MAY 2 0 2016

MEMORANDUM FOR SHAUN DONOVAN
Director
Office of Management and Budget

FROM: CHRISTOPHER P. LU
                         Deputy Secretary

SUBJECT: Department of Labor Common Baseline Implementation Plan

To meet the requirements of the Federal Information Technology Acquisition Reform Act (FITARA), the Department of Labor (DOL) has developed an Implementation Plan to address gaps identified in the Self-Assessment in conformity with the Common Baseline defined by the Office of Management and Budget (OMB) in its memorandum M-15-14, *Management and Oversight of Federal Information Technology.* While FITARA provides agency Chief Information Officers (CIO) with increased oversight responsibilities regarding information technology (IT) decisions, DOL had already begun to exercise its inherent authority over the Department's IT decisions through its IT Modernization effort. This effort, which began in fiscal year 2012, is one in which nine separate and disparate infrastructures were identified for consolidation into a unified infrastructure under the management authority of the CIO. To date, DOL has made significant progress with this undertaking. Five agency infrastructures have been consolidated into the unified Department infrastructure and, by the end of the calendar year two additional ones will follow, with only two remaining. Additionally, as part of the IT Modernization initiative, DOL has begun to increase consolidated enterprise IT acquisitions to improve procurement efficiency and standards and economies of scale.

While the Department has moved in the right direction to achieve better oversight and greater efficiencies regarding infrastructure, there is still work to be done to reach full FITARA implementation. Notable areas of improvement include oversight and responsibility for bureau-level applications, which are not part of the infrastructure consolidation. Although the CIO is responsible for the oversight of the acquisitions and assessing the successful implementation of these systems, to include security requirements and investment management, DOL needs to strengthen its posture in this area by developing new policies and procedures as well as reinforcing existing policies and procedures to provide the CIO with the mechanisms needed to satisfy the increased level of responsibility that FITARA entails. These steps will not only assist in working towards the desired end state but will ensure accountability to the White House, Congress, Government Accountability Office and Office of Inspector General for overarching areas as outlined in the roles and responsibilities of the Common Baseline.

Attachments

cc: T. Michael Kerr, Assistant Secretary for Administration and Management
       Edward C. Hugler, Deputy Assistant Secretary for Operations
       Dawn M. Leaf, Chief Information Officer
       Erica Groshen, Commissioner, Bureau of Labor Statistics

Purpose

This Implementation Plan is intended to describe how DOL will account for each CIO role and responsibility area of the Common Baseline by describing the changes DOL will make to ensure that all Common Baseline responsibilities are addressed. These changes are identified in this attachment for each Common Baseline responsibility area in which DOL rated its Self-Assessment a level one or two. To reach the full level of maturity and the desired outcome of a completely implemented plan by the end of the calendar year, the CIO worked in concert with the Chief Financial Officer (CFO), Chief Acquisition Officer (CAO), and Chief Human Capital Officer (CHCO) to develop the plan. Each of these senior level officials in the Department and their staffs not only provided insight into existing DOL policies and procedures that need strengthening to facilitate the plan's success, but they also provided insight into new policies and procedures that the Department must implement to close the gaps in the responsibility areas as identified in the Self-Assessment. The CIO and other agency senior management officials continue to work closely with the management of DOL's statistical agency, the Bureau of Labor Statistics (BLS), to develop a consensus approach to FITARA implementation that comports with OMB's May 4, 2016 *Supplemental Guidance on the Implementation of M-15-14: "Management and Oversight of Federal Information Technology,"* that provides guidance in the form of questions to be answered regarding FITARA implementation within statistical agencies. In accordance with the May 4 guidance, this consensus approach will be based on ongoing engagement between the departmental CIO and the statistical program managers, the development of mutually supportive business processes, and the assurance of appropriate protection of statistical confidentiality and statistical agency independence. DOL anticipates that the full implementation of these additional processes, as well as strengthening existing processes, will ensure that the Department meets the FITARA Common Baseline requirements.

