

**PART I: CAPITAL ASSET PLAN AND BUSINESS CASE (All Assets)**

***BLM instructions are annotated in Italics Bold font. Download the latest template from the Federal Chief Information Officers web page, <http://www.cio.gov/>, or from the link on the SCO Tools page. IT investment phases and stages are set by Bureau IT Investment Management Policy and follow the General Accounting Office (GAO) Select, Control, and Evaluate phases.***

Date of this Submission ***Enter actual date document submitted to the System Coordination Office (SCO).***

Agency<sup>1</sup> ***Enter: Department of the Interior***

Bureau<sup>2</sup> ***Enter: Bureau of Land Management***

Location in the Budget ***Leave blank at Business Case Stage***

Account Title ***Leave blank at Business Case Stage***

Account Identification Code ***Leave blank at Business Case Stage***

Program Activity ***Enter the Bureau subactivity budget code(s) and program area name(s)***

Name of Investment ***Enter the proposed project's name and acronym (if appropriate)***

Unique Project (Investment) Identifier: (For IT investment only, see section 53. For all other, use agency ID system.) UPI should be created the same for all investments. ***Leave blank unless an identifier is assigned to the IT investment. This identifier is assigned by the BLM Budget Office in coordination with the Investment Management Group (WO-550).***

Investment Initiation Date ***Enter the date the project will start or did start. A project usually starts when the original idea receives its first management approval.***

Investment Planned Completion Date ***Enter the planned end date based upon the investments phase and stage.***

- ***For an Investment Proposal (IP), enter the date the IP will be submitted to the ITIB for decision.***
- ***For a Business Case (BC), enter the date the Control Phase will be completed.***
- ***For a project in the Control Phase, enter the date the Control Phase will be completed. If the project has more than one module, identify the planned Transition and Department end date for the last module***
- ***For an investment in the Evaluate Phase or an investment with both deployed products and on-going Control Phase work, enter the anticipated investment retirement date.***

This Investment is: Initial Concept  Planning  Full Acquisition  Steady State   
Mixed Life Cycle

***Enter an X for Initial Concept at IT Clearinghouse, Investment Proposal or Business Case Stages of the Bureau Investment Management process. If the business case is approved and the investment is in the Acquisition Plan and Project Plan Stages of the Select Phase or the Requirements Identification of the Control Phase, enter an X for Planning. If a project is in the remaining stages of the Control Phase, enter an X for Full Acquisition. If a project's last module is deployed and it is in the Evaluate Phase, enter an X for Steady State. If modules are both under development and are deployed, enter an X for Mixed Life Cycle.***

Investment/useful segment is funded: ***Enter an X to the right of Fully if full life cycle funding is or will be provided. Enter an X to the right of Incrementally if the project is or will be funded annually.*** Incrementally  Fully

Was this Investment approved by OMB for previous Year Budget Cycle? Yes  No   
***Enter an X to the right of No unless OMB has requested and approved the project for a previous Year Budget Cycle. If OMB has approved the project, enter an X to the right of Yes.***

<sup>1</sup> Agency means the Department of the Interior or other establishment of the government.

<sup>2</sup> Bureau means the principal subordinate organizational units of an agency.

Did the Executive/Investment Review Committee approve funding for this Investment this year? *Enter an X to the right of Yes at Business Case Stage if an Investment Proposal (IP) was approved by the ITIB. If the project has not been approved by the ITIB, enter an X to the right of No.* Yes \_\_\_ No \_\_\_

Did the CFO<sup>3</sup> review the cost goal? *Enter an X to the right of Yes or No in response to the question.* Yes \_\_\_ No \_\_\_

Did the Procurement Executive<sup>4</sup> review the [acquisition strategy](#)? *Enter an X to the right of Yes or No in response to the question.* Yes \_\_\_ No \_\_\_

Did the Investment Manager identified in Section 1.D. review this exhibit? *Enter an X to the right of Yes or No in response to the question.* Yes \_\_\_ No \_\_\_

Is this investment included in your agency's annual performance plan<sup>5</sup> or multiple agency annual performance plans? *Enter an X to the right of Yes or No in response to the question.* Yes \_\_\_ No \_\_\_

Does this investment support homeland security? Yes \_\_\_ No \_\_\_

If this investment [supports homeland security](#), indicate by corresponding number which homeland security mission area(s) this investment supports?

- 1 – Intelligence and Warning;
- 2 – Border and Transportation Security;
- 3 – Defending Against Catastrophic Threats;
- 4 – Protecting Critical Infrastructure and Key Assets;
- 5 – Emergency Preparedness and Response; or
- 6 – Other.

*If the answer is yes to any one of the areas, enter an X to the right of Yes. If not, enter an X to the right of No. Then enter the appropriate number(s), 1 through 6, under the Yes X to indicate which mission area(s) are supported.*

Is this investment information technology<sup>6</sup>? ([See Section 53](#) for definition) *Enter an X to the right of Yes.* Yes \_\_\_ No \_\_\_

**For information technology investments only:**

a. Is this investment a Financial Management System<sup>7</sup>? ([see section 53.3 for definition](#)) Yes \_\_\_ No \_\_\_  
*Enter an X to the right of Yes or No in response to the question.*

<sup>3</sup> Chief Financial Officer. For the Bureau of Land Management, the CFO is the Assistant Director, Business and Financial Resources, WO-800.

<sup>4</sup> The CFO serves as the Procurement Executive for the Bureau of Land Management. In the Department of the Interior, Debra Sonderman, PAM, is the Procurement Executive.

<sup>5</sup> Address each "agency" question from both a Departmental (DOI) as well as Bureau perspective.

<sup>6</sup> OMB Circular A-11, Section 300.4. **Information technology**, as defined by the Clinger-Cohen Act of 1996, sections 5002, 5141, and 5142, means any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information. For purposes of this definition, equipment is "used" by an agency whether the agency uses the equipment directly or it is used by a contractor under a contract with the agency that (1) requires the use of such equipment or (2) requires the use, to a significant extent, of such equipment in the performance of a service or the furnishing of a product. Information technology includes computers, ancillary equipment, software, firmware and similar procedures, services (including support services), and related resources. It does not include any equipment that is acquired by a Federal contractor incidental to a Federal contract.

