

A Business Case Template

Bureau of Land Management
System Coordination Office
WO-570D

Business Case Template
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Attachment 1-1

A Business Case for

[Project Name/Acronym]

Insert the name of the project and its acronym

Document Control Number x.x

Provide a new document control number for each version of the document

Date xx/xx/xxxx

Provide a new date for each version of the document

1.0 Executive Overview

1.1 Project Description

Provide within the table below the information being requested.

Project Proponent/Project Manager	<i>Name Title Office Phone</i>
Project Sponsor	<i>Name Title Office Phone</i>
Direct Beneficiaries	<i>Who will the system benefit most?</i>
Products	<i>What will be produced?</i>
Justification Statement	<i>Why is the system needed as compared to the no action alternative?</i>
Cost/Benefit	<i>Insert Benefit / Cost Ratio from Section 6.2.2</i>

1.2 Project Purpose and Objectives

1.2.1 Project Objectives

Provide a short narrative description of the project's goals and objectives, identify the project's business purpose, summarize the business case and benefits of the project.

1.2.2 Compliance with Laws and OMB guidance

Explain how the project/system will support the BLM's core mission functions, strategic plans and program objectives. Identify the strategic plan goal, legislative requirement or oversight recommendation (e.g. GAO or IG recommendation)

Explain why this investment needs to be undertaken as it is proposed. Indicate why this function is "inherently" a federal function. Describe what steps have been taken to ensure that there are no alternative sources, in the public or private sectors, that could better perform this function. If there were alternative sources or solutions, explain why they were not considered as a viable alternative.

If the project will support electronic transactions or recordkeeping that is covered by the Government Paperwork Elimination Act (GPEA) briefly describe those functions and how they relate to the Bureau's GPEA plans.

If the proposed system is a financial management system, as defined in Section 53.2 of OMB circular A-11, identify what percentage of the system is for financial management.

If the proposed system/project involves the development of a government web site, explain how it will be in compliance with OMB Memorandum, M-00-13, dated June 22, 2000, entitled "Privacy Polices and Data Collection on Federal Web Sites".

If this project supports electronic transaction or record keeping, describe the record keeping or transaction function.

1.3 Project Management Information

1.3.1 Project Management Overview

Describe, at the Executive Summary level, the overall project strategy to complete the project. Describe how you intend to involve users, management, and technical specialists to guide the development of the project.

1.3.2 Project Budget/Resources Overview

Explain how this project is aligned with the BLM's Annual Performance Plan, that is prepared to support the Government Performance and Results Act of 1993.

At the Executive Summary level describe the estimated project budget and resource needs as shown in Section 6.5.

2.0 Project Boundaries

This section defines the project boundaries and sets the baselined scope of the project.

2.1 Supporting Documents

Describe any documents already produced that contain detailed material that does not need to be repeated here. Include them as supporting documents or state where they are available for review.

2.2 Scope of Project

Clearly state what is within and outside the scope of the project. Specify the exact project scope in terms of:

- *Primary function of the system*
- *Intended customers/users (types: internal, external, public, specialist, managers)*
- *Estimated total number of users*
- *Estimated number of concurrent users*
- *Estimated number and locations of sites (BLM offices) that will use the system*
- *Potential interfaces with other systems/processes*
- *Other existing or similar on-going projects (IT Clearinghouse)*
- *Planned modules and deliverables*

Conduct an alternative analysis by identifying at least two viable alternatives. Perform a Benefit/Cost analysis (Section 6.2.1) on both.

Make a convincing argument (a business case) as to why the selected alternative is the better of the two alternatives (e.g. greater Benefit/Cost ratio, quicker payback, less reliance on custom software, etc.)

2.3 Project Completion Criteria for the Preferred Alternative

Describe entrance and exit criteria, milestones, approvals and deliverables that will indicate that the project has completed an identified milestone, stage, or phase. This is a summary of the information that should be in the project schedule (Section 6.1.2.1). Ensure that the information and dates are consistent between the two sections. Include all ITIB approvals and SCO coordination/review points. (See IT Investment Management Process guidelines).

