

BLS - Continuous Updating of the Housing and Geographic Area Samples in the Consumer Price Index

Exhibit 300: Capital Asset Plan and Business Case Summary

Part I: Summary Information and Justification (All Capital Assets)

Section A: Overview (All Capital Assets)

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| Date of Submission | 9/11/2006 |
| Agency | Department of Labor |
| Bureau | Bureau of Labor Statistics |
| Name of this Capital Asset | BLS - Continuous Updating of the Housing and Geographic Area Samples in the Consumer Price Index |
| OMB Investment Type | 01 - Major Investment |
| What kind of investment will this be in this Budget Year? | Full Acquisition |

Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap:

This initiative is the IT portion of a project to improve the data available to decision makers on changes in the Consumer Price Indexes (CPI), a Principal Federal Economic Indicator. By providing accurate and timely price statistics to the public, the project supports the BLS mission and the DOL Strategic Goal for a Prepared Workforce: Supply high quality information on the economy and labor market; and the Federal Enterprise Architecture Support Delivery of Service business area, under the General Government line of business and the Central Records and Statistics Management subfunction. It provides a more representative and current sample of geographic areas and a continuously updated housing sample in the CPI, improving its accuracy and relevance. It bridges the performance gap created from using progressively older and out-of-date housing and geographic samples that were replaced about every 10 years. The samples of rental units used to measure changes in prices of shelter will be revised and updated and a continuous process for updating this sample over time will be implemented. Also, the sample of geographic areas in which prices are collected will be revised to reflect changes in the population distribution between 1990 and 2000. Lastly, this project will address correcting an upward bias in the CPI discovered by BLS researchers. The bias is due to the limited sample sizes used to compute CPI indexes for individual item categories in specific geographic areas. This leads to slightly higher estimates of price change when compared to an index based on the universe of prices.

The CPI is the principal source of information concerning trends in consumer prices and inflation in the U.S. The CPI has a significant impact on the finances of the Government because it is used to adjust payments to Social Security recipients, to civilian and military retirees, and to adjust individual income tax brackets for changes due to inflation. The Congressional Budget Office estimated that the fiscal impact of a permanent one percentage point reduction in the rate of growth of the CPI, beginning in January 2006, would reduce the Federal budget deficit by \$14 billion by the end of 2007 (and by \$153 billion by 2015).

This project was presented to the Technical Review Board on June 29, 2006 as part of the BLS IT portfolio; is in the Select phase of the DOL Capital Planning and Investment Control process and is subject to reviews conducted by the DOL OCIO.

Did the Agency's Executive/Investment Committee Yes

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| approve this request? | |
| If "yes," what was the date of this approval? | 6/29/2006 |
| Did the Project Manager review this Exhibit? | Yes |
| Has the agency developed and/or promoted cost effective, energy efficient and environmentally sustainable techniques or practices for this project. | No |
| Will this investment include electronic assets (including computers)? | No |
| Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only) | No |
| If "yes," is an ESPC or UESC being used to help fund this investment? | |
| If "yes," will this investment meet sustainable design principles? | |
| If "yes," is it designed to be 30% more energy efficient than relevant code? | |
| Does this investment directly support one of the PMA initiatives? | Yes |
| If "yes," check all of the PMA initiatives that apply: | Budget Performance Integration, Competitive Sourcing, Expanded E-Government |
| Is this investment for information technology? | Yes |
| Briefly describe how this asset directly supports the identified initiative(s)? | This initiative supports the PMA goal of Expanded E-Government. Specifically, the CPI program touches the citizen at two points: collecting data from respondents and disseminating information to data users electronically. It also supports the Budget and Performance Integration area of the PMA by linking major project milestones with funding; and the Competitive Sourcing goal as certain CPI Procedures Economists positions are taking part in a DOL-wide study. |

For information technology investments only:

If the answer to Question, "Is this investment for information technology?" was "Yes," complete this sub-section. If the answer is "No," do not answer this sub-section.

What project management qualifications does the Project Manager have? (per CIO Council's PM Guidance): (1) Project manager has been validated as qualified for this investment

If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and included in your agency inventory, schedules and priorities? Yes

Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval? Yes

Section B: Summary of Spending (All Capital Assets)

Sensitive Data

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Section C: Acquisition/Contract Strategy (All Capital Assets)

Sensitive Data

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Section D: Performance Information (All Capital Assets)

Sensitive Data

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Section E: Security and Privacy (IT Capital Assets Only)

Sensitive Data

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Section F: Enterprise Architecture (EA) (IT Capital Assets Only)

In order to successfully address this area of the business case and capital asset plan you must ensure the investment is included in the agency's EA and Capital Planning and Investment Control (CPIC) process, and is mapped to and supports the FEA. You must also ensure the business case demonstrates the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

Is this investment included in your agency's target enterprise architecture? Yes

If "no," please explain why this investment is not included in your agency's target enterprise architecture?

Is this investment included in the agency's EA Transition Strategy? Yes

Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)?

No

If "yes," please describe.

Does this investment provide the public with access to a government automated information system? No

If "yes," does customer access require specific software (e.g., a specific web browser version)?

If "yes," provide the specific product name(s) and version number(s) of the required software and the date when the public will be able to access this investment by any software (i.e. to ensure equitable and timely access of government information and services).

Part II: Planning, Acquisition and Performance Information

Part II should be completed only for investments identified as "Planning" or "Full Acquisition" or "Mixed Life-Cycle" investments in response to Part I, Section A above.

Section A: Alternatives Analysis (All Capital Assets)

In selecting the best capital asset, you should identify and consider at least three viable alternatives, in addition to the current baseline, i.e., the status quo. Use OMB Circular A-94 for all investments, and the Clinger Cohen Act of 1996 for IT investments, to determine the criteria you should use in your Benefit/Cost Analysis.

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| Did you conduct an alternatives analysis for this project? | Yes |
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Section B: Risk Management (All Capital Assets)

You should have performed a risk assessment during the early planning and initial concept phase of this investment's life-cycle, developed a risk-adjusted life-cycle cost estimate and a plan to eliminate, mitigate or manage risk, and be actively managing risk throughout the investment's life-cycle.

Does the investment have a Risk Management Plan? Yes

What is the date of the risk management plan? 6/21/2006

Section C: Cost and Schedule Performance (All Capital Assets)

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