subsequently tracked until they are fully documented and completed.

4.2   Control Phase and Baseline Management

The IT Investment Control phase activities including, for example, the quarterly control reviews, periodic meetings between the PM and OCIO, EVM analyses, OMB ITDB project/activity

updates, and other OCIO monitoring and oversight activities are intended to validate the following critical success factors:

- Reports of actual performance against the baseline are timely and accurate;
- Investment performance has appropriate visibility within the Agency and DOL;
- Baseline management and IT investment management framework requirements are met; and
- Variances are addressed appropriately, proactively, and effectively and appropriate actions are taken for variances that are reaching or exceeding the + / - 10 percent threshold.

When a rebaseline is warranted during the Control Phase of the IT investment, the IT Investment PM and OCIO work together to ensure the baseline management change requirements are being met.

4.2.1 Management Responsibilities

Table 4 lists the Control Phase management responsibilities and the associated owner responsible for implementing the action item/requirement.

Table 4: Control Phase Requirements and Responsible Entity

Control Phase Requirement	Responsible Entity
1. Majors Only: After OCIO approval of the IT Investment Baseline, join the OCIO EVM Program and begin monthly EVM reporting to the OCIO (See the latest version of the OCIO Earned Value Management Operational Guide in the Resource Library on LaborNet for details.)	PM, IPT
2. Analyze EVM data based on the status of the Project Plans and the baseline	OCIO – IT Governance
3. Majors Only: Update project data monthly in the eCPIC system	PM, IPT
4. Analyze and QA monthly project updates; upload project data monthly (and EVM Reports, if requested) to OMB IT Dashboard (ITDB)	OCIO – IT Governance
5. Comply with SDLCM and IT IMLC including the IMF requirements	PM, IPT
6. Meet all Control Review requirements and due dates	PM, IPT
7. Conduct Control Reviews; issue Scorecards and reports	OCIO – IT Governance
8. Review Scorecard and remediate any problems as needed	Agency Sponsor, PM, IPT
9. Majors: update MITBC and ITPS for budget request in September and passback in December / January	PM, IPT , Agency Sponsor
10. Review and approve MITBC and ITPS; submit to OMB	OCIO – IT Governance

Control Phase Requirement	Responsible Entity
11. Meet as needed to discuss investment performance	OCIO – IT Governance, PM, IPT
12. Manage and report on cost, schedule, and technical performance against the baseline; measure variances	PM, IPT
13. Identify, assess, mitigate and manage risk	PM, IPT, Agency Sponsor
14. Ensure IT security and privacy controls are in place	PM, IPT
15. Ensure SBM EA requirements are achieved	PM, IPT
16. Take appropriate actions to adjust for variance trends; perform variance analysis (VA), as needed	PM, IPT, Agency Sponsor
17. Identify and implement Corrective Action Plans	PM, IPT
18. Assist with VA; monitor Corrective Action Plans	OCIO – IT Governance
19. Make recommendations based on remediation efforts	OCIO – IT Governance
20. Justify any requests to rebaseline / replan	PM, IPT
21. Meet all requirements for changing a baseline	PM, IPT
22. Provide required artifacts to support baseline changes	PM, IPT
23. Analyze and approve / reject baseline change requests	OCIO – IT Governance
24. Do Performance Baseline Change Request (PBCR) in eCPIC if rebaseline / replan is approved	PM, IPT
25. Approve and upload new baseline data to OMB ITDB	OCIO – IT Governance

5 Evaluate Phase

This chapter describes the detailed IT investment management requirements associated with the CPIC Evaluate phase as shown in Figure 6 below.
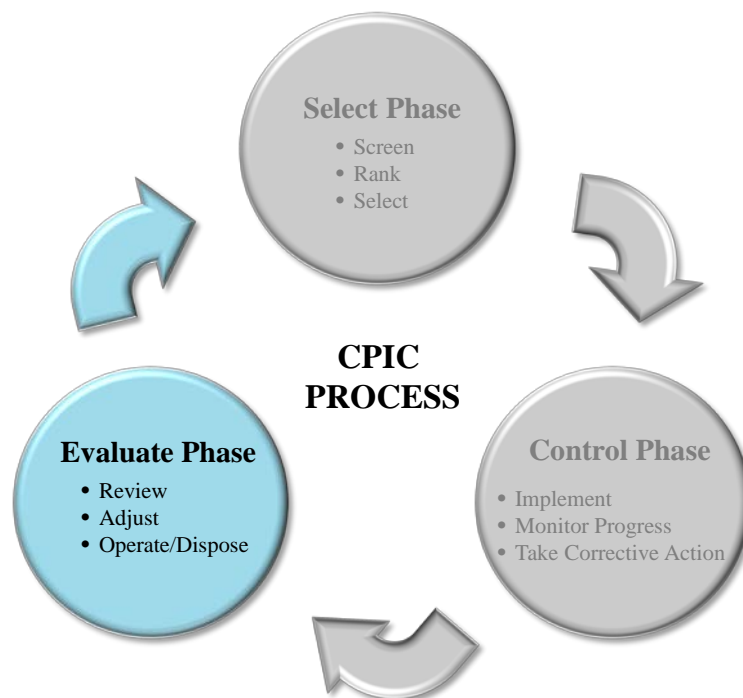

Figure 6: The Evaluate Phase

As initially described in Chapter 2, the goal of the Evaluate Phase is to review the design, development, and implementation of DOL's IT investments to ensure they support DOL's mission, business objectives, and stakeholder needs, efficiently and effectively. The Evaluate Phase is also about conducting a Post Implementation Review (PIR) and documenting IT investment lessons learned to ensure new or similar IT investments going forward are managed better by leveraging and utilizing the lessons learned from prior IT investment activities.

The Evaluate phase begins with the start of O&M for the delivered asset. The purpose of the Evaluate phase is to assess the investment's realized business benefits, ongoing operations, and to document lessons learned from the implementation of the IT investment solution. This provides the opportunity to identify and implement strategies to reduce operational or unit costs; improve operations for greater efficiency or effectiveness; and determine the extent to which the investment continues to meet business needs and specified performance goals. IT investments in the Evaluate phase participate in periodic Evaluate Reviews conducted by the OCIO, are required to complete a Post Implementation Review (PIR) within six to twelve months after starting O&M, and an Operational Analysis (OA) annually thereafter. OCIO Evaluate Review scorecards are generated, reviewed by the Deputy CIO, and sent to Agency managers.

During the Select phase, business needs were identified and the IT investment was justified, in part, by demonstrating how it would meet those business needs. Performance goals were also identified, and performance metrics have been tracked and reported. During the Evaluate phase IT Investment PMs seek to determine the extent to which those business needs are being met and those performance goals are being achieved. What are the actual outcomes of the investment? How much is it costing to achieve those outcomes? Could similar and acceptable outcomes be produced at lower costs, and if so, how? Could operations be streamlined or improved for greater efficiency or effectiveness? These and other similar questions are at the core of the Evaluate phase.

If the analyses performed during the Evaluate phase show the business needs or performance goals are no longer being met or have changed, the analyses may provide the necessary justification for modernizing, enhancing, or replacing the system. The Evaluate phase for an IT investment ends when the IT investment is at the end of its life cycle and it is targeted to be shut down and decommissioned as required by the SDLCM Disposition Phase.

5.1   Evaluate Phase - Management Processes

The following IT investment management processes occur during the Evaluate phase:

1. A **Post Implementation Review**

2. Annual **Operational Analysis**

3. Annual **Evaluate Reviews** examine cost and schedule performance, risk management, SDLCM compliance, Security compliance, and SBM compliance;

4. Monthly data updates to the **OMB IT Dashboard** (ITDB) and the submittal of MITBCs (for Major IT investments only);

5. **Meetings** between the PM and OCIO to discuss cost and schedule variances, the "health" of the investment, TechStat Reviews, or any corrective actions such as rebaselining;

5.1.1   Post Implementation Review

Once an IT Investment has been in production for six to nine months, the CPIC Evaluate process requires PMs and IPTs to conduct an IT Investment-led Post Implementation Review (PIR). The purpose of the PIR is to assess whether the delivered IT investment achieved its intended purpose and/or mission. That is, it's in alignment with and supports the business mission of the agency and the Department, it closed the business need and/or performance gap (captured in the Project Charter), produced the expected or required results (i.e., including the business efficiencies, cost savings, and benefits identified in the CBA), and fulfilled stakeholder expectations. The PIR process also analyzes the IT investment's planning, design, development, testing, and implementation activities to identify lessons learned and any necessary follow-up activities.

The following criteria must be met before an IT investment PIR can occur:

- All planned and baselined development and implementation activities have been completed;

- The delivered IT investment has been in O&M long enough, within six to twelve months, such that the expected business benefits should have accrued, and;

- Performance goals are being met or are on target to be met.

An IT Investment PIR is conducted by the IT Investment PM/IPT. It can be Agency-led or OCIO-led, as necessary or required.

- If the PIR is PM/IPT or Agency-led, the PM and IPT must complete the PIR template in the eCPIC system. This effort must be comprehensive and detailed; the PIR is not meant to be a cursory review or a paper exercise. It is intended to yield quantitative and qualitative results of the system implementation as well as lessons learned. The OCIO reviews the completed IT investment PIR and approves or rejects it.