Milestones ITIB Approvals / SCO reviews	Completion Criteria	Date

3.0 Target Business Processes

This section describes the relationship of business processes, and their intended improvements.

3.1 Supporting Documents

Describe any documents already produced that contain detailed material that does not need to be repeated here. Include them as supporting documents or state where they are available for review.

3.2 Target Business Processes

3.2.1 Tie Business Processes to the Bureau Architecture

Describe the current business process: Who does it? How is it performed? How often is it performed? What are the estimated costs of doing this business process or function now? This is the information you will need in (Section 6.2.1) to perform a benefit/cost analysis.

Identify the high level business processes (See Appendix 1), and describe the targeted business processes that the project is expected/intended to improve.

Describe how the business processes tie to the BA. Map the business processes to the business processes within the BA.

Describe how the target business processes are consistent with the Bureau Architecture

3.2.2 Business Process Improvement

Describe how the business processes have been simplified or otherwise re-engineered to reduce cost and or improve effectiveness.

Describe the future business process: Who will do it? How will it be performed? How often will it be performed? What are the estimated cost of doing this business after it has been re-engineered to reduce cost and/or improve efficiencies? This is the information you will need in (Section 6.2.1) to perform a benefit/cost analysis.

If automation is involved in the re-engineering of business processes, explain how the investment makes maximum use of commercial, off-the-shelf technology.

3.2.3 End Users/Customers/Sponsor

Identify the end users/customer/sponsor and summarize their involvement in the proposal. Who are they? What are their wants and needs relative to the proposal? How strong is user support for the project? How strong is management support for the project? Explain what level of management review and support these re-engineered business processes has had (e.g. State Management Teams, DSDs, Field Committee, ELT). What has their involvement been in the development of the Business Case? What continued involvement will they have throughout the project's life cycle?

3.2.4 Other Business Areas/Programs

Identify other BLM programs, activities, or on-going projects that may be affected by this project. Does the project integrate work processes involving different BLM activities? If so, is this proposal supported and approved by the appropriate parties such as users, program leaders, Assistant Directors, etc.?

3.3 Data Management

3.3.1 High Level Data Groups

Identify each high level data group that this project is expected to use from the Bureau Architecture Data Groups in (See Appendix 2). If there are any proposed data group(s) that are not in the BA, describe them and justify why they should be added to the BA. The justification should include a description of how this data helps the Bureau fulfill its mission.

3.3.2 Data Sources

Identify the source of data to be used by this system (Collections and Billings System or Master Name are two of the possible sources for customer data). Describe any data conversion process.

3.3.3 Data Sharing

Describe any data sharing that is to take place with internal or external customers/partners.

3.3.4 Data Contacts

Identify the Center or State Data Administrator and data steward(s) involved. Describe their level of involvement.

3.4 Records Management

Address how the system maximizes the usefulness of the information, minimizes the burden on the public and preserves the integrity, availability, and confidentiality of the information throughout its life cycle.

3.5 System Coordination with State, Local and Tribal governments

If applicable, describe project coordination with State, Local and/or Tribal governments. Include coordination activities within schedule and estimated resources and cost as part of the project's estimated costs.

3.6 System Accessibility

Describe how the project will provide full access to the system and information contained in the system to all Bureau employees and other federal employees under the requirements of the Rehabilitation Act of 1973 and for access to the system and information contained in the system for the public under Section 508 of the Americans with Disabilities Act of 1990.

Ensure that all accessibility design and testing activities and their associated costs are included within project schedule and included as part of the total estimated cost of the project.

3.7 System Security

Describe, at a high level, how the project will include security controls that are consistent with the Bureau's IT Architecture as described in the Technical Reference Model. Detailed security information requirements will be covered during the Project Definition Stage, and identified in detail within the project's Security Plan.

4.0 Target System Requirements

This section contains a high-level functional description that describes the project in terms of the system functions required to support the business process changes described in Section 3.0.

4.1 Supporting Documents

List any supporting documents that may contain additional detailed information about the system requirements. Include them as supporting documents to the Business Case or state where they are available for review.