<sup>7</sup> OMB Circular A-11, Section 53.3. **Financial management systems** are financial systems and the financial portion  
 Section 300–2 From OMB Circular No. A–11 (2003)  
 FY 2005 Format 7/11/2003

If so, does this investment address a FFMIA<sup>8</sup> compliance area? Yes \_\_\_ No \_\_\_  
*If the answer to the question above is Yes, enter an X to the right of Yes or No.*

If yes, which compliance area? *Respond if applicable.*

b. Does this investment implement electronic transactions or record keeping that is covered by the Government Paperwork Elimination Act (GPEA)? *Enter an X to the right of Yes or No.* Yes \_\_\_ No \_\_\_

**Bureau Records Officer<sup>9</sup>:** \_\_\_\_\_

If so, is it included in your GPEA plan (and does not yet provide an electronic option<sup>10</sup>)? *If the answer to question b. above is Yes, enter an X to the right of Yes or No.* Yes \_\_\_ No \_\_\_

Does the investment already provide an electronic option? *If the answer to question b. is Yes, enter an X to the right of Yes or No.* Yes \_\_\_ No \_\_\_

c. If the investment administers information in identifiable form about members of the public, was a privacy impact assessment (PIA)<sup>11</sup> submitted via PIA@omb.eop.gov with a unique project (investment) identifier? Yes \_\_\_ No \_\_\_

*Do Not Submit the PIA to OMB unless the Business Case is submitted and approved by the Department of the Interior. Enter an X to the right of Yes or No. For information, contact Bureau FOIA Officer, WO-560.*

**Bureau Privacy/IT Officer<sup>12</sup>:** \_\_\_\_\_

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of mixed systems (see definitions below) that support the interrelationships and interdependencies between budget, cost and management functions, and the information associated with business activities.

**Financial systems** are comprised of one or more applications that are used for any of the following:

- . Collecting, processing, maintaining, transmitting, and reporting data about financial events;
- . Supporting financial planning or budgeting activities;
- . Accumulating and reporting cost information; or
- . Supporting the preparation of financial statements.

A financial system supports the processes necessary to record the financial consequences of events that occur as a result of business activities. Such events include information related to the receipt of appropriations or resources; acquisition of goods or services; payment or collections; recognition of guarantees, benefits to be provided, or other potential liabilities or other reportable activities.

<sup>8</sup> Federal Financial Management Improvement Act of 1996

<sup>9</sup> Ted Weir, WO-560, is the Bureau Records Administrator.

<sup>10</sup> Agencies are required by GPEA to provide the option for routine electronic transactions to their transaction partners. Transaction partners are not required to use the electronic option.

<sup>11</sup> Privacy Impact Assessment and Guide, Version 7.30.02, is available from the Office of the Chief Information Officer, DOI.

<sup>12</sup> John Livornese, WO-560, is the Bureau Privacy Officer.

**BLM BUSINESS CASE**

d. Was this investment reviewed as part of the FY 2003 [Federal Information Security Management Act](#) review process? Yes \_\_\_ No \_\_\_  
*Enter an X to the right of Yes or No.*

**Bureau IT Security Officer<sup>13</sup>:** \_\_\_\_\_

d.1 If yes, were any weaknesses found? Yes \_\_\_ No \_\_\_  
*If the response to the question about is Yes, enter an X to the right of Yes or No.*

d.2. Have the weaknesses been incorporated into the agency's corrective action plans? Yes \_\_\_ No \_\_\_  
*If the response to the question d. is Yes, enter an X to the right of Yes or No.*

e. Has this investment been identified as a national critical operation or asset by a Project Matrix<sup>14</sup> review or other agency determination? Yes \_\_\_ No \_\_\_  
*Enter an X to the right of Yes or No.*

e.1 If no, is this an agency mission critical or essential service, system, operation, or asset (such as those documented in the agency's COOP<sup>15</sup> Plan), other than those identified above as national critical infrastructures? Yes \_\_\_ No \_\_\_  
*Enter an X to the right of Yes or No.*

f. Was this investment included in a [Performance Assessment Rating Tool \(PART\)](#) Review? *Enter an X to the right of Yes or No.* Yes \_\_\_ No \_\_\_

f.1. Does this investment address a weakness found during the PART Review? *Enter an X to the right of Yes or No.* Yes \_\_\_ No \_\_\_

**SUMMARY OF SPENDING FOR INVESTMENT STAGES**  
 (In Millions)  
 (Estimates for BY+1 and beyond are for planning purposes only  
 and do not represent budget decisions)

	<i>PY-1 and Earlier</i>	<i>PY 2003</i>	<i>CY 2004</i>	<i>BY 2005</i>	<i>BY+1 2006</i>	<i>BY+2 2007</i>	<i>BY+3 2008</i>	<i>BY+4&amp; Beyond</i>	<i>Total</i>
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*Planning:*

*Budgetary Resources*

*Outlays*

*Acquisition :*

*Budgetary Resources*

*Outlays*

*Total, sum of stages:*

*Budgetary Resources*

<sup>13</sup> David Cavallier, WO-590, is acting as of September 2003.

<sup>14</sup> Department of Commerce, Critical Infrastructure Assurance Office, developed Project Matrix that was adopted by OMB to identify and prioritize security needs for government assets. A Matrix review identifies the critical assets within an agency, prioritizes them, and then identifies interrelationships with other agencies or the private sector. More information is available at: <http://www.ciao.gov/Federal/>.

<sup>15</sup> Continuity of Operations Plans.

*Outlays*

*Maintenance:*

*Budgetary Resources*

*Outlays*

*Total, All Stages:*

*Budgetary Resources*

*Outlays*

*Government FTE Costs*

Note: Government FTE Costs shall include government personnel considered direct and indirect labor in support of this investment. This includes the investment management IPT and any other government effort (e.g., programming effort for the part of the overall investment, development effort) that contributes to the success of the investment. The costs include the salaries plus the fringe benefit rate of 32.8%. Agencies should reflect estimates of the costs of internal FTE supporting an IT investment, and should at a minimum include FTE estimates of anyone spending more than 50% of their time supporting this investment. Persons working on more than one investment, whose contributions over all investments would exceed 50% of their overall time, should have their specific time allocated to each investment.

*In the Summary of Spending for Project Stages table, above, enter the estimated funding required for the investment<sup>16</sup> by fiscal year. Provide the following breakdown:*

- *"Initial Concept" includes the IT Clearinghouse, Investment Proposal, and Business Case Stages of the Select Phase, see Bureau IT Investment Management Policy and the schedule in I.H.2, below. Include these costs in the "Planning:" rows.*
- *"Planning" includes the remaining stages in the Select Phase and the Project Definition Stage of the Control Phase.*
- *"Acquisition" includes the remaining stages in the Control Phase.*
- *"Maintenance" includes the two stages in the Evaluate Phase. OMB also refers to maintenance as "Steady State"<sup>17</sup>.*
- *"Mixed Life Cycle" complicates the investments. Adding functionality to an existing application or system is not included as part of "Maintenance." Additional functionality can be added through a series of originally planned software releases, but the investment then becomes a "Mixed Life Cycle" investment with concurrent spending in planning, acquisition, and maintenance. If a "Mixed Life Cycle" is planned, include costs in both the Acquisition and Maintenance cells for the overlapping fiscal years in the table.*

*Include BLM labor, all contract costs, hardware, software, travel, training, and all other direct costs from initial concept thru the final year of maintenance.*

*The following is nomenclature for fiscal years in the Exhibit 300:*

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<sup>16</sup> Include costs for operations and maintenance (O&M). Most IT investments should plan a 5-year operational life.

<sup>17</sup> "Steady State" means maintenance and operation costs at current capability and performance level including costs for personnel, maintenance of existing information systems, corrective software maintenance, voice and data communications maintenance, and replacement of broken IT equipment. Steady State does not include upgrades or enhancements of the system to meet changed requirements or meet new business needs.