- If the OCIO chooses to lead the IT investment PIR, the OCIO will be responsible for forming a team of subject matter experts to serve on the PIR Team. The OCIO and the PIR Team will work with the PM and IPT members to gather and analyze the IT investment data. A report is issued at the conclusion of the OCIO-led PIR.

The PM/IPT is responsible for providing the necessary data and documentation for the PIR regardless of who leads it. The PM/IPT typically conducts a user survey, collects other data, and performs various analyses. For example, the PM/IPT compares the actual Return on Investment (ROI) to the projected ROI; compares actual cost savings to projected cost savings; compares actual outcomes to planned outcomes; and validates the investment's alignment, as applicable, with Agency, Departmental and Federal IT initiatives such as the "cloud first" policy, the Shared Services Strategy, Digital Government Strategy, Open Data Policy, and other applicable IT modernization initiatives. A PIR template in eCPIC provides the structure for completing the PIR. It covers areas such as:

- The baseline management process including EVM reporting and analysis

- The risk management and mitigation processes

- OCIO CPIC support and resources

- The system acquisition process (cloud or Shared Service Provider (SSP); traditional or modular, etc.)

- The contracting methodology used

- The effectiveness of requirements analysis and requirements management

- The adequacy of system testing, integration testing, interoperability testing, etc.

- Training received and/or provided

- Conversion tasks from legacy systems to current architecture

The end result or output of an IT Investment PIR is a recommendation on the continued operational status of the IT investment. For example, it may be determined the IT investment should be:

- **Accepted** – as it has fulfilled its intended business need and performance gap and requires no further corrective actions or modifications (i.e., either it provides expected business

benefits or any known or identified operational or performance shortfall(s) are not worth pursuing),

- **Conditionally Accepted** – as corrective actions or modifications are pending completion (i.e., in order to achieve expected business benefits existing shortfalls must be addressed before final acceptance), or

- **Unaccepted or Unacceptable** – as corrective actions or modifications are cost prohibited for satisfactory completion (i.e., expected business benefits are not reasonably achievable as existing shortfalls are too costly to pursue and/or implement.) In this case, alternative viable solutions are pursued even though it may take time to shift to a new IT investment solution.

- **Terminate** (i.e., a large portion of the expected business benefits were not achieved).

An IT investment PIR requires an in-depth analysis of problems that occurred with the planning and management of the IT investment and problems that exist within the deployed IT investment solution. The purpose is not to identify problems so that blame can be assigned; instead the purpose is to provide a frank assessment so the IT investment – and potentially other DOL IT investments – can be managed more efficiently and effectively.

First, changes that are needed to the investment are identified, planned, and implemented. For example, if the PIR shows the costs are higher than expected, the PM will be asked to identify and implement strategies for bringing costs down and then measuring them. If planned benefits are not being realized, the PM will be asked to identify realistic courses of action. If stakeholders are dissatisfied with the system, the PM will be asked to develop and implement a plan for addressing the problems. Appropriate follow-up action is required and tracked.

Second, the OCIO and PM discuss strategies for leveraging the lessons learned. Lessons learned are key outputs of the PIR. After they have been identified, the PM and the OCIO work together to develop and implement modifications to improve and mature the CPIC process. How can other PMs within DOL benefit from the lessons that were identified through the PIR? For example, if a PIR shows the IT investment's requirements were not managed effectively, what processes or resources might help to avoid similar problems in other investments? Could more explicit guidance be added to the SDLCM Manual? Could a template be developed? What other strategies could improve the requirements development and management process or even the entire IT investment management process?

An IT investment PIR is a one-time event. Following the successful completion of a PIR and any necessary follow-up activities by the PM and IPT, the IT investment moves into the value-monitoring O&M mode. (See the Operational Analysis section below for further details on the annual IT investment value-monitoring mode activities.)

5.1.2 Operational Analysis

The Operational Analysis (OA) is an OMB-required, performance-based IT investment management process that must be conducted at least annually for (1) Major IT investments in the Evaluate phase and (2) the O&M components of all Mixed life cycle IT investments. The OA is performed annually after completion of the IT Investment PIR.

The OA is a method of examining the current performance of a fully operational investment or the operational components of a Mixed investment. The OA should trigger considerations of how performance objectives can be met more effectively and how costs can be reduced. The OA relies on performance measurement and tracking to enable the PM to control costs, schedule, and technical variances. The OA should seek to answer questions pertaining to customer results, business results, system performance, unit costs, IT security and privacy, customer satisfaction, innovation, etc.

There are a number of simple, common sense approaches PMs can use to track quantitative and qualitative performance during the O&M phase of an IT investment. Tracking qualitative performance and identifying associated variances generally results from continuous communication between the PM and the customer. Generally speaking, if customer satisfaction data is collected, analyzed, and is found to be satisfactory, then the IT investment should continue to managed and operated as is and according to plan. If customer satisfaction is found to be below expectations, then further root cause investigation and corrective actions should be developed and implemented to address the issues, gaps, and/or concerns.

The converse, of course, applies. Quantitative measures of planned performance may include unit costs, processing times, and Service Level Agreement (SLA) measures. An OA gives decision makers timely and accurate information on the performance and any performance gaps of an O&M IT investment. It helps determine whether the investment is continuing to meet its planned objectives as well as the current needs of its users, customers, stakeholders, and sponsors.

The output of an OA is a recommendation on the future operational status of the IT investment. For example, it may be determined that the IT investment should be:

- Maintained "as is" without any changes,
- Modified (requiring operational changes that do not result in any new DME activities),
- Enhanced (requiring new DME activities),
- Replaced (decommissioned in a planned manner and replaced with a new system), or
- Terminated (decommissioned in a planned manner with no replacement).

The results of the OA may be used to justify funding for an enhanced or replacement IT investment during DOL's annual budget formulation process. Depending on the results of the OA and the specific circumstances, a new investment Cost Benefit Analysis may need to be completed to justify an enhancement or a replacement investment.

The OA for an IT investment, like all required artifacts, should be commensurate with the size, complexity, mission criticality, and scope of the initiative. The associated documentation should be as detailed as necessary to justify the conclusion and recommendations regarding the future operational status of the investment. The OCIO has developed an OA template within eCPIC to support PMs in the development of their OAs. This ensures consistency across IT investments as well as a comprehensive approach to the OA process. An MS Word version of the DOL OA template can be in the [Resource Library](#) on LaborNet. The MS Word version may be used by PMs and IPT members to create or draft responses to the various questions and section within the template but, IT investment teams are responsible for transferring their OA content into eCPIC.

5.1.3 Evaluate Reviews

The OCIO conducts two Evaluate Reviews for Major and Non-Major IT investments in the Evaluate phase. The first is called a mid-year evaluate review, which generally occurs in May and covers compliance for the first six months of the fiscal year. The second is called an end-of-year evaluate review, which generally occurs in November and covers compliance for the last six months of the fiscal year. A list of IT investments in the Evaluate phase can be found in the latest version of the OCIO Investment Review Requirements document in the Resource Library on LaborNet. The Evaluate reviews involve "scorecards" in which the OCIO evaluates the investment's Security compliance, EA compliance, cost and schedule performance, risk management, and SDLCM compliance. As part of this process, the CPIC, Security, and EA Teams within the OCIO review and score relevant artifacts submitted by the PMs.

- PMs are required to submit artifacts such as the Risk Management Plan, Cost Benefit Analysis, and Acquisition Plan. Other documents such as the Project Charter and Project Management Plan may also be evaluated. OMB requires all major IT investments to upload the latest version of these these artifacts to the OMB MAX DataPoint portal. See Section 4.1.4 for further details on the OMB MAX DataPoint portal requirments.

- PMs must submit updated Project Plans and Risk Registers. These provide evidence of ongoing, proactive, and effective cost, schedule, and risk management. The updated Project Plan must show detail for the current and upcoming fiscal years. For example, the Project Plan submitted for the FY15 Evaluate Review must show detail for FY15 and FY16.

PMs must submit required Evaluate Review artifacts in eCPIC quarterly until the PIR is submitted and then annually thereafter. Note: late submittals will result in downgraded scores; missing artifacts result in "red" scores. After the OCIO has finished the scorecards, the Deputy CIO sends them to Agency managers for review and any follow-up actions. Annual Evaluate Review requirements and due dates are available in the Resource Library on LaborNet. Also see Appendix C of this Guide for a summary of IT capital planning requirements by CPIC phase.

5.1.4 Other Evaluate Phase Requirements

The Evaluate phase requirements for monthly ITDB updates and the submittal of MITBCs (for Major IT investments only) as per the annual budget submission cycle. Meetings between the PM and the OCIO, and the annual Operational Analyses are the same as the Control phase requirements. Please refer to the Control phase section of this Guide for details on these requirements.

5.2   Evaluate Phase and Baseline Management

As in the Control phase, baseline management in the Evaluate phase focuses on managing project activities and risk so the intended results are achieved on time and within budget. This requires the PM to measure and track performance on an ongoing basis. Even though the OCIO only evaluates an updated Project Plan once a year, it is assumed the PM is continually updating the *actual* cost and schedule data in the Project Plan and comparing it to the *planned* data. Continually making these comparisons enables the PM to identify and correct problems.