4.2 Requirements Summary

Functional Category (examples)	High-Level Functional Requirement
Input	
Output	
Processing	
System Interfaces	
Human Factors and ADA	
Data Storage and Access	
Data Integrity	
Performance	
Security	
System Operations Support	
Training	

5.0 Target System Architecture

This section presents existing and proposed hardware/software system changes to support the system requirements described in Section 4.0. Provide as much information as possible.

5.1 Supporting Documents

List any documents containing detailed material, regarding the IT Architecture of the proposed system.

5.2 Planned Architecture

Explain how this project conforms to the most current version of the Bureau's Information Technology Architecture, Technical Reference Model. Describe how the proposed hardware or software solution are part of the current accepted baseline environment.

If the planned architecture uses hardware or software that is include within the containment or retirement category of the Technical Reference Model, explain why it is being proposed as part of the system solution.

5.2.1 Operational Architecture

If an automated system already exists, provide an Existing System Diagram (includes data storage and network devices). If an automated system does not exist diagram the manual processes.

Provide a Proposed System Diagram.

Identify any components of the existing baseline IT Architecture that may have to be modified.

HW/SW Component	TRM Category	Comments

Identify the number and type of software licenses anticipated. Address security considerations and planning.

5.2.2 Development Environment

Identify any HW/SW components that you intend to use in the development of the project. Identify if COTS or custom design products will be used. If COTS were rejected explain why.

Describe the development and test environment(s), and explain how they will be isolated from the operational environment.

6.0 Master Plan and Schedule

The purpose of this section is to develop realistic cost and schedule information. Once established and approved by the ITIB, these baselined cost and schedule figures will be used to determine if the project is meeting a government wide policy to achieve at least 90% of all IT project cost and schedule goals. Project variance greater or less than 10% in either cost or schedule must be reported to OMB, project variance greater or less than 5% must be reported to the Bureau's IT Investment Board and the Department.

6.1 Implementation Plan for Project

6.1.1 Roles and Responsibilities

Provide the names and approximate GS-level of Bureau employees and dollars per hour for Contractors assigned to each of the following key project roles. List any additional personnel and their skill type(s) needed to complete the project.

Technical Project Team

Key Project Roles	Name	GS Level / \$ per hr
Project Manager		
Deputy Project Manager		
Lead User Representative(s)		
Contracts Liaison		
Software Engineer		
System Engineer		
QA Specialist		
CM Specialist		
Project Schedule Maintainer		
Documentation Specialist		
Security Specialist		

Describe how the project will use an Integrated Project Team (IPT) to assist in managing the project. This team should be composed of business/program staff, contracting officers, budget staff and managers.

Integrated Project Team

Key Project Roles	Name	GS Level / \$ per hr
Project Proponent		
Project Manager		
Business Process Owner		
Contracting Officer		
WO Division Representative		
WO Budget Representative		
Field Manager(s)		

6.1.2 High Level Work Breakdown Structure (WBS)

Develop a high level WBS table and attach it as an Appendix. (See Appendix 3)

6.1.2.1 High Level Project Schedule

Develop a high-level project schedule by adding a planned start and end date to each phase, stage and task/activity. Provide as much information at the level necessary to communicate how the project is planned to be implemented in phases, with incremental deliverables.

Refer to the SCO's Best Management Practices on Developing and Maintaining a Project Schedule.

6.1.2.2 High Level Gantt Chart

Now that you have a high-level WBS and planned start and end dates for each major phase and stage use a project management tool to develop a high level Gantt chart of planned activities, milestones and deliverables and attach it to the Business Case (See Appendix 4)

6.1.2.3 High Level Resource Requirements

Estimate total life cycle costs by phase/stage by rolling-up costs at the task/activity level. Identify the personnel /resource commitments and costs for labor (Bureau and contractor), hardware and software, travel, training and all costs associated with operations and maintenance for each activity.

6.2 Project Investment Management

6.2.1 Benefit/Cost Analysis

Conduct a Benefit/Cost Analysis on each alternative at a level of detail proportionate to the size and complexity of the project. Demonstrated a project return of the investment that is clearly equal to or better than the alternative uses of the same available public resources.