*"BY" is the abbreviation for Budget Year. In the example table, the "BY" column would show FY 2004 appropriations as "budgetary resources."*

*"CY" is the abbreviation for Current Fiscal Year. Please note the CY may not be today's fiscal year. The budget document life cycle begins two or more years before Congressional action on the budget. In the example table, the "CY" column would show FY 2003 appropriations as "budgetary resources" and current spending as "outlays."*

*"PY" is the abbreviation for Prior Fiscal Year. In the example table, the "PY" column would show FY 2002 appropriations as "budgetary resources" and prior fiscal year expenditures as "outlays."*

*PY-1 includes the total of all Budgetary Resources for the past fiscal years excluding the PY. In the example table, the PY-1 and Earlier column contains Budgetary Resources and Outlays in millions of dollars for FY 2001 and earlier.*

*In the example table, the BY+1, BY+2, and BY+3 columns contain Budgetary Resources in millions of dollars for FY 2005, FY 2006, and FY 2007. Outlays should be left blank.*

*In the example table, the BY+4 & Beyond column contains Budgetary Resources for FY 2008 and beyond. Outlays should be left blank.*

*New investments should plan to start significant work in the budget year. The ITIB must approve the business case for BY funding at least 23 months before the BY to allow proposed investment to pass through the required DOI and OMB Exhibit 300 review cycles, i.e., FY 2004 investments must have been approved by the ITIB in November 2001.*

*Existing investments update the Exhibit 300 to report progress.*

*The Exhibit 300 is a living document. Each fiscal year, information in the columns shifts to the left one column.*

*Budgetary Resources are the funds made available to the project, i.e., the "Planned Dollars" in MIS for new investments. Outlays represent the actual expenditure of funds, i.e., the "Spent" amount in MIS.*

## **I. A. Investment Description**

1. Provide a brief description of this investment and its status through your [capital planning and investment control \(CPIC\)](#) or capital programming "control" review for the current cycle.

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

*If this is a multi-agency project, include this fact in the description of the project.*

*Discuss why is this project is proposed. Describe the project's concept, what is in and what is outside of the project scope.*

*Explain qualitative benefits versus the status quo of not doing this project.*

*This section defines the project boundaries and sets the baseline scope of the project. Specify the exact project scope in terms of:*

- *Primary function of the system*
- *Intended customers/users (e.g., 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*
- *Other existing or similar on-going projects (check the Budget Planning System as a clearinghouse for similar IT investments within the Bureau and then check potential commercial or government IT investments for alternatives)*
- *Planned modules and deliverables*
- *The products the investment will provide, i.e., the project will provide an electronic serial register page.*

*Describe the overall project strategy to complete the project. Include more detail than provided at the Investment Proposal about how the project will be managed from an overall project management strategy.*

- *Will the project manager be full-time?*
- *Where will the project manager be located?*
- *How will the project manager maintain communications with the project sponsor?*
- *Will there be Bureau employees whose salary and travel will need to be part of the project cost?*
- *How will the project team function?*
- *How will users and management become involved and maintain their involvement in the project?*
- *What steps will the project manager take if project costs become greater than authorized, project scope increases or decreases, or the project's baseline schedule becomes unattainable?*

2. What assumptions are made about this investment and why?

*List all assumptions, especially the business process assumptions, included in the project. For example, if this project is dependent upon the successful outcome of another project, state this fact as an assumption here.*

3. Provide any other supporting information derived from research, interviews, and other documentation.

*Describe any documents already produced containing detailed material. Include them as supporting documents or state where they are available for review. Examples include: Cost Benefit Analysis, Concept of Operations, requirements identification documents, pilot effort results, etc.*

*Identify other Bureau 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.?*

## **I.B. Justification (All Assets)**

In order for IT investments to successfully address support of the [President's Management Agenda](#) and justification of the investment, the investment should be collaborative and include industry, multiple agencies, state, local, or tribal governments, use e-business technologies and be governed by citizen needs. If the investment is a steady state investment, then an E-Gov strategy review should be underway and include all of the necessary elements ([www.whitehouse.gov/omb/egov/2003egov\\_strat.pdf](http://www.whitehouse.gov/omb/egov/2003egov_strat.pdf)). If appropriate, this investment is fully aligned with one or more of the President's E-Gov initiatives.

1. How does this investment support your agency's [mission and strategic goals and objectives](#)?

*Describe how the proposed investment aligns with the DOI and Bureau's core functions. Describe how the investment ties to both DOI and the Bureau's Strategic Plan and the Annual Performance Plan. Identify the strategic plan goal, legislative requirement or oversight recommendation (e.g., GAO or IG recommendation). In detail, answer these questions: How does the investment support the agency's mission? How does the investment help the agency achieve its mission goals and objectives?*

2. How does it support the strategic goals from the [President's Management Agenda](#)<sup>18</sup>?

*Describe how this investment supports these goals.*

3. Are there any alternative sources in the public or private sectors that could perform this function?

*Describe why BLM is required to do the business processes identified in the IT investment. Identify if there are other agencies or private sector sources that can more efficiently support this function.*

*Conduct a search of the BLM IT Clearinghouse in the Budget Planning System (<http://bps.blm.gov>) for other applications, systems, or tools that might meet the project's requirements. Check commercial sources and other bureaus' or agencies' applications or systems. Commercial-off-the-shelf (COTS) and government-off-the-shelf (GOTS) software, if available, may reduce the costs of the project. Document the results of such searches.*

4. If so, explain why your agency did not select one of these alternatives.

*If there were alternative sources or solutions, explain why they were not considered as a viable alternative. Provide justification that there are no alternative sources in the public or private sectors that could better perform this function. A strong justification is required if a viable alternative is discarded.*

5. Who are the customers (can be both internal and external to the government) for this investment?

*Identify the users and customers*

- *Who are they? What are their wants and needs relative to the investment?*
- *How strong is user support for the project?*
- *What is their involvement in the development of the investment?*
- *What continued involvement will they have throughout the project's life cycle?*

6. Who are the stakeholders of this investment?

*Stakeholders are individuals who can influence the outcome of the project. These individuals may work outside of the Bureau. An example is: the organizational unit that will perform operations and maintenance responsibilities on the investment once it is deployed.*

*Document any 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.*

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<sup>18</sup> The Bureau maintains a web site with links to the President's Management Agenda and supporting documents at: <http://web.blm.gov/pma>.

6. If this is a multi-agency initiative, identify the agencies and organizations affected by this initiative.

*The Bureau may serve as the managing partner or lead agency for IT investments. If so, document all partners and impacted agencies and organizations.*

7a. If this is a multi-agency initiative, discuss the partnering strategies you are implementing with the participating agencies and organizations.