When performance gaps develop, costs increase, or new business needs emerge, the PM, sponsor, program manager, and other stakeholders should begin making the case for a system modernization or enhancement effort. Typically this involves requesting and justifying approval for new or increased funding. See Chapter 3 of this Guide for details. If and when new or additional funding is approved, the PM and the OCIO discuss how best to organize the legacy (or operational) effort and the future DME effort. In some cases, the existing operational investment expands to encompass the new DME project(s). In other cases, the new DME work becomes a new investment. Based on the decision made, the PM either initiates a rebaseline or begins to establish a new baseline, and the investment is moved to the Control phase or the new investment enters the Select phase. Either way, the PM and the OCIO will work together closely to ensure the CPIC and baseline management requirements are met.

5.3   Management Responsibilities

Table 5 lists the Evaluate Phase management responsibilities and the associated owner responsible for implementing the action item/requirement.

Table 5: Evaluate Phase Management Responsibilities

Evaluate Phase Requirement	Responsible Entity
1. Manage the investment's cost, schedule, and technical performance; identify and resolve increasing variances; manage risk effectively; identify any need to rebaseline	PM, IPT
2. For Major investments, submit monthly project and activity updates to Tables B1 and B2 in eCPIC	PM, IPT
3. For Major investments, approve and upload monthly project and activity updates from eCPIC to OMB IT Dashboard	OCIO – IT Governance
4. Conduct Post Implementation Review (PIR) and follow up	PM, IPT, Agency Sponsor and OCIO
5. Meet quarterly and annual Evaluate requirements and due dates: Submit a Post Implementation Review or an Operational Analysis, statused Project Plan, updated Risk Register, and any other SDLCM artifacts (refreshed CBA, updated AP, etc.) quarterly or annually by November 10	PM, IPT
6. Perform annual Evaluate Reviews; issue Scorecards	OCIO – IT Governance
7. Review Scorecard and remediate any problems as needed	Agency Sponsor, PM, IPT
8. For Major investments, update the MITBC and ITPS for budget request in September and passback in December / January	PM, IPT, Agency Sponsor
9. Review and approve MITBCs and ITPS; submit to OMB	OCIO – IT Governance
10. Plan and implement disposition activities	PM, IPT

6   IT INVESTMENT FUNDING

The process of requesting, justifying and receiving funds for IT investments is a key part of the Select phase of DOL's IT CPIC process. PMs must understand the federal budget and planning cycles that drive the CPIC process and its reporting requirements. There are three key annual budget cycles that are related and important to understand from a CPIC perspective. They are:

1. Federal budget cycle,
2. DOL's budget cycle, and
3. DOL's IT CPIC budget formulation cycle.

By understanding these three cycles and their timelines and reporting requirements, Agencies and PMs can enhance the likelihood of having their IT investment funding requests approved. These three cycles are described in greater detail in the following subsections.

6.1   Federal Budget Cycle

The Federal budget cycle is a complex annual process for determining the funding for the federal government. For the purposes of this guide, this section does not describe all of the nuances and complexities associated with the entire budget cycle. The goal of this section is to introduce and describe the Federal budget cycle as it relates to and drives the annual CPIC reporting process with OMB; more specifically the DOL IT investment budget planning related deliverables (i.e.., the agency MITBCs and the agency ITPS) required to support the annual OMB budget formulation process.

The Federal budget cycle consists of a number of concurrent processes that address budgets and funding for a two-year period: The Federal budget process officially begins in February of each year with the release of the President's Budget and is ideally concluded by October 1, the start of the new Federal Fiscal Year. Figure 7 illustrates the activities associated with the annual Federal budget formulation process on a monthly basis.
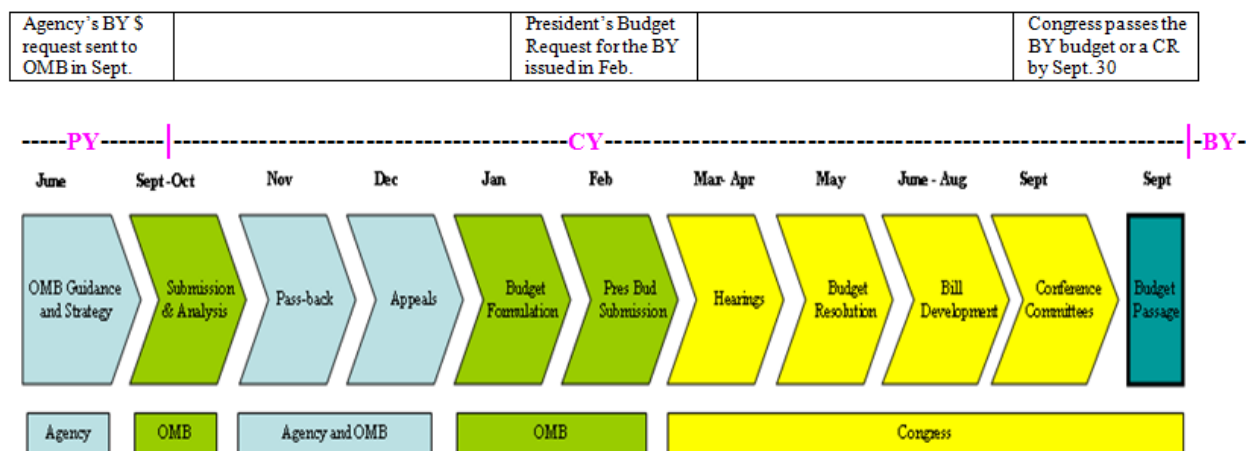

Figure 7: Overview of the Federal Budget Formulation Process

From a CPIC perspective, Federal agencies' primary IT budget requests, the MITBCs and ITPS are submitted to OMB annually in September. For example, in September 2014 the following would be true:

- **BY** (the Budget Year) would be Fiscal Year 2016 (Oct. 1, 2015 through Sept. 30, 2016). This is the year for which funds are being requested in the September 2014 submission.

- **CY** (the Current Year) would be Fiscal Year 2015 (Oct. 1, 2014 through Sept. 30, 2015). This is the year for which funds have previously been approved; they are being reported in the September 2014 IT budget submission to OMB.

- **PY** (the Prior Year) would be Fiscal Year 2014 (Oct. 1, 2013 through Sept. 30, 2014). This is the year for which funds have previously been approved; FY14 budget authority amounts are being reported in the September 2013 IT budget submission to OMB.

To summarize, in September of each year Federal agencies submit their MITBCs and ITPS to OMB. The submission reflects the agencies' IT budget requests for the BY (which is two years out from the current fiscal year) and include agencies' previously approved IT budgets for the CY (i.e., the current fiscal year) and the PY (i.e., the prior fiscal year). Table 6 provides a step-by-step summary of the Federal budget process for the budget year. DOL PMs who are initiating IT funding requests must understand this process in order to request the proper funding.

Table 6: Step-by-Step Summary of the Federal Budget Process

Month	Activity
June – September	**Guidance and Strategy -** In June OMB provides Federal departments with strategic planning and budget guidance for the upcoming Budget Year. OMB provides its best estimate of the department's "top line" budget amount and outlines the key elements of the Administration's spending priorities. Federal departments update their planning and program requirements to ensure compliance with the Administration's spending priorities. Concurrently all departments refine funding requirements, formulate their budgets, and prepare their funding requests for the upcoming Budget Year.
September – October	**Submission and Analysis -** Each department submits its completed budget or "funding request" to OMB. Departments are also required to submit ITPS and MITBCs. OMB conducts a comprehensive analysis of the departments' funding requests and the MITBCs and ITPS submitted to justify IT investments included in their budget submissions.
November – December	**Passback -** During the "passback" process OMB returns (or passes back) the departments' "modified" budget requests and queries departments on elements of their budget submissions that require additional justification or do not align with the Administration's spending priorities. Agency heads must then determine if there is value and justification for making an appeal(s). If the Agency head

Month	Activity
	proceeds with the appeal process, the appeal must be prepared in the next few weeks.
December	**Appeals -** Departments finalize their appeals and submit them to OMB by providing adjustments and justifications in response to OMB's recommendation and queries from passback.
January	**Budget Formulation -** OMB resolves departmental appeals and assembles the final budget request, referred to as the President's Budget (PB) or the President's Budget Request.
February	**Submission to Congress -** The President's Budget Request is delivered to Congress. This begins a long series of Administration officials testifying before Congress in support and justification of the PB.
March – April	**Congressional Hearings -** The House and the Senate appropriations subcommittees hold hearings on the President's Budget Request. This also begins the "markup" process where congressional committees act on the budget request providing their estimate of the value of various investments while the Administration attempts to influence the outcomes.
May	**Budget Resolutions -** The House and Senate adopt separate budget resolutions.
June – August	**Bills -** The House and Senate prepare and pass separate spending bills.
September	**Conference Committees -** The House and Senate conference committees resolve their differences, agree on final versions of the spending bill, and forward the bills to the White House for the President's signature or veto. Should there be no agreement or if the President vetoes both bills, Congress must consider passing "continuing" resolutions to ensure there are continued spending authorities in place to operate the Federal government beyond September 30, the end of the Fiscal Year.

When it's anticipated, near the end of the current Fiscal Year (midnight on September 30), there will be no signed Federal budget, Congress must consider in the House no earlier than September 15th the introduction of a Continuing Resolution to carry on the vital functions of the Federal government. A Continuing Resolution, commonly referred to as a "CR," is a joint resolution enacted by Congress and signed by the President to provide new budget authority for Federal Agencies and programs to continue operating until the regular appropriations acts are passed. The CR usually specifies a maximum rate at which Federal departments may spend money and incur financial obligations. PMs must always consider the possibility of a CR and make some assumptions concerning its impact on the investment's funding stream. PMs must determine strategies for managing the impact of a CR on the cost, schedule and technical performance of their investments.