Complete a Benefit/Cost Analysis, identify all anticipated costs (including Bureau labor and travel), identify all anticipated benefits (tangible and intangible). Where A is equal to the estimated total cost of present business process and B is equal to the estimated cost of future/proposed business process and C is equal to the new benefits and D is the estimated total cost of the project (labor, travel, training, equipment (hw/sw), contractor costs) including all costs associated with operations and maintenance for 5 years post deployment.

$$\frac{(B - A) + C}{D}$$

Calculate the payback period (time for sum of benefits to equal the sum of the costs).

Refer to the SCO's Best Management Practices for Developing the Financial Analysis for a BLM Information Technology Business Case.

6.2.2 Cost / Benefit Assumptions

Describe any conditions and assumptions that explain and support the numbers presented in the Cost / Benefit calculations. Identify who has contributed to the development of the estimated costs and benefits, as well as who has reviewed them.

6.3 Sensitivity Analysis

Discuss what happens if benefits are not as large as anticipated and/or costs increase from those estimated. At what point do the costs equal the benefits?

6.4 Risk Identification and Management

Address how risk identification and management will be incorporated into the project plan. Risk management activities should be an integrated into the project schedule and budget as tasks, activities and milestones.

Refer to the SCO's Best Management Practices on Identifying and Managing Project Risks.

6.4.1. Risk Identification Form

Identify and document each major risk (See Appendix5). Complete one form for each identified risk.

6.4.2. Risk Management Summary Spreadsheet

Summarize all identified risks (See Appendix 6).

6.5 IT Investment Management Summary

Identify the funding required to implement the project, including out year operations and maintenance. Project costs must include all costs from cradle to grave.

This section explicitly defines the project’s baselined funding request by which all cost status reports will be based.

<i>Project Name Funding Strategy and Budget Request</i>					
<i>Costs Categories</i>	<i>FY +1</i>	<i>FY +2</i>	<i>FY+3</i>	<i>FY+4</i>	<i>FY+5</i>
<i>New Funding Required</i>					
• <i>Labor (new BLM labor costs)</i>	\$	\$	\$	\$	\$
• <i>Contract costs</i>	\$	\$	\$	\$	\$
• <i>Travel</i>	\$	\$	\$	\$	\$
• <i>Training</i>	\$	\$	\$	\$	\$
• <i>Equipment</i>	\$	\$	\$	\$	\$
<i>Sub -Total</i>	\$	\$	\$	\$	\$
<i>Funding from Existing Budget</i>					
• <i>Labor</i>	\$	\$	\$	\$	\$
• <i>Contract costs</i>	\$	\$	\$	\$	\$
• <i>Travel</i>	\$	\$	\$	\$	\$
• <i>Training</i>	\$	\$	\$	\$	\$
• <i>Equipment</i>	\$	\$	\$	\$	\$
<i>Sub-Total</i>	\$	\$	\$	\$	\$
<i>Total</i>	\$	\$	\$	\$	\$

In narrative format specifically identify the following: 1) actual dollar amount of funding being requested, 2) what will be produced, 3) when it will be delivered and 4) when will the system be turned over to operations and maintenance. Be able to roll-up all project cost and schedule by each stage and phases of the project.

Identify what organizational unit will perform operations and maintenance responsibilities. Describe their involvement in the development, testing, and transition and deployment stages.

6.5.1. Acquisition Strategy

Explain, at a very high level, how or if contracted resources, services or goods will be part of the overall project strategy. Specify if the system will be acquired/developed/accomplished with the use of a single or multiple contracts or contractors.

Detailed information on how you will approach this component of your overall project strategy will be addressed in the project's acquisition plan.