8. How will this investment reduce costs or improve efficiencies?

*Provide a brief narrative description.*

9. List all other assets that interface with this asset. Have these assets been reengineered (changed) as part of this investment? Yes/No

*List all Bureau assets, i.e., software, systems, hardware, etc., that connect to, receive information from, or provide information to the investment.*

**I.C. Performance Goals and Measures (All Assets)**

*BLM guidance TBD.*

In order to successfully address this area of the business case, performance goals must be provided for the agency, linked to the annual performance plan. The investment must discuss the agency’s mission and strategic goals, and performance measures are provided. These goals need to map to the gap in the Agency's strategic goals and objectives that this investment is designed to fill. They are the internal and external performance benefits this investment is expected to deliver to the agency (e.g., improve efficiency by 60%, increase citizen participation by 300% a year to achieve an overall citizen participation rate of 75% by FY 2XXX, etc.). The goals must be clearly measurable investment outcomes, and if applicable, investment outputs. They do not include the completion date of the module or investment, or general goals, such as, significant, better, or improved that do not have a quantitative or qualitative measure.

Agencies must use Table 1 below for reporting performance goals and measures for existing investments that were initiated prior to FY 2005. The table can be extended to include measures for years beyond FY 2004.

**Table 1**

<b>Fiscal Year</b>	<b>DOI Strategic Goal(s) Supported</b>	<b>Existing Baseline</b>	<b>Planned Performance Improvement Goal</b>	<b>Actual Performance Improvement Results</b>	<b>Planned Performance Metric</b>	<b>Actual Performance Metric Results</b>
2003						
2003						
2004						
2004						

All new IT investments that are development, modernization, or enhancement (DME) for 2005 and beyond must use Table 2 and are required to use the FEA Performance Reference Model. The [PRM Version 1.0](#), includes detailed guidance about how to incorporate PRM Indicators into the performance goals and measures table below. Please use Table 2 below and the PRM to identify the performance information that pertains to the major IT Investment. Ensure

there is a complete tie-in to the strategic goals and objectives described in section I.B.1. Identify the end and intermediate measures and outcomes that this investment supports in the DOI Draft Strategic Plan.

**Table 2**

Fiscal Year	Measurement Area	Measurement Category	Measurement Indicator	Baseline	Planned Improvements to the Baseline	Actual Results
2005	Mission and Business Results					
2005	Customer Results					
2005	Processes and Activities					
2005	Technology					
2006	Mission and Business Results					
2006	Customer Results					
2006	Processes and Activities					
2006	Technology					

**I.D. Investment Management [All Assets]**

The OMB Circular A-11, Part 7, [Capital Programming Guide](#), and the [OPM Project Management Guidance “Interpretive Guidance for Project Manager Positions”](#), discuss investment management structures, responsibilities, and qualifications that contribute to successful achievement of cost, schedule, and performance goals.

1. Is there an investment manager assigned to the investment? If so, give full contact information. **Enter an "X" in the box after Yes and provide the name of the project manager. List the project manager's title, office, and phone number. If no project manager is assigned, enter an "X" in the box after No.** Yes No

1.A. Identify the members, roles, qualifications, and full contact information of the in-house and contract investment managers for this investment. **List names. Describe roles. Provide a brief description of the project manager's experience and other investment managers assigned to this investment and indicate if the manager(s) have received Project Management training, other specialize training or experience which qualifies the manager(s) for the roles.**

2. Is there a contracting officer assigned to the investment? If so, give full contact information. **Enter an "X" in the box after Yes and provide the name of the Bureau contracting officer assigned. If no contracting officer is assigned, enter an "X" in the box after No.** Yes No

3. Is there an Integrated Project Team<sup>19</sup>? *Enter an "X" in the box to the right of Yes if an IPT exists. List the team member names and their grade and step. If no IPT is assigned, enter an "X" in the box after No.* Yes No

3.A. If so, list the skill set represented.  
*List the skills and enter the team members name, job title, and grade.*

4. Is there a sponsor/owner for this investment? Yes No  
*Answer Yes or No as appropriate.*

4.A. If so, identify the sponsor/process owner by name and title and provide full contact information. *All Bureau IT investments must have a sponsor. Provide the sponsor's name. List the sponsor's title, office, and phone number.*

**I.E. Alternatives Analysis [All Assets]**

In order to successfully address this area of the business case, you must include three viable alternatives that were compared consistently, identify the alternative chosen, and provide and reasons for your choice. Agency must identify all viable alternatives and then select and report details on the top three viable alternatives. Use OMB [Circular A-94](#) for all investment and the [Clinger Cohen Act](#) for IT investments for the criteria to be used for Benefit/Cost analysis. Agency must include the minimum criteria to be applied in considering whether to undertake a particular investment, including criteria related to the quantitatively expressed projected net, risk-adjusted return on investment, and specific quantitative and qualitative criteria for comparing and prioritizing alternative investments. For IT investments, agencies should use the Federal Enterprise Architecture (FEA) to identify potential alternatives for partnering or joint solutions that may be used to close the identified performance gap.

1. Describe the alternative solutions you considered for accomplishing the agency strategic goals or for closing the performance gap that this investment was expected to address. Describe the results of the feasibility/performance/benefits analysis. Provide comparisons of the returns (financial and other) for each alternative.

*Evaluate at least three viable alternatives in addition to the current system. The current system or status quo represents the current method of performing the business. Each alternative is compared to the current system in separate benefit cost analyses. One of the alternatives is the preferred alternative. The others must be viable alternatives.*

*Fully explore each alternative. Provide a description of what the scope covers, what the cost estimate is, and what is the schedule to deliver each alternative.*

1.A. Discuss the market research that was conducted to identify innovative solutions for this investment (e.g., used an RFI to obtain four different solutions to evaluate, held open meetings with contractors to discuss investment scope, etc). Also describe what data was used to make estimates such as, past or current contract prices for similar work, contractor provided estimates from RFIs or meetings, general market publications, etc. Use [OS/PPP](#) for help.

Alternative	Description
Alternative 1 –	
Alternative 2 –	
Alternative 3 –	

<sup>19</sup> Integrated Project Team (IPT) means a multi-disciplinary team led by a program manager responsible and accountable for planning, budgeting, procurement and life-cycle management of the project to achieve its cost, schedule and performance goals. Team skills include: budgetary, financial, capital planning, procurement, user, program, value management, earned value management, and other staff as appropriate.