6.2   DOL's Budget Cycle

The Federal budget process drives the Department's budget cycle. The Department's internal budget cycle begins a few months prior to the start of the Fiscal Year (October 1) and

encompasses an 18 to 20 month period. Figure 8 provides an overview of the annual DOL budget cycle process.
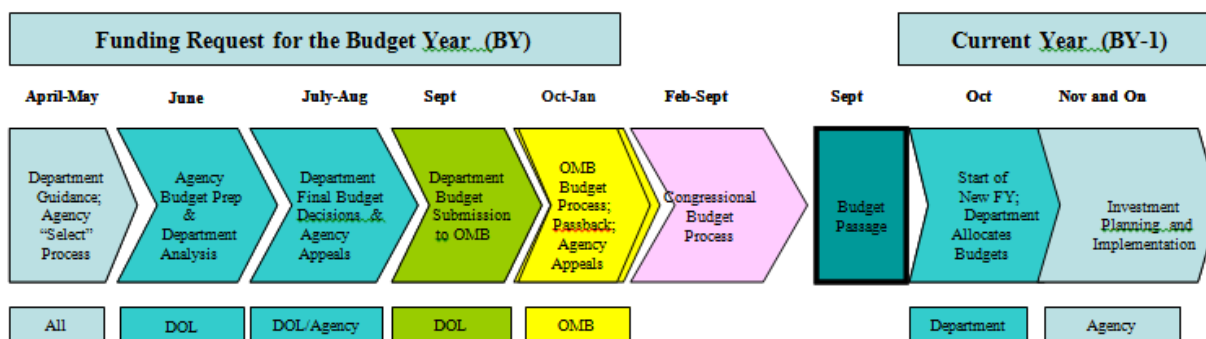

Figure 8: DOL Budget Cycle

Table 7, on the following page, provides a step-by-step summary of the DOL budget cycle.

Table 7: Step-by-Step Description of the DOL Budget Process

Month*	Activity
April/May	**Department Guidance and Strategy** – • Deputy Secretary issues "Current FY Mid-Year Performance and Budget Year" memorandum. • Agency input on Mid-Year Review is due to the Departmental Budget Center (DBC) and the Center for Program Performance and Results (CPPR). • Deputy Secretary issues "FY Budget Process" memorandum. • The Office of the Assistant Secretary for Administration and Management (OASAM) issues detailed budget guidance, including IT budget guidance.
June	**Agency Submissions & Department Analysis** - • Agencies "Select" investments and submit BY Performance Budget Issue Papers (PBIPs) which are investment proposals and justifications. These are submitted to the DBC and reviewed by the DBC, CPPR and the OCIO. The OCIO's focus is on IT elements and aspects of the PBIPs.
July	**Department Final Decisions** - • Deputy Secretary meets with Agencies, requests direction from the Secretary, and issues budget decision memos to Agency Heads. • Agency Heads submit appeals to the Secretary. The Secretary issues final decisions.
August	**Appeals** • Agencies submit draft budgets to the DBC and final OMB MITBC and ITPS to the OCIO.
September	**Department Submission & Budget Formulation** • DOL submits consolidated performance budgets and Exhibits to OMB.
October – January	OMB / Congressional Budget Process DOL leadership meets with OMB. OMB returns "modified" funding requests to DOL (passback). DOL submits final appeals to OMB. Budget decisions are finalized at

Month*	Activity
	OMB and reflected in the President's Budget which is released in February. Congress reviews, modifies, passes budget.

*(*Note: the monthly time periods in the table above are estimates based on prior experience and are subject to change going forward.)*

6.3   DOL's IT Budget Formulation Process

OMB and Congress drive the Federal government CPIC activities and deadlines that occur each Fiscal Year. Note the IT budget formulation activities occurring in the Prior Year (PY) are focused on funding requests for the Budget Year (BY). PMs should take special note of the activities listed in Figure 9 below. Table 8 provides a detailed description of each step associated with the DOL IT budget process.
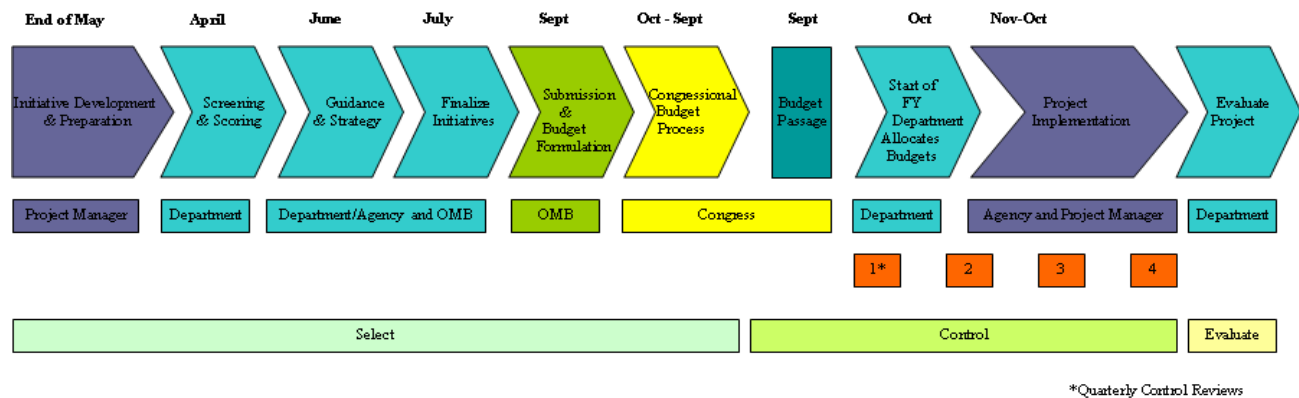
Figure 9: DOL IT Budget Formulation Process

Table 8: Step-by-Step Description of the DOL IT Budget Formulation Process

Month	Activity
Through the end of March	**Preparation** • PMs prepare IT initiatives for inclusion in the DOL portfolio of IT investments, i.e., prepare or update Cost Benefit Analyses, Acquisition Plans, Risk Management Plans, and other required documents. This usually takes 3 to 6 months.
April	**Screening and Ranking** • PMs prepare IT initiatives for inclusion in the DOL portfolio of IT investments, i.e., prepare or update Cost Benefit Analyses, Acquisition Plans, Risk Management Plans, and other required documents. This usually takes 3 to 6 months.
May – June	**OMB Guidance**

Month	Activity
	• Agencies continue Select process. • OMB releases guidance for Agencies on proposing and developing Budget Year IT initiatives. • OCIO – CPIC holds training sessions to review guidance for the upcoming Budget Year. • Agencies start to draft MITBCs and related artifacts (such as a Quality Management Plan) based on OCIO and OMB annual budget guidance. • In June, Agencies begin drafting text for their MITBCs
July	**Portfolio Decisions** • Agencies start to develop their ITPS based on OCIO and OMB budget guidance. • DOL receives OMBIT budget guidance and begins to interpret the detailed instructions for submitting budget data and materials. • Agencies make initial presentations to the Deputy Secretary on their proposed budget requests. • The Deputy Secretary identifies IT investments to be included in the DOL IT portfolio. • The Deputy Secretary meets with the Secretary and then issues decision letters to Agencies. • Appeals are due to the Secretary from Agency Heads in July/August. The Secretary issues final decisions. • Agencies revise their draft OMB MITBCs and ITPS to reflect final decisions.
August	**Finalizing OMB Materials** • Agencies finalize their OMB MITBCs and ITPS and submit them to the DOL OCIO.
September	**OMB Submission** • The OCIO asks the Capital Planning Committee to review the draft DOL ITPS. The OCIO submits MITBC and the

Month	Activity
	finalized DOL ITPS to OMB.
October	Waiting Period OMB conducts an analysis of Department funding requests.
November	OMB Passback • OMB issues passback guidance and the OCIO and DBC review it; the DBC informs Agencies. • Agencies revise MITBCs reflecting OMB passback recommendations
December	Departmental Appeals and OMB MITBC Resubmission • The OCIO submits revised MITBCs included in the Department's appeal to OMB. (This may not occur until January depending on when OMB releases passback guidance.) • The Department submits appeals to OMB for consideration and OMB reviews the appeals.
January	OMB resolves outstanding issues and develops the final President's Budget • OMB coordinates any outstanding issues with DOL and develops the final President's Budget.
February	The President's Budget (for the BY) is released • DOL reviews its BY funding in the President's Budget. Congressional budget process begins.