*The following questions do **not** need to be addressed within the Business Case but must be addressed in the acquisition plan.*

- Explain if you intend to use a single contract or several contracts to accomplish this project. If multiple contracts are planned, explain how they are related to each other, and how each supports the project performance goals.*
- Describe, for each planned contract, what type of contract you will use (e.g. sole source, selection off of a schedule, cost reimbursement, fixed price, etc)*
- Describe what financial incentives you plan to use to motivate contractor performance (e.g. incentive fee, award fee, etc)*
- Describe how contract performance measures will be evaluated (e.g. audits, reviews, etc)*
- Describe how you will use competition to select contractors.*

6.5.2. Overall Project Management Strategy

Describe, in greater detail than the information contained in Section 1.3.1, how the project will be managed from a overall project management strategy.

Will the project manager be full-time ? Where will they be located ? How will they maintain communications with the project sponsor ? Will the cost of the project manager's salary and travel be part of the overall project cost ? Will there be other Bureau employees who's salary and travel will need to be part of the project cost ? How do you see the project team working ? How will users and management become and maintained involved in the project ? What will you do if project costs become greater than authorized or the project's baselined schedule becomes unattainable.

6.5 Performance Based Management System

Describe the performance based management system that you will be using to control/monitor the achievement of, or deviation from, established baselines during the life-cycle of the project (i.e. Earned Value)

Appendix 1

High Level Business Processes

Version 1.0 of the Bureau Architecture has been completed. The Bureau Architecture contains the following business process areas which are the same high-level work process categories used in the BLM's Cost Management (ABC) system:

- 1.0 Provide Customer Service
- 2.0 Assess Condition/Status
- 3.0 Perform Planning
- 4.0 Authorize Use
- 5.0 Implement BLM-initiated Actions
- 6.0 Perform Monitoring
- 7.0 Manage Compliance
- 8.0 Manage Work
- 9.0 Sustain Organization (partial)

Note : These nine major categories do not correspond to the Bureau's organization chart or traditional BLM programs. Grouping processes logically in this way allows identifying functions shared across organizational and program boundaries, where economies of scale may be possible.

Note : These high-level business processes have been further broken out to the third level of detail, and in some cases beyond. Project business processes are to be mapped to the BA business processes at the most detailed level available.

Appendix 2

High Level Bureau Data Groups

APPEAL	All correspondence and documents generated by both the appellants and the BLM regarding legally contested decisions.
ASSESSMENT	The result of an analytic process. Does not include performance assessments, condition/status assessments.
AUTHORIZATION	The instruments that allow use to occur such as leases, grazing permits, mining claims, deeds, conveyances, etc. Includes terms & conditions, standards, and implicit authorizations.
BUDGET	Resource requests, financing, revenues and available funding such as appropriations.
COMMENT	Concerns, recommendations, issues, observations, etc. raised by the public regarding a BLM plan or proposed actions.
COMPLIANCE	Information on determinations of compliance with use terms, conditions and stipulations. Includes analysis of compliance (i.e. not under Assessment), also includes performance evaluation of customers (i.e. not under Results Evaluation).
CONDITION	Natural resource, social, economic, boundary and land tenure data used to compare landscape condition/status against identified standards and criteria and to define the current condition/status of the landscape. Includes analysis of resource data to derive Condition information.
CONTRACT	Leases, agreements, permits, etc., which legally obligate the BLM and at least one other party.
CUSTOMER	Individuals, co corporations and groups which conduct business with the BLM or are involved in actions of the BLM.
EMPLOYEE	Employment information such as title, position, grade, etc., on someone who works for the BLM.

ENFORCEMENT	Information about the exercise of compliance authority, including fines, impoundment and cancellation of use contracts. This includes the identification and resolution of trespass cases. Includes determination of corrective action (i.e. not under Assessment).
FACILITY	Information on structures erected and maintained by the BLM and others, including buildings, fences, culverts, etc. Includes information on all facilities (BLM or customer owned) .
GUIDANCE	Policies, procedures, directives, manuals, handbooks, etc. Includes strategies and activity plans.
INCOMING REQUEST	Expressions of interest for use authorization as well as requests for general information or BLM-produced products.
LAND STATUS	Information on land ownership, sensitive or critical areas, lands available for disposal or use, etc. Includes determination of Land Status (i.e. not under Assessment).
LAND USE PLAN	Information on Resource Management Plans (RMPs) (does not include project plans, strategies, or work plans).
MANDATE	All imperatives placed on the BLM by law, regulatory bodies, executive orders, courts, etc.
NEPA	All correspondence and BLM-generated documents related to the NEPA process.
NOTICE	Formal communications both to and from the BLM such as sundry notices, demand letters and other legal documents.
ORGANIZATION	Information on the administrative and functional structure that sustains the enterprise.
OUTGOING REQUEST	Requests for information, models, protocols, permits, etc., initiated by the BLM, to the customer or other agencies or members of the public.
PROJECT	All actions undertaken on the ground except for the development and maintenance of facilities. Includes project plans. Also includes development and maintenance of BLM facilities.
PUBLIC	Information on individual organizations and groups that are external to BLM (other than CUSTOMER).