2. Summarize the results of your life-cycle cost analysis performed for each investment and the underlying assumptions.

<b>Cost Elements</b>	<b>Alternative 1</b>	<b>Alternative 2</b>	<b>Alternative 3</b>
<i>Element 1</i>			
<i>Element 2</i>			
<i>Element 3</i>			
<i>Element 4</i>			
<i>Element 5</i>			
<i>Total</i>			

*Cost elements are major Bureau Object Class Codes and Descriptions as: Personnel compensation and benefits Object Class 10, Contractual Services and Supplies Object Class 20, and Acquisition of Assets Object Class 30. See the WO-880 Budget Library for specific details about object classes.*

*At a minimum, each alternative should be described in terms of:*

- 10. Personnel compensation and benefits (BLM and other government employees paid for by the project)*
- 20. Contractual Service and Supplied*
  - 21 Travel and transportation of persons*
  - 22 Transportation of things*
  - 23 Rent, Communications, and Utilities*
  - 24 Printing and Reproduction*
  - 25 Other Contractual Service (excludes Information Technology consulting services which are included in Object Class 31)*
  - 26 Supplies and materials (consumable commodities)*
- 30. Acquisition of Assets*
  - 31. Equipment*
    - 31.1A Capitalized - Equipment*
    - 31.1D Capitalized - Information Technology Software (over \$100,000)*
    - 31.1E Capitalized - Information Technology Equipment*
    - 31.2 Non-capitalized equipment (hardware and software)*

*The total costs in dollars for each cost element for the preferred alternative must match the other project information in Summary of Spending For Project Stages table, as well as project and funding plan information in section I.H. Combine smaller categories as appropriate for the scale of the project.*

3. Which alternative was chosen and why?

*Provide a detailed narrative discussion in this section. This becomes the "justification" section for the preferred alternative. Demonstrate a project ROI that is clearly equal to or better than alternative uses of the available resources. Defend why the selected alternative is the better of the alternatives, e.g., greater Cost Benefit ratio, quicker payback, or less reliance on custom software*

*Identify the estimated data management costs and benefits in the Cost Benefit Analysis and Return on Investment (ROI) template for each alternative.*

*ROI analysis requires a Cost Benefit Analysis on each alternative at a level of detail proportionate to the size and complexity of the project.*

*At the Investment Proposal Stage, complete a simplified Cost Benefit Analysis, identify all anticipated costs (including Bureau labor and travel), and identify all anticipated benefits (tangible and intangible).*

- *A is equal to the estimated total cost of present business process.*
- *B is equal to the estimated cost of future/proposed business process.*
- *C is equal to the new benefits.*
- *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.*

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

*At the Business Case Stage, a complete discounted cash flow Cost Benefit Analysis and ROI analysis is required.*

*Refer to the SCO Best Management Practices for Developing the Financial Analysis for a BLM Information Technology Business Case. The SCO maintains a set of Microsoft Excel spreadsheets for completing a project ROI. Standard financial assumptions, i.e., rate of return and overhead charges, are listed in the template assumption sheet.*

*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.*

*The Benefit to Cost Analysis is not complete until a sensitivity analysis is performed. 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? The SCO suggests doubling the estimated cost of the project and then halving the benefits and recalculate the ROI.*

3. A. Are there any quantitative benefits that will be achieved through this investment (e.g., systems savings, cost avoidance, stakeholder benefits, etc)? Define Return on Investment (ROI).

*Examples of quantitative are: combines three systems/applications into one or reduces the support needed from three to one system administrator.*

3. B. For the alternative selected, provide financial summary, including Net Present Value by Year and Payback Period Calculations:

YEAR =	FY								

*The Microsoft Excel spreadsheet template provides a discounted cash flow of net present value. Show the net present value by year for each alternative. The SCO Benefit Cost spreadsheet summary sheet provides the calculated fiscal year series of net present value dollars for entry into this table. Payback occurs when the cash flow becomes positive.*

4. What is the date of your cost benefit analysis? **(Need exact date e.g. MM/DD/YYYY)**

*In addition to the date of the cost benefit (ROI) analysis, provide the return on investment ratio, i.e., \$1.2 in benefits to \$1 in cost, from the SCO Cost Benefit spreadsheet.*

**I. F. Risk Inventory and Assessment (All Assets)**

In order to successfully address this issue on the business case and capital asset plan, you must have performed a Risk Assessment at initial concept, included the mandatory risk elements defined below and demonstrate active management of the risk throughout the life-cycle of the investment.

For all investments, both IT and non-IT, you must discuss each of the following risks and present your plans to eliminate, mitigate, or manage the risk, with milestones and completion dates. If there is no risk to the investment achieving its goals from a risk category, indicate so. If there are other risks identified, include them. Risk assessments should include risk information from all stakeholders and should be performed at the initial concept stage and then monitored and controlled throughout the life-cycle of the investment,. Risk assessments for all investments must include 1) schedule, 2) initial costs, 3) life-cycle costs, 4) technical obsolescence, 5) feasibility, 6) reliability of systems, 7) dependencies and interoperability between this investment and others, 8) surety (asset protection) considerations, 9) risk of creating a monopoly for future procurements, 10) capability of agency to manage the investment, and 11) overall risk of investment failure.

In addition, for IT investments, risk must be discussed in the following categories 12) Organizational and Change Management, 13) Business, 14) Data/Info, 15) Technology, 16) Strategic, 17) Security, 18) Privacy, and 19) Investment Resources. For security risks, identify each risk individually under the description column the level of risk as high, medium, or basic. What aspect of security determines the level of risk, i.e., the need for confidentiality of information, availability of information or the system, reliability of the information or system? Under the current status column list the milestones remaining to mitigate the risk.

*Each project must develop a risk assessment plan. The "results" of this plan are captured in the following table. Project must show risk identification, analysis, mitigation, and control is an on-going project process. Each of the 19 areas must be fully addressed below.*

<b>Date Identified</b>	<b>Area of Risk</b>	<b>Description</b>	<b>Probability of Occurrence</b>	<b>Strategy for Mitigation</b>	<b>Current Status as of the date of this exhibit</b>
	<i>Schedule</i>				
	<i>Initial Costs</i>				
	<i>Life-Cycle costs</i>				
	<i>Technical obsolescence</i>				
	<i>Feasibility</i>				
	<i>Reliability of systems</i>				
	<i>Dependencies and interoperability between this investment and</i>				

	<i>others</i>				
	<i>Surety (asset protection) considerations</i>				
	<i>Risk of creating a monopoly for future procurements</i>				
	<i>Capability of Agency to manage the investment</i>				
	<i>Overall risk of investment failure</i>				
	<i>Organizational and change Management</i>				
	<i>Business</i>				
	<i>Data/Info</i>				
	<i>Technology</i>				
	<i>Strategic</i>				
	<i>Security</i>				
	<i>Privacy</i>				
	<i>Investment Resources</i>				

1. What is the date of your risk management plan? **(Need exact date e.g. MM/DD/YYYY)**

***Enter plan date. Show dates for amendments to the plan. Schedule future revisions and risk inventory and assessment milestones in Part I.H.2.***

**I.G. Acquisition Strategy (coordinate this with your Bureau Procurement Executive)**

In order to adequately address this area of the business case and capital asset plan you must employ a strong acquisition strategy that mitigates risk to the federal government, accommodates Section 508 as needed, and use performance based contracts and Statement of Work (SOW). If you are not using performance based contracts and SOWs, your acquisition strategy should clearly define the risks that prompted you not to use performance based contracts and SOWs. Finally, your implementation of the Acquisition Strategy must be clearly defined.