Figure 10 summarizes the process for justifying, requesting, and receiving approval for new or increased funding for an IT investment; this graphic represents the budget process from the DOL CPIC budget formulation perspective.
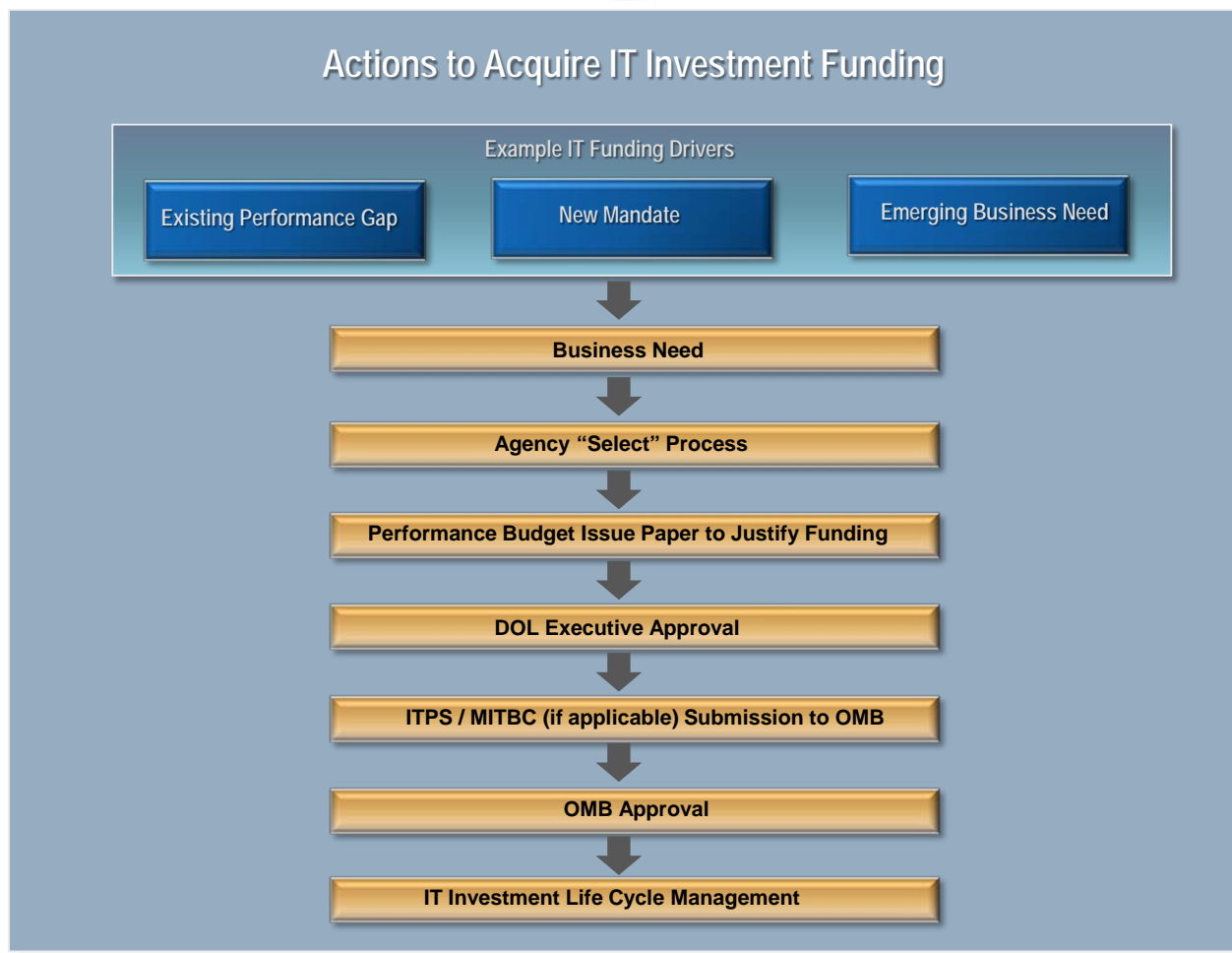
Figure 10: How New or Increased IT Investment Funding is Acquired

6.4   The OMB Major IT Business Case (MITBC)

The OMB MITBC describes the justification, planning, and implementation of an individual capital asset included in the agency IT investment portfolio, as reported in ITPS and serves as a key artifact of the agency's IT CPIC process. The MITBC is comprised of two components— (1) The MITBC provides inherent investment information, including general information and planning for resources such as staffing and personnel. (2) The MITBC Detailed (MITBCD) provides more specific information, such as projects and activities, risks, and operational performance of the investment. OMB generally releases annual guidance on the MITBC. It is the primary document submitted to OMB by DOL to achieve budget approval for the Department's new and ongoing Major IT investments. The OCIO works with Agencies closely to make MITBC's and MITBCD's as strong as possible.

6.4.1   Acquiring Funding Approval for a New or Expanded IT Investment

Before an MITBC or MITBCD can be submitted to OMB to request funding for a new or expanded IT investment, Agencies must first acquire funding approval for the investment at DOL. Agencies request new or increased funding for Major IT (and other) investments via submission of Performance Budget Issue Papers (Issue Papers) to the Departmental Budget Center (DBC). Issue Papers are part of the Agency's budget submission to the DBC. The Issue Paper describes how the requested funds will be used for specific initiatives. The DBC reviews Agencies' budget submissions including their Issue Papers. The OCIO and the Performance Management Center (PMC) also review Agencies' Issue Papers. All three groups' evaluations of Agencies' Issue Papers are given to DOL executive leadership.

If and when DOL executive leadership approves new or increased funding for a Major IT investment, the PM is required by OMB to complete an MITBC using DOL's eCPIC investment reporting system. PMs of new IT investments are required to complete as much of the MITBC as possible including initial high-level planning projects and their estimated costs and schedule. These initial projects will be replaced with more precise activities if and when the investment is approved by OMB and a baseline is subsequently established in accordance with the DOL Baseline Management policy. The more complete and thorough an MITBC is in explaining and justifying the new funding request, the greater the chances OMB will approve the request for funding.

6.4.2   Planning the Business Case

The MITBC is one component of the agency's total budget justification (see Section 51.2 of OMB Circular A-11). OMB uses data reported in MITBC to make quantitative decisions about budgetary resources consistent with the Administration's program priorities as well as qualitative assessments about whether the agency's programming processes are consistent with OMB policies and guidance. OMB may request additional supporting information from agencies as necessary. OMB requires the submission of an MITBC for all Major IT investments. The OCIO and OMB are responsible for declaring IT investments as major investments. Investment characteristics considered in declaring an investment as "major" may include the following:

- Importance to an agency's mission
- Significant program or policy implications
- Unusual funding mechanism
- High development, operating, or maintenance costs
- High executive visibility
- Annual budget requests or costs at or above $10M

PMs should allow three to six months to prepare the MITBC. The preparation time required depends on the complexity of the investment. PMs must not view this requirement simply as a "paper exercise." The MITBC must be developed over time to ensure it reflects not just compliance with OMB and OCIO guidance but, all of the best practices applied to the responsible management of public assets.

MITBCs are normally submitted to the OCIO by early summer to ensure they receive thorough review and analysis. Throughout the months of July and August, PMs are required to make adjustments to their business cases for final OCIO approval. MITBCs that are not approved by the OCIO are not submitted to OMB. Approved MITBCs are submitted by the OCIO to OMB in September. PMs must be prepared to make final adjustments to their MITBCs for re-submission in December or January as part of DOL's appeal to OMB following passback.

6.4.3   Building the Business Case

Since the MITBC is a key summary document for the CPIC process, the PM should have most of the required information developed before the MITBC preparation process begins. PMs should consider these points when building their MITBCs.

- **Know the Details**

  First, it is critical PM understand the MITBCs and are able to complete all the required components as described in OMB guidance. PMs should also know the requirements in DOL's System Development Life Cycle Management Manual and should carefully review the DOL guide to completing the MITBC, see the Resource Library on LaborNet for the latest version, prior to beginning this process. In addition, PMs should attend applicable IT Investment Management training being provided by the OCIO such as training on the MITBC as well as eCPIC, EVM, Risk Management, and Acquisition Planning. To underscore this point, consider that, on average, all successful Major IT investments submitted to OMB
  operate within 90% of the MITBC cost, schedule, and performance targets. In order to acquire the necessary IT budget, PMs must clearly demonstrate in the business case why their investments should be funded. PMs must know and provide the details of the MITBC for each section. Logically, this can only be done accurately if the PM knows what each section of the MITBC requires.

- **Pick the Right Initiative Opportunities**

  Both the OCIO and OMB look for a strong business case that demonstrates support of programmatic requirements. OMB takes the position that a business case may be well written but if the program it supports is deemed ineffective there may be no business case that can be made for the investment. Therefore, PMs should also understand the Department's strategic plans, funding priorities, and programmatic objectives. Agencies considering a cloud solution are encouraged to work with the OCIO to ensure all cloud-related requirements are met.

- **Pick the Right IT Investment Management Team**

  More credibility is given to those IT investments that are analyzed, screened, and ranked by agency stakeholders or an IPT, if available. An IPT is required for all Major IT investments. The IPT's mission is to help ensure the IT investment is successful by assisting the PM in obtaining investment approval within DOL and providing management support to meet DOL's IT investment management requirements. The IPT is led by the P/PM and includes functional, technical, financial, and managerial representation. IPT members execute tasks within their technical and functional areas of expertise. Team members may not necessarily serve on the project team for the entirety of the investment, however, all essential IPT members must be identified early in the System Development Life Cycle Management process. OMB requires IPT members to be identified in the investment charter, generally referred to as a Project Charter. The charter must be dated and approved prior to the start of OCIO review of the investment's performance. OMB and the OCIO require charters to identify the following IPT members: IT P/PM, Business Process Owner, Contract Specialist, IT Specialist, and an IT Security Specialist. The latter two may be contractors; the first three must be Federal employees.