CIO Common Baseline Roles and Responsibilities

Following are the steps the Department will take to reach full implementation of the FITARA Common Baseline roles and responsibilities required of the CIO. These steps correlate to the DOL Self-Assessment in which the CIO rating for the element was either a one or two.

Budget Formulation and Planning

While the DOL OCIO has visibility into the Department's IT portfolio through its IT Governance programs, implemented in accordance with the Clinger-Cohen Act of 1996, OCIO will expand its role in bureau-level program management internal planning processes through the active participation in pre-budget submission and post-budget submission planning activities. To accomplish this, DOL will work with the CFO and Departmental Budget Center (DBC), and the CAO to reinforce the CIO's existing involvement in the pre-budget formulation process by implementing procedures to ensure a more detailed and advance review of Agency IT budget requests, acquisitions' requests, and program management through the DOL IT Program Review Board and biannual portfolio reviews. By more closely monitoring these programs and providing increased CIO visibility into the program planning, DOL will achieve full implementation of this responsibility.

Acquisition and Execution Roles and Responsibilities

To enhance CIO engagement with program managers, DOL will develop a schedule to regularly meet with bureau level IT leaders and staff to discuss their contributions to the overall DOL IT Portfolio and ensure that processes and procedures are in place to promote the health of the investment. In the instance where a bureau is embarking on the development of a new system in its program portfolio, the CIO will assess the investment to determine if it should be monitored by the Program Review Board. To that end, the scope of the Program Review Board will be expanded to include bureau investments and programs to ensure proper accountability. This will give the CIO insight into not only ongoing IT investments but also increase awareness of new programs and investments throughout the Department.

To address responsibilities related to shared acquisition and procurement responsibilities, including CIO review and approval of acquisition plans and strategies, the CIO as Chair of the IT Acquisition Review Board (ITARB) will strengthen the requirements already applied to bureaus seeking to spend IT funds. This will hold bureau program managers accountable to submit timely requests for IT acquisitions to the CIO for adequate review and approval prior to acquiring the goods or services requested. The existing ITARB process, while comprehensive in the breadth of IT acquisitions, can result in cases where the ITARB lacks sufficient detail or is so late in the budget year that the review is not meaningful. OCIO IT Governance programs do have some level of visibility and oversight of IT resource plans; however, to aid agencies with this change in procedure, the CIO will create and distribute a schedule to which all bureau IT acquisitions must adhere when submitting ITARB requests for CIO approval.

Organization and Workforce

The Department recognized this responsibility area as needing the most improvement but has a solid plan to accomplish full implementation by the required deadline. First the CIO worked with bureau level senior IT managers and the CHCO to identify and publicize a Bureau IT Leadership Directory. Following the identification of these individuals, the CIO will work with the CHCO to develop policies and procedures that involve the CIO in the recruitment and approval of the selection of any new bureau leadership position with CIO-related duties (DOL currently has individuals who exercise some of these duties, however, bureau level IT managers do not hold the CIO title). In DOL, the CIO title is applied only at the Department level. These policies and procedures will be developed and implemented for the positions held by the senior managers listed on the Bureau IT Leadership Directory, which DOL has posted on its Digital Strategy page. Should one of these positions become vacant, the new policy and procedures will be applied. In the interim, while the policy and procedures are being developed, the CIO will work with the CHCO to be involved in the hiring process in accordance with existing personnel policy. Additionally, the CIO worked with the CHCO to establish an agency-wide critical element for bureau level CIOs and instituted policy and procedures designed to ensure that the CIO has authority to evaluate these individuals for that element. This critical element was developed and incorporated into the FY 2016 performance plans by December 31, 2015.

Conclusion

The Department intends to invest the necessary resources to fully implement FITARA as defined in the CIO Common Baseline Roles and Responsibilities above. To accomplish this goal, we are committed to working with all DOL components and are confident that this can be completed.