***Explain, at a very high level, how or if contracted resources, services or goods will be part of the overall project strategy.***

***The project's acquisition plan will address detailed aspects of the acquisition strategy.***

***The following items must begin to be addressed within the Business Case. The items will be fully addressed in the acquisition plan.***

1. Will you use a single contract or several contracts to accomplish this investment?

***Answer the question and explain how you intend to use a single contract or several contracts to accomplish this project.***

1.A. What is the type of contract/task order if a single contract is used?

1B. If multiple contract/task orders will be used discuss the type, how they relate to each other to reach the investment outcomes, and how much each contributes to the achievement of the investment cost, schedule and performance goals. Also discuss the contract/task order solicitation or contract provisions that allow the contractor to provide innovative and transformational solutions

2. For other than firm-fixed price, performance-based contracts, define the risk not sufficiently mitigated in the risk mitigation plan, for that contract/task order, that requires the Government to assume the risk of contract achievement of cost, schedule and performance goals. Explain the amount of risk the government will assume.

***Describe, for each planned contract, what type of contract you will use, e.g., sole source, selection off a schedule or cost reimbursement, fixed price.***

3. Will you use financial incentives to motivate contractor performance (e.g. incentive fee, award fee, etc.)?

***Provide more than a Yes or No answer. Describe what financial incentives you plan to use to motivate contractor performance. Describe how contract performance will be evaluated (e.g., audits, reviews, etc.).***

4. Discuss the competition process used for each contract/task order, including the use of RFP's schedules or other multiple agency contracts, etc?

***Describe how you will use competition to select contractors.***

5. Will you use commercially available or COTS products for this investment?

***If automation is involved in the re-engineering of business processes, explain how the investment makes maximum use of COTS technology. If COTS products are available, OMB has determined COTS must be used as much as possible. Failure to use available COTS will likely reduce the investment's evaluation score and likelihood for funding.***

5.A To what extent will these items be modified to meet the unique requirements of this investment?

5.B What prevented the use of COTS without modification?

6. What is the date of your acquisition plan? **(Need exact date e.g. MM/DD/YYYY)**

***Enter the date that the plan was approved by the Contracting Officer.***

7. How will you ensure Section 508 compliance?

***Describe how the investment 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.***

- ***Identify hardware and software needed to comply with Section 508 for development and testing.***

- ***Follow the Federal Acquisition Regulation (FAR Rule Part 7)***
  - *Upon procurement of hardware and software, request for compliance from vendor should be supplied before acquisition.*
  - *When procuring a product, each agency shall procure products that comply with the provisions when such products are available in the commercial marketplace or when such products are developed in response to a government solicitation.*
  - *If products are commercially available that meet some but not all of the standards, the agency must procure the product that best meets the standards.*

***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.***

8. Acquisition Costs: ***Enter for first Control Phase year of the proposed investment.***

8.A. For budget year, what percentage of the total investment is for hardware acquisition?

8.B. For budget year, what percentage of the total investment is for software acquisition?

8.C. For budget year, what percentage of the total investment is for services acquisition?

#### **I.H. Investment and Funding Plan**

In order to successfully address this section of the business case, you must demonstrate use of an Earned Value Management System (EVMS) that meets ANSI/EIA Standard 748, for both government and contractor cost, for those parts of the investment that require development efforts (e.g., prototypes and testing in the planning phase and development efforts in the acquisition phase) and show how close the investment is to meeting the approved cost, schedule and performance goals. Information on EVMS is available at <http://www.acq.osd.mil/pm>. For those investments in the operations/steady state phase, you must perform an operational analysis as defined in the Capital Programming Guide to demonstrate how close the investment is to achieving the expected cost, schedule and performance goals for this phase. Program status information in this section must include the both the contractor's part of the investments overall costs and milestone requirements as well as the government's costs and milestone requirements to successfully complete the investment phase, segment or module being reported.

***Plan the work necessary to complete this project. At the Investment Proposal Stage, plan the work needed to complete the Business Case.***

***The purpose of this section is to develop realistic cost and schedule estimates at the Business Case Stage.***

***If completing an Exhibit 300 for an existing IT investment, plan and cost all future activities.***

***The SCO staff is available to assist in the development of the above information.***

***Once established and approved by the ITIB, these high level investment phase and stage baseline costs and schedule dates will be used to determine if the investment achieves at least 90 percent of all IT project cost and schedule goals. Project variance greater or less than 10 percent in either cost or schedule must be reported to OMB for major applications, project variance greater or less than 5 percent must be reported to the Bureau's IT Investment Board and the Department.***

**I.H.1. Description of performance-based management system (PBMS):**

Explain the methodology used by the agency to analyze and use the earned value performance data to manage performance. Describe the process you will use to verify that the contractor's investment management system follows the ANSI/EIA Standard 748-A. If the investment is operational (steady state), define the operational analysis system that will be used. If this is a mixed life-cycle investment with both operational and development/modernization/enhancement (DME) system improvement aspects, EVMS must be used on the system improvement aspects of the investment and operational analysis on the operations aspects. Using information consistent with the work breakdown structure (WBS), provide the information requested in all parts of this section.

*"It [Earned Value] is a solid metric that reflects the health of a project."<sup>20</sup> Earned Value (EV) tells management what work is planned, what is the estimated cost of the work, and when is the planned work scheduled. As work is completed, the EV calculations (based on what work is completed, when it is completed, and what the work actually costs) track the project performance. Information posted on the <http://www.acq.osd.mil/pw> notes that no software meets ANSI/EIA Standard 748. EVMS is a system, not a software application.*

*The project manager can self evaluate the IT investment's performance using EV. EV is based on time-dollar evaluation. Run an MIS report for the special interest project code(s) or project number(s) assigned to the project. MIS will provide labor and operations dollars spent through a couple of dates (one for labor and another for operations). This number becomes a project's Actual Cost of Work Performed (ACWP).*

*Add up all the planned work, based on the schedule proposed and approved as the project baseline (below) through these dates. Because MIS cannot calculate both labor and operations on a single day, create an "average" day between the two as the project's EV report date. For on-going tasks, estimate the value in dollars, based on planned spending, the project should have accomplished as of the EV report date. Add the two amounts together and it becomes a project's Budgeted Cost of Work Scheduled (BCWS).*

*Now look at all the work that actually has been done. Add up the planned cost of all the work actually completed. For on-going tasks, estimate the value in dollars of the actual work completed in these tasks. Add the two amounts together and the sum becomes a project's Budgeted Cost of Work Performed (BCWP).*

*For example, a \$2,000,000 project had planned to complete \$400,000 work on December 31. The project is 6 months into a planned 2-year schedule, but unplanned problems limited the work actually completed. Based on the WBS, the project completed \$375,000 worth of work. MIS reports the project spent \$360,000 completing this work. The \$2,000,000 project estimate is the Budget at Completion (BAC). The \$400,000 is the BCWS, the \$375,000 is the BCWP, and the \$360,000 is the ACWP.*

<i>Cost Variance = (BCWP-ACWP) = \$375,000-\$360,000</i>	<i>+\$15,000</i>
<i>Cost Variance % = (CV/BCWP) x 100% = +\$15,000/\$375,000</i>	<i>+4.00 percent</i>
<i>Cost Performance Index (CPI) = (BCWP/ACWP) = \$375,000/\$360,000</i>	<i>1.04</i>
<i>Schedule Variance = (BCWP-BCWS) = \$375,000-\$400,000</i>	<i>-\$25,000</i>
<i>Schedule Variance % = (SV/BCWS) x 100% = -\$25,000/\$400,000</i>	<i>-6.25 percent</i>
<i>Schedule Performance Index (SPI) = (BCWP/BCWS) = \$375,000/\$400,000</i>	<i>0.93</i>

*The project is slightly ahead of its cost estimate; i.e., spent less than estimated by 4 percent. The project is behind its schedule estimate, i.e., 6.25 percent behind*

<sup>20</sup> Earned Value Project Management, Second Edition, Quentin W. Fleming and Joel M. Koppelman, 2000, Project Management Institute, Inc.