  In addition IPTs may also include experts in the following areas, based on the specific focus of the IT investment:

  - System design and development
  - Testing and documentation
  - Quality assurance
  - Risk assessment and mitigation
  - Earned Value Management and baseline management
  - Configuration management and change management
  - Telecommunications and IT infrastructure
  - Freedom of Information Act, Privacy Act, 508 Compliance, Records Management
  - Enterprise Architecture

  Depending on if and when DOL executive leadership approves an IT investment for funding, the IPT and PM may have a very short timeframe for completing the OMB MITBC. This document justifies the funding request to OMB and therefore it must be as thorough as possible. It is strongly recommended that PMs and IPTs carefully review the OCIO's current fiscal year MITBC Guide prior to beginning this process. A copy of the latest guide to completing the MITBC can be found in the Resource Library on LaborNet.

6.5   The OMB IT Portfolio Summary

Federal agencies are required to submit an annual IT Portfolio Summary (ITPS) report, formerly known as the OMB Exhibit 53, which encompasses all IT investments in the Agency. ITPSs for the same Budget Year are submitted initially in September, again after Passback (usually in January), and possibly again in the spring. Each Federal agency's ITPS must include all of the agency's Major and Non-Major IT investments. "Non-Major" is defined as any investment not meeting the definition of "Major" but is part of the agency's IT portfolio. Information reported on the ITPS must be consistent with agency budget submissions as well as submissions on financial management activities required by OMB Circular A-11, section 52 and the applicable guidance on preparation of MITBCs.

To start the ITPS reporting process, all IT investments must be identified. IT investments include those that develop new IT systems or capabilities, maintain and operate existing IT capabilities or infrastructure, or support activities such as IT capital planning, IT Security and EA. The ITPS categorizes IT investments into the following six areas or "parts:"

- Part 1. Mission Support
- Part 2. Infrastructure. Office Automation and Telecommunications
- Part 3. Enterprise Architecture and Planning
- Part 4. Grants Management Systems
- Part 5. National Security (Defense Only)
- Part 6. State and Local Grants

Data for the ITPS is captured within individual IT investments in eCPIC, and the approved version of the DOL ITPS is stored by the OCIO for each fiscal year. The following data elements are representative of those required for the ITPS.

- Bureau: i.e., OASAM, ETA, MSHA
- Unique Investment Identifier (UII) Code
- Part of Agency IT Portfolio Summary
- Type of Investment and Investment Category
- Name of Investment and its Short Description
- Costs for Prior Year (PY), Current Year (CY), and Budget Year (BY), with break-outs between development and O&M costs.
- Funding Source(s) and Amounts, with break-outs between internal and external funds
- Federal Enterprise Architecture Business Reference Model mappings.
- Supports Information Sharing, Access, and Safeguarding
- Number of Government FTEs
- Percentage of Investment Cost for Government FTE
- Functional/Business Sponsor Name, Title, Phone Number, Email
- Cloud Computing Alternatives Evaluation
- Cloud Computing Spending (PY)
- Provisioned IT Services (CY and BY)
- IT Infrastructure Costs

The OCIO CPIC Program Office provides a DOL Guide to Completing the OMB ITPS; it is available in the [Resource Library](#) on LaborNet. It includes detailed guidance on every question in the ITPS. The OCIO CPIC team also provides training on completing the ITPS in eCPIC. Capital Planning Committee members and senior DOL managers are asked to review and approve DOL ITPSs prior to their submission to OMB in September.

7   Summary

The DOL IT Investment Management Life Cycle process is managed by the DOL OCIO to ensure the Department's IT investments achieve their intended outcomes on schedule and within budget; meet taxpayers' needs; support DOL's mission and business objectives; offer the appropriate security and privacy protections; and conform to legislative mandates and OMB requirements for IT investment management.

The CPIC portion of the DOL IT IMF process entails a Select–Control–Evaluate life cycle methodology and a cyclical IT budget formulation process. The CPIC Program Office within the OCIO provides guidance and oversight to help Agencies, PMs, and IPTs comply with internal DOL and external requirements for effective IT investment and portfolio management.

To satisfy these requirements, PMs and IPTs must adhere to DOL IT Investment Management policies as well the IT Investment Management Life Cycle process as described in the IT IMLC Guide, as well as the IT Investment Management Framework and Baseline Management Guide. To assist DOL IT investment PMs/IPTs with these responsibilities, the OCIO CPIC Program Office offers training, guides, templates, automated tools, and other resources.

This DOL CPIC Guide provides a detailed overview of the requirements and resources for ensuring the Department's IT investments achieve their intended outcomes on time and within budget.

For more information, please contact the CPIC Program Office within the DOL OCIO via email to OCIOCapitalPlanning@dol.gov.

APPENDIX A – Glossary of Terms

Term	Definition
Acquisition Plan (AP)	Description of the acquisition approach including the contract strategy, definition of government and contractor roles and responsibilities, use of Commercial Off-The-Shelf (COTS) products, and major activities (such as software releases, hardware delivery and installation, and testing). A DOL AP template is available on LaborNet and includes all required sections per the Federal Acquisition Regulation and the DOL Office of Procurement Services. An accompanying AP Guide provides additional guidance.
Activities	In line with modular development principles, activities in the baseline are structured to provide usable functionality in measureable segments that are completed at least once every six months or more often. They can also be classified as key deliverables towards the project or overall investment.
Agency Senior IT Executive	An essential member of the Integrated Project Team (IPT); usually serves as the sponsor. Serves as a liaison to the OCIO in IT capital planning matters.
Alternatives Analysis	Assessment of all viable options to determine the optimal solution for meeting functional requirements based on cost, performance, scope and schedule; considers in-house and outsourcing options such as cloud computing and the use of Shared Service Providers (SSP). Cloud solutions must be evaluated.
Baseline	Time-phased plan that integrates scope, cost and schedule. The baseline reflects all of the activities that will produce the intended outcome of the investment, along with the activities' *planned* costs and schedule. The baseline is shown in the Project Plan.
Budget Year (BY)	The specific Fiscal Year (FY) for which funding is being requested. In May to September 2011 when Federal agencies are formulating and submitting their funding requests for the BY, the BY is 2013.
Business Case	Also called the MITBC, it is a justification for the investment. Includes documentation of performance measures, funding amounts by Fiscal Year, and major activities.
Capital Assets	Land, structures, equipment, intellectual property (e.g., software), and information technology (including IT service contracts) used by the Federal government and having an estimated useful life of two years or more. Capital assets do not include items acquired for resale in the ordinary course of operations or items acquired for physical consumption, such as operating materials and supplies. Capital assets may be acquired through purchase, construction, or manufacturing; through a lease-purchase or other capital lease; through an operating lease for an asset with an estimated useful life of two years or more; through a share-in-savings contract; or through exchange. Capital assets do not include grants to State and local governments or other entities for acquiring capital assets or intangible assets, such as the knowledge resulting from research and development or the human capital resulting from education and training.
Capital Planning and Investment Control (CPIC)	A structured and disciplined IT investment management process for ensuring federal agency IT investments are planned, budgeted, procured, implemented, operated, and managed efficiently and effectively in support of the agency's mission and business needs. The term comes from the Clinger-Cohen Act of 1996 and is used in relationship to IT management issues.

Term	Definition
Capital Programming	The same as capital planning, this is an integrated process within an agency for planning, budgeting, procurement and management of the agency's portfolio of capital assets to achieve agency strategic goals and objectives with the lowest life cycle cost and least risk.
Charter	The charter authorizes the investment and describes the business need for the investment, its scope, estimated budget, timeframe and other parameters. It is signed by the sponsor, PM, and Integrated Project Team.
Clinger-Cohen Act of 1996	By law, Federal agency heads must link IT investments to agency accomplishments and must establish a process to select, manage, and control their IT investments.
Cloud Computing	A scalable, on-demand network allowing access to resources and services such as networks, servers, storage, services and applications. Allows for minimal management or service provider interaction. Cost is based on usage.
Control Phase	An ongoing CPIC process that monitors investments' actual performance against planned schedules, budgets, and performance metrics. Quarterly Control Reviews are performed by the OCIO during the Control phase. Scorecards are issued by the OCIO following the quarterly Control Reviews.
Cost Benefit Analysis (CBA)	A technique used to compare possible solutions' costs with the benefits they propose to return. A CBA should address and account for both tangible and intangible factors.
Current Year (CY)	The Fiscal Year (FY) immediately preceding the Budget Year (BY). In May to September 2011 when Federal agencies are formulating and submitting their funding requests for the BY, the BY is 2013 and the CY is 2012.
Development, Modernization, and Enhancement (DME)	The activities and associated costs for new investments and changes or modifications to existing investments to improve capability or performance. Both Planning and Full Acquisition costs listed on the Summary of Funding table in the MITBC are considered DME.
Discount Factor	A financial related term used in the development of a CBA document. It is a quantitative factor that translates expected benefits or costs in any given future year into present value terms. The discount factor is equal to $1/(1+i)t$ where i is the interest rate and t is the number of years from the initiation date for the program or policy until the given future year.
Discount Rate	A financial related term used in the development of a CBA document. It is the interest rate used in calculating the present value of expected yearly benefits and costs.
E-business (or E-government)	Electronic technologies used to support doing business with the government, i.e., government websites offering electronic filing, electronic payment, etc.
Earned Value Management (EVM)	A structured approach to investment management and forecasting including comparisons of actual and planned costs, work performed, performance goals, and schedule.
Earned Value Management System (EVMS)	A system used to calculate the Earned Value Management metrics such as Budgeted Cost of Work Performed (BCWP), cost and schedule variances and variance percentages, trends, and variance drivers. The Federal Acquisition Regulation (FAR) requires contracts for DME efforts in excess of $1M annually include EVM requirements and the EVMS used must be compliant with the American National Standard Institute (ANSI)/Electronic Industries Alliance