QUESTIONNAIRE	Instruments for gathering performance results both within and external to the BLM.
RESOURCE	Information on both renewable and non-renewable resources.
RESPONSE IN	Information, permits, etc. provided to BLM as requested by BLM. Includes communications solicited by the BLM.
RESPONSE OUT	Information, approvals, denials of use authorization request, BLM materials, etc., provided to customers or the public as requested. Includes communications to other agencies, customers and the public, which require some response.
RESULTS EVALUATION	The analysis and evaluation of performance results, effectiveness results and organization and individual performance accomplishments. Does not include performance evaluation of customers.
STRATEGY	Goals, objectives, long-term performance objectives, expected outcomes, effectiveness measures and how to achieve them.
USE	Information on the legal enjoyment of property or resource. Includes all uses (legal & illegal), includes proposed & planned, as well as actual. Does not include allowed which is under authorization.
WORK LOAD	Demand work, workload needs, BLM-initiated work tasks, un-achievable priority tasks, etc.
WORK PLAN	Organizational and individual task assignments, performance goals, funding and FTE allocations.

Appendix 3

High Level Work Breakdown Structure

WBS No.	Level	Task/Activity Description (by phase and stage)
1.0	1	Select Phase
1.1	2	IT Clearinghouse Review Stage
1.2	2	Business Case Development and Architecture Review Stage
1.3	2	ITIB Review and Decision Stage
1.4	2	Acquisition Plan Development Stage
1.5	2	Project Plan Development Stage
2.0	1	Control Phase
2.1	2	Project Definition Stage
2.2	2	System and/or Service Acquisition Stage
2.3	2	System Design Stage
2.4	2	Development / Construction Stage
2.5	2	Acceptance Testing Stage
2.6	2	Transition / Deployment Stage
3.0	1	Evaluation Phase
3.1	2	Operational Readiness Review Stage
3.2	2	Post Implementation Review Stage
3.3	2	Annual System Performance Review Stage

Appendix 4

High Level Gantt Chart

(In Progress)

Appendix 5

RISK IDENTIFICATION FORM		
Project Name:	Module:	Project Focus Area:
Probability of Occurrence: <i>(high, medium, low)</i>	Schedule Impact: <i>(schedule loss by x weeks)</i>	Overall Risk Rating: <i>(high, medium, low)</i>
Risk Statement (explanation): <i>(describe the range of possible outcomes, expected timing, frequency)</i>		
Risk Mitigation Measures: <i>(tie mitigation to the project schedule, identify each by it's Activity Id #)</i>		
Risk Mitigation Strategy: <i>(avoid, mitigate, or accept) (circle one)</i>		
Identified by :	Date Identified:	Assigned to:

Appendix 6

Risk Management Summary Spreadsheet				
Priority	Risk Statement <i>[from Appendix 1]</i>	Project Phase or Stage:	Assigned to: <i>[name of team member]</i>	Overall Risk Rating : <i>[high, medium, low]</i>
1				<i>Risk (new) Date : xx/xx/xx</i> <i>Risk increasing Date : xx/xx/xx</i> <i>Risk static Date : xx/xx/xx</i> <i>Risk static Date : xx/xx/xx</i> <i>Risk decreasing Date : xx/xx/xx</i> <i>Risk eliminated Date : xx/xx/xx</i>
2				
3				
4				
5				
6				
7				
8				
9				
10				