<p><i>Two independent Estimates at Completion (EAC) = (ACWPcum + Performance Factor (PF) X (BAC - BCWP cum) where <math>PF_1 = 1/CPI</math>, and <math>PF_2 = 1/CPI \times SPI</math> =</i></p> <p>(1) <math>EAC = \\$360,000 + 1/1.04 \times (\\$2,000,000 - \\$375,000) = \\$1,922,500</math></p> <p>(2) <math>EAC = \\$360,000 + 1/(1.04 \times .093) \times (\\$2,000,000 - \\$375,000) = \\$2,040,108.</math></p>	
<p><i>Variance at Completion (VAC) = (BAC - EAC) for both EACs above =</i></p> <p>(1) <math>VAC = \\$2,000,000 - \\$1,922,500 = +\\$77,500</math></p> <p>(2) <math>VAC = \\$2,000,000 - \\$2,040,108 = -\\$40,108.</math></p>	
<p><i>Variance at Completion % = (VAC/BAC) x 100% for both EACs above =</i></p> <p>(1) <math>VAC\% = +77,500/2,000,000 \times 100 = +3.875</math> percent</p> <p>(2) <math>VAC\% = -40,108/2,000,000 \times 100 = -2.005</math> percent</p>	
<p><i>Expected Funds to Completion (ETC) = EAC - ACWP</i></p> <p>(1) \$1,562,500 (2) \$1,680,108</p>	
<p><i>Expected Completion Date = project due date + [BAC /SPI-BAC]/ average time period BCWS in days. Note: The number of workdays in 6 months is 110.</i></p> <p>July 1, 20xx + <math>[\\$2,000,000/0.93 - \\$2,000,000]/(\\$400,000/110) = \text{July 1, 20xx} + 4.13</math> days.</p>	

EV shows this project will likely cost between \$1,922,500 and \$2,040,108 and should finish about 4 days late.

**I.H.2. Original baseline (OMB-approved at investment outset):**

What are the cost and schedule goals for this phase or segment/module of the investment (e.g., what are the major investment milestones or events; when will each occur; and what is the estimated cost to accomplish each one)? Also identify the funding agency for each milestone or event if this is a multi-agency investment. For operational or steady state investments, complete one line on the chart for each year of this phase. If the project is mixed life-cycle there will be two parts to the chart; one for the O&M portion and one for the developmental portion using EVMS. If this is a multi-agency investment or one of the President's E-Gov initiatives, use the detailed investment plan with milestones on the critical path, to identify agency funding for each module or milestone. (This baseline must be included in all subsequent reports, even when there are OMB-approved baseline changes shown in I.H.3).

*Describe entrance and exit criteria, milestones, approvals and deliverables that will indicate the project has completed an identified milestone, stage, or phase. This is a summary of the information in the project schedule. Ensure the information and dates are consistent between the summary information table, see page 4, and this section. Include all ITIB approvals and coordination/review points. Required milestones are included in the high level schedule template below. Refer to BLM's IT Investment Management Process Policy for more information.*

*If multiple deliveries are scheduled, provide a schedule for each module delivery. Copy the table to create a cost and schedule goal for each phase, segment, or module of the project.*

*With the high-level WBS and the 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.*

*This section explicitly defines the project's baseline funding request by which all cost status reports will be based.*

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<b>Cost and Schedule Goals: Original Baseline for a Phase/Segment/Module of Project</b>					
<b>Description of Milestone</b>	<b>Schedule</b>			<b>Planned Cost</b>	<b>Funding Agency</b>
	<b>Start Date</b>	<b>End Date</b>	<b>Duration (in days)</b>		
<i>1.0 Initial Concept- Select Phase</i>					
<i>1.1 Clearinghouse Review Stage</i>					
<i>1.2 Investment Proposal Stage</i>					
<i>1.2.1 Present and Obtain ITIB Approval</i>					
<i>1.3 Business Case Development Stage</i>					
<i>1.3.1 Present and Obtain ITIB Approval</i>					
<i>1.4 Planning - Select Phase Acquisition Plan Development Stage</i>					
<i>1.5 Project Plan Development and Review Stage</i>					
<i>1.5.1 Project Plan Approval</i>					
<i>2.0 Planning – Control Phase</i>					
<i>2.1 Project Definition Stage</i>					
<i>2.1.1 Conduct Functional/User Requirements Review</i>					
<i>2.1.2 Conduct Project Definition Review</i>					
<i>2.2 Full Acquisition –Control Phase System and/or Services Acquisition Stage</i>					
<i>2.3 System Design Stage</i>					
<i>2.3.1 Conduct Critical Design Review</i>					
<i>2.4 System Development or Construction Stage</i>					
<i>2.4.1 Conduct Test Readiness Review</i>					
<i>2.5 User and System Acceptance Testing Stage</i>					
<i>2.5.1 Conduct Transition/ Deployment Readiness Review</i>					
<i>2.5.2 Present and Obtain ITIB Approval</i>					
<i>2.6 Transition and Deployment Stage</i>					

2.6.1 Conduct Operational Readiness Review					
3.0 Steady State - Evaluate Phase 3.1 Operations and Maintenance Stage					
3.1.X Planned Release(s)					
3.2 Post Deployment Review Stage					
3.2.1 Conduct Post Deployment Review					
Completion date:				Total cost estimate at completion:	

**I.H.3. Proposed baseline/current baseline (applicable *only* if OMB-approved the changes):**

Identify in this section a proposed change to the original or current baseline or an OMB-approved baseline change. What are the new cost and schedule goals for the investment (e.g., what are the major investment milestones or events; when will each occur; and what is the estimated cost to accomplish each one)? Also identify the funding agency for each milestone or event if this is a multi-agency investment. If this is a new investment in the FY 2005 budget year, this section will be blank for your initial submission.