Term	Definition
	(EIA) Standards-748, Earned Value Management Systems.
Electronic Capital Planning and Investment Control (eCPIC) System	A government-owned, Web-based system for documenting and monitoring IT investments and portfolios.
Enterprise Architecture (EA)	The explicit description and documentation of both current and desired relationships between business and management processes and IT. Serves as a framework for managing and connecting an organization – its objectives and information needs – to data, supporting data systems, and technology infrastructure.
Evaluate Phase	A CPIC phase in which an IT investment enters once the IT investment is or becomes fully operational. The Evaluate Phase follows the Control Phase. The Evaluate phase includes a one-time Post Implementation Review (PIR), an annual Operational Analysis (OA), and annual OCIO Evaluate reviews. See the definitions for the PIR and OA for further information. The Evaluate Phase of an IT investment lasts throughout the O&M phase of the investment and end once the IT investment is shut down and decommissioned.
Fiscal Year (FY)	The Federal budget year is the Fiscal Year. The Fiscal Year spans October 1 to September 30.
Federal Acquisition Certification for Program and Project Managers (FAC-P/PM)	The FAC-P/PM program is a federal certification and training program led by the Federal Acquisition Institute (FAI). The program is designed to strengthen civilian agency P/PMs to improve IT program outcomes, and improve the management of high-risk, high-impact IT programs. For further information about the FAC-P/PM program and the requirements to certified, please visit the FAI website at www.fai.gov.
Full Acquisition	The procurement and implementation of a capital investment or useful segment/module of a capital investment. Full acquisition occurs after all planning activities are complete and the agency's executive leadership selects and approves the investment's proposed technical approach and its cost, schedule and performance goals.
Full Funding	Appropriations — regular annual appropriations or advance appropriations — enacted that are sufficient to complete a useful segment of a capital investment before any obligations may be incurred for that segment. When capital investments are incrementally funded, without certainty if or when future funding will be available, it can result in acquisition of assets not fully justified, higher acquisition costs, investment delays, the loss of sunk costs, or inadequate funding to maintain and operate the assets. Budget requests for full acquisition of capital assets (useful segments) must propose full funding.
Government Accountability Office (GAO)	Audits and reviews agencies for compliance with the Clinger-Cohen Act and other Federal government mandates for IT investment management. Has published guidance on investment management including for example, the ITIM Framework and Cost Estimating and Assessment Guide.

Term	Definition
Incremental Acquisition	Incremental acquisitions are especially important when IT investments involve substantial hardware and software in areas where the technology is rapidly evolving. The government may incur inherent risk when introducing large improvements in capability through a single major technological change. Incremental acquisitions employ the methodology that a system can be developed and implemented progressively, incorporating the best and most reliable technology as it becomes available. Contracting officers should avoid situations where the government must commit early to a specific approach; the risk is that the government will purchase obsolete solutions.
Integrated Baseline Review (IBR)	Formal review of the draft baseline performed by the government PM, contractor managers, technical staff, and other members of the Integrated Project Team. The review encompasses the draft baseline's cost, schedule, scope, activities, management and tasks. The purpose of the IBR is to strengthen the draft baseline to make it more comprehensive, accurate, and realistic.
Integrated Project Team (IPT)	A multi-disciplinary team led by a PM responsible and accountable for planning, budgeting, procurement and life cycle management of the investment to achieve its cost, schedule and performance goals. Team skills include: budgetary, financial, capital planning, procurement, programming, architecture, earned value management, security, testing, and other skills as appropriate.
IT Investment	Any acquisition of information technology or information technology-related resources to support a defined and approved business need. The investment could involve migrating a system to the cloud; developing a system in-house; evaluating, selecting and migrating to a Shared Service Center (SSC); or other options.
ITMRA	The Information Technology Management Reform Act, also known as the Clinger-Cohen Act of 1996.
ITPS (former Exhibit 53)	The ITPS captures all IT costs in the Department's portfolio of IT investments. Agencies submit their ITPSs to the OCIO for review, and DOL submits an updated ITPS annually to OMB.
Life Cycle Costs	The total cost of an IT initiative over its expected life. Initially for the purposes of a cost benefit analysis, the life cycle is determined to be 10 years. Life cycle costs should be identified in two broad categories: • Operations and Maintenance (O&M) or Steady State (SS) • Development / Modernization / Enhancement (DME) Within each category, costs should be allocated by equipment, personnel, software, services, supplies, and support services.
MITBC	(Capital Asset Plan and Business Case) OMB requires agencies to develop documentation for all Major IT acquisitions. Must show alignment with agency mission, strong business justification, and effective performance.
Mixed Life Cycle Investment	An investment that has development, modernization, and enhancement (DME) activities and O&M activities.
Net Present Value	The difference between the discounted present value of benefits and the discounted present value of costs. Also referred to as the discounted net.

Term	Definition
Obligations	Amounts of money an Agency "reserves" for spending in the current fiscal year. Authorized funding amounts are obligated to contracts, task orders, etc.
Office of Management and Budget (OMB)	The White House office responsible for all budgeting and financial management for the Federal government.
Office of the Chief Information Officer (OCIO)	The Clinger-Cohen Act of 1996 mandated that all Federal agencies have Chief Information Officers (CIO). The OCIO supports the CIO and all of his or her responsibilities: IT capital planning, security, Enterprise Architecture, etc.
Operational Analysis	Determines to what extent an investment in the Operations and Maintenance phase is meeting its planned technical, cost and schedule performance. Identifies performance gaps that may justify funding for modernization, enhancement or replacement.
Operations and Maintenance (O&M)	An asset or part of an asset that has been delivered and is performing as planned is said to be in O&M.
Opportunity Cost	Cost of not investing in the initiative or cost of a forgone option.
Passback	OMB's response to Federal agencies' budget requests. The budget requests are submitted to OMB each September, and in November or December, OMB provides "passback" to agencies. Passback describes which requests have been approved and denied and may ask for further information about specific budget requests.
Payback Period (PP)	The number of years it takes for the cumulative dollar value of the benefits to exceed the cumulative costs of an investment.
Performance-Based Acquisition Management	A documented, systematic process for program management which includes integration of program scope, schedule and cost objectives, establishment of a baseline plan for accomplishment of program objectives, and use of earned value techniques for performance measurement during execution of the program. An EVM System (EVMS) is required for those parts of the investment where developmental effort is required. EVMS is applied to both government and contractor efforts. For operational systems, an Operational Analysis is required.
Performance-Based Contracting	Performance-based contracting is the preferred way of contracting for services (see exceptions listed in Federal Acquisitions Regulations 37.102). Performance-based contracting specifies the desired outcomes of the investment; performance standards; Acceptable Quality Levels; and the government's method of surveillance (or how the government will measure the contractor's performance).
Performance Gap Analysis	Preliminary research performed to determine the viability of the proposed initiative by performing an alternatives analysis, including market research and extensive interviews with subject matter experts.
Performance Goals	A desired endpoint or purpose of an operation or activity. Performance goals and metrics must be reported to OMB in the MITBC.
Performance Measures	Method used to determine the success of an initiative by assessing the investment's contribution to meet Federal and Agency strategic goals.
Portfolio	An agency's collection of investments.
Post Implementation Review (PIR)	Evaluation of the IT investment after full implementation to determine whether the targeted outcomes were met. The PIR identifies lessons learned and process improvements that could be made to the Select–Control–Evaluate process.

Term	Definition
Prior Year (PY)	This is the Fiscal Year (FY) in which funds for the Budget Year (BY) are being requested. In FY 2011, the BY is 2013, the CY (Current Year) is 2012 and the PY is 2011. In FY 2012, the BY is 2014, the CY is 2013, and the PY is 2012.
Project Management Plan (PMP)	Prepared for all DOL IT investments per the requirements in version 2.2 of the SDLCM Manual. The PMP documents investment scope, tasks, schedule, allocated resources, and interrelationships with other initiatives.
Project Manager (PM)	An IT professional that is FAC-P/PM certified as necessary and required by the nature of the IT project/investment being managed, who is responsible for the day-to-day project management and oversight, project performance, leading the IPT, and the successful delivery of the IT investment as planned – on schedule, within budget, and with the planned functional capabilities to meet the business need/mission.
Project Plan	A Microsoft (MS) Project file or Excel file depicting the budgeted, time-phased activities of the investment over its 10-year (or more) life cycle.
Rebaseline	Changes to a baseline impacting life cycle scope, cost or schedule. Must be justified and must demonstrate a positive cost-benefit. Other requirements include a streamlined IBR and crosswalks between the existing and proposed baselines.
Replan	Changes to a baseline not impacting life cycle scope, cost or schedule. This type of baseline change is often used when breaking down a planning package into detailed, discrete, measurable tasks and adding funds for an out-year.
Return On Investment (ROI)	Calculated by dividing the Total Discounted Net Benefits (i.e., Total Discounted Benefits minus Total Discounted Costs) by the Total Discounted Costs.
Risk Adjusted Life Cycle Costs	The overall estimated cost for a particular alternative over the time period corresponding to the life of the investment that has been adjusted to accommodate any risk identified in the risk management plans.
Risk Management Plan (RMP)	A description of the approach that will be used to manage risk in the investment. The RMP describes how risks will be identified, evaluated, and mitigated. Includes a sensitivity analysis to articulate the effect different outcomes may have on diminishing or exacerbating risk. A template is available in the Resource Library on DOL's intranet, LaborNet.
Risk Register (RR)	A list of detailed risks, their likelihood of occurring, their potential impacts, and mitigation strategies for a specific investment. Investments' Risk Registers must be updated at least quarterly for OCIO review as part of the Control Review process. The Evaluate Review process requires OCIO review of RRs annually. A template is on LaborNet.
Security	A key part of DOL's integrated IT governance process, the IT Security Program Office within the Office of the Chief Information Officer ensures that IT investments meet all IT security and privacy requirements.
Select Phase	The phase of the CPIC process in which all new and ongoing IT investments are screened, scored, and ranked for possible inclusion in the Department's IT portfolio. Managers of new investments that are approved for funding must meet all Select phase requirements. The Select phase ends when the proposed baseline is approved by the OCIO.
Stakeholders	Groups or individuals who have a business relationship with or interest in an organization and its IT investment(s); those who receive or use, or are directly affected by the products and services of the organization.

Term	Definition
Statement of Concept	High-level planning document identifying the investment's stakeholders, intended objectives, and deliverables. A template is available on LaborNet.
Steady State Phase	IT investments that are in the Operations and Maintenance phase of their life cycles; no DME costs are incurred during this phase.
Strategic Business Management	See the SBM Program description in Section 2.4.3 and the SBM life cycle description in Section 2.4.4.
Sunk Cost	A cost incurred in the past that will not be affected by any present or future decisions. Sunk costs should be ignored in determining whether a new investment is worthwhile.
System Development Life Cycle Management (SDLCM)	A methodology used to plan and develop or acquire an IT system by managing each phase of its life cycle: conceptual planning, planning and requirements definition, design, development and test, implement, operation and maintenance, and disposition.
Work Breakdown Structure (WBS)	Hierarchical, graphical representation of the investment's deliverables. Primary tool in baseline development.

APPENDIX B – List of Acronyms

Acronym	Definition
AO	Administration Officers
ANSI	American National Standard Institute
AP	Acquisition Plan
BCWP	Budgeted Cost of Work Performed
BY	Budget Year
BRM	Business Reference Model
CAP	Corrective Action Plan
CBA	Cost Benefit Analysis
CIO	Chief Information Officer
CLP	Continuous Learning Points
COTS	Commercial Off-The-Shelf
CPC	Capital Planning Committee
CPIC	Capital Planning and Investment Control
CPPR	Center for Program Performance and Results
CR	Control Review
CTO	Chief Technology Officer
CY	Current Year
DBC	Departmental Budget Center
DEBS	Departmental E-Budgeting System
DLMS	Department of Labor Manual Series
DME	Development, Modernization, or Enhancement
DOL	Department of Labor
EA	Enterprise Architecture
eCPIC	Electronic Capital Planning and Control Investment System
EIA	Electronic Industries Alliance
EIC	Enterprise Implementation Committee
EVM	Earned Value Management
EVMS	Earned Value Management System
FAC-P/PM	Federal Acquisition Certification for Program and PMs
FAI	Federal Acquisition Institute
FAR	Federal Acquisition Regulation
FASA	Federal Acquisition Streamlining Act of 1994
FEA	Federal Enterprise Architecture
FEAF	Federal Enterprise Architecture Framework
FISMA	Federal Information Security Management Act
FRD	Functional Requirements Document
FY	Fiscal Year
GAO	U.S. Government Accountability Office
GPRA	Government Performance and Results Act
IBR	Integrated Baseline Review
IMLC	Investment Management Life Cycle
IPT	Integrated Project Team

Acronym	Definition
IRM	Information Resource Management
IT	Information Technology
ITARB	Information Technology Acquisition Review Board
ITPS	Information Technology Portfolio Summary
IV&V	Independent Verification and Validation
MITBC	Major Information Technology Business Case
MITBCD	Major Information Technology Business Case Detail
MS	Microsoft
NPV	Net Present Value
OA	Operational Analysis
OASAM	Office of the Assistant Secretary for Administration and Management
OCIO	Office of the Chief Information Officer
OMB	Office of Management and Budget
O&M	Operations and Maintenance
PB	President's Budget
PBCR	Performance Baseline Change Request
PBIP	Performance Budget Issue Paper
PIR	Post Implementation Review
P/PM	Program/ Project Manager
PM	Project Manager
PMC	Performance Management Center
PMP	Project Management Plan
PP	Payback Period
PRM	Performance Reference Model
PY	Prior Year
QMP	Quality Management Plan
RMP	Risk Management Plan
ROI	Return on Investment
RR	Risk Register
SBA	Strategic Business Alignment
SBM	Strategic Business Management
SDLCM	System Development Life Cycle Management
SLA	Service Level Agreement
SS	Steady State
SSC	Shared Service Center
SSP	Shared Service Provider
TA	Target Architecture
TS&SP	Transition Strategy and Sequencing Plan
UII	Unique Investment Identifier
VA	Variance Analysis
WBS	Work Breakdown Structure

APPENDIX C – IT Investment Management Artifacts by CPIC Phase

After DOL and OMB have approved funding for a new IT investment or a new development or enhancement project within an existing IT investment, the IT Capital Planning Program Office within the OCIO will work with the PM/IPT members to ensure that all IT investment management requirements are meet. The table below summarizes the primary requirements.

Requirement	Select Phase	Control Phase	Evaluate Phase
Charter	Develop to authorize the project	Update for scope changes, other changes	Update for changes such as new sponsor
MITBC	Develop after funding for a Major investment is approved at DOL (in July/August)	For Majors: Update annually for September submittal to OMB and in January timeframe, if needed	For Majors: Update annually for September submittal to OMB and in January timeframe, if needed
ITPS	Develop after funding for a Major or Non-Major investment is approved at DOL (in July/August)	Update annually for September submittal to OMB and in January and other times, as needed	Update annually for September submittal to OMB and in January and other times, as needed
Functional Requirements Document (FRD)	Although an SDLCM requirement rather than a CPIC requirement, the FRD drives the CBA	Update to reflect new or changed requirements	Update to reflect new or changed requirements
Market Research	Conduct to evaluate feasible and viable alternatives; must include cloud solutions	Conduct to evaluate cloud solutions and if new solution is needed	Conduct to evaluate cloud solutions and if new solution is needed
Cost Benefit Analysis	Conduct to select best alternative; cloud solution must be selected if secure, cost effective, reliable one exists	Refresh at least annually	Refresh at least annually
Acquisition Plan	Create to capture all information required by Federal Acquisition Regulation, FASA, OMB, Office of Procurement Services, and OCIO	Update annually to reflect milestones, new requirements (such as recent "green" IT requirements), changes	Update annually to reflect milestones, new requirements, changes
Risk Management Plan	Create to document how	Update if and when	Update if and when

Requirement	Select Phase	Control Phase	Evaluate Phase
	risk will be managed	approach to risk management changes	approach to risk management changes
Risk Register	Create to document specific risks and associate information	Update continually; submit to OCIO for review quarterly	Update continually; submit to OCIO for review annually
Quality Management Plan	Create to document how quality will be ensured	Update if and when approach to quality management changes	Update if and when approach to quality management changes
Project Management Plan	Create to document how project will be managed	Update when aspects of the plan change	Update when aspects of the plan change
Project Plan	Establish the baseline (which is shown in the Project Plan)	Continually update; submit to OCIO for review monthly if in EVM Program, quarterly if in Control phase	Continually update; submit to OCIO for review annually
Rebaseline		Develop when warranted (approved by OCIO)	
Post Implementation Review			
Operational Analysis		Conduct annually starting about one year after the PIR or, if already being done, conduct annually	Conduct annually starting about one year after the PIR or, if already being done, conduct annually

APPENDIX D – List of References

The following list of references is relevant to this CPIC Guide.

Departmental References

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http://www.labornet.dol.gov/itc/it/policyoversight/DOL-IT-Baseline-Management-Guide-v1.2.doc

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OMB 25 Point Implementation Plan for Transforming Federal IT Management, http://www.whitehouse.gov/sites/default/files/omb/assets/egov_docs/25-point-implementation-plan-to-reform-federal-it.pdf

Federal CIO Council, http://www.cio.gov/

U.S. General Accounting Office, Information Technology Investment Management: A Framework for Assessing and Improving Process Maturity (Version 1.1), GAO-04-394G (Washington, D.C.: 2004), http://www.gao.gov/new.items/d04394g.pdf

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Legislative References

E-Government Act of 2002, Public Law 107-347, December 17, 2002, http://www.gpo.gov/fdsys/pkg/PLAW-107publ347/pdf/PLAW-107publ347.pdf

National Technology Transfer and Advancement Act of 1995, http://www.gpo.gov/fdsys/pkg/PLAW-104publ113/pdf/PLAW-104publ113.pdf

Information Technology Management Reform Act of 1996 – ITMRA (Clinger-Cohen Act of 1996), https://cio.gov/wp-content/uploads/downloads/2014/06/IT-Reform-Act-of-1996-Clinger-Cohen.pdf