<b>Cost and Schedule Goals:</b>					
<b>Proposed _____ or Current (OMB-Approved) _____ Baseline for a Phase/Segment/Module of Investment</b>					
Description of Milestone	Schedule			Planned Cost	Funding Agency
	Start Date	End Date	Duration (in days)		
1.					
2.					
3.					
Completion date:				Total cost estimate at completion:	

*This section is used after the business case is approved and the project requires an adjustment to its approved work breakdown structure.*

**I.H.4 Actual performance and variance from OMB-approved baseline (original or current):**

- A. This section is always filled in to reflect current status of the investment. It compares the OMB approved baseline and actual results for this phase, segment, or module of the investment. Show for each major investment the milestones or events you planned (scheduled) to accomplish and the cost and what work was actually done and the cost. If the investment is in the operational or steady state phase, complete one line on the chart for each year. For these projects complete paragraphs C,D,F and G as appropriate. If this is a new

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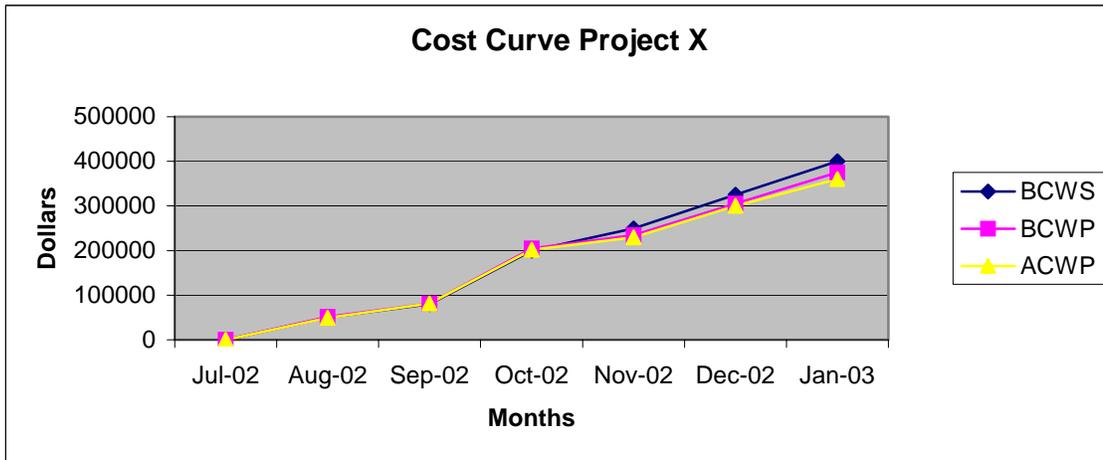
investment in the FY 2005 budget year, this section will be blank for your initial submission. OMB may ask for the latest information during the budget review process.

*Complete the Initial Concept-Select Phases and Stages as well as the ITIB Approval milestone. For all other investments, show the current progress based on the original start date of the investment. If information is not available from the beginning of the investment, show progress beginning with October 1, 2002 (FY 2003).*

<b>Comparison of OMB-Approved Baseline and Actual Outcome for Phase/Segment/Module of a Investment</b>									
<b>Description of Milestone</b>	<b>OMB-Approved Baseline</b>					<b>Actual Outcome</b>			
	<b>Schedule</b>			<b>Planned Cost</b>	<b>Funding Agency</b>	<b>Schedule</b>		<b>Percent Complete</b>	<b>Actual Cost</b>
	<b>Start Date</b>	<b>End Date</b>	<b>Duration (in days)</b>			<b>Start Date</b>	<b>End Date</b>		
1.									
2.									
3.									
<i>Completion date: OMB-approved baseline:</i>						<i>Estimated completion date:</i>			
<i>Total cost: OMB-approved baseline:</i>						<i>Estimate at completion:</i>			

- B. Provide the following investment summary information from your EVMS software as of : (date)
- B.1. Show the budgeted (planned) cost of work scheduled (BCWS): \$ \_\_\_\_\_
- B.2. Show budgeted (planned) cost of work actually performed (BCWP): \$ \_\_\_\_\_
- B.3. Show the actual cost of work performed (ACWP): \$ \_\_\_\_\_
- B.4. Provide a performance curve graph plotting BCWS, BCWP and ACWP on a monthly basis from inception of this phase or segment/module through the latest report. In addition, plot the ACWP curve to the estimated cost at completion (EAC) value, and provide the following EVMS variance analysis.

Use a spreadsheet to create a simple plot of the three values by month, see example below.



INVESTMENT SUMMARY (CUMULATIVE)	
	Value
<i>Cost Variance = (BCWP-ACWP) =</i>	
<i>Cost Variance % = (CV/BCWP) x 100% =</i>	
<i>Cost Performance Index (CPI) = (BCWP/ACWP) =</i>	
<i>Schedule Variance = (BCWP-BCWS) =</i>	
<i>Schedule Variance % = (SV/BCWS) x 100% =</i>	
<i>Schedule Performance Index (SPI) = (BCWP/BCWS) =</i>	
<i>Two independent Estimates at Completion (EAC) = ACWPcum + (Performance Factor (PF) X (BAC minus BCWPcum)), where PF<sub>1</sub> = 1/CPI, and PF<sub>2</sub> = 1/CPI x SPI) =</i>	
<i>Variance at Completion (VAC) = (BAC minus EAC) for both EACs above =</i>	
<i>Variance at Completion % = (VAC/BAC) x 100% for both EACs above =</i>	
<i>Estimated Cost to Complete (ETC) =</i>	
<i>Expected Completion Date =</i>	

**Definitions for Earned Value Management System:**

- ACWP – Actual Cost for Work Performed – What you paid.
- BAC – Budget at Completion – The baseline (planned) budget for the investment.
- BCWP – Budgeted Cost for Work Performed – The earned value.
- BCWS – Budgeted Cost for Work Scheduled – The planned costs.
- CPI – Cost Performance Index – The ratio of the budgeted to actual cost of work performed.
- CV – Cost Variance – The difference between planned and actual cost of work performed.
- EAC – Estimate At Completion – The latest estimated cost at completion.
- ETC – Estimate to Completion – Funds needed to complete the investment.
- PF – Performance Factor – The cost to earn a dollar of value, or ACWP/BCWP, or 1/CPI.
- SPI – Schedule Performance Index – The percent of the investment that has been completed.
- SV – Schedule Variance – The variance between the actual and planned schedules.

- VAC – Variance at Completion – The variance between the baseline and actual budget at completion.
- C If cost and/or schedule variance are a negative 10 percent or more at the time of this report or EAC is projected to be 10 percent or more, explain the reason(s) for the variance(s):
- D Provide performance variance. Explain based on work accomplished to date, whether or not you still expect to achieve your performance goals. If not, explain the reasons for the variance. For steady state investments, in addition to a discussion on whether or not the system is meeting the program objectives, discuss whether the needs of the owners and users are still being met.
- E For investments using EVMS, discuss the contractor, government, and at least the two EAC index formulas in I.H.4.B, current estimates at completion. Explain the differences and the IPT's selected EAC for budgeting purposes. This paragraph is not applicable to operations/steady state investments.
- F Discuss the corrective actions that will be taken to correct the variances, the risk associated with the actions, and how close the planned actions will bring the investment to the original baseline. Define proposed baseline changes, if necessary.
- G If the investment cost, schedule or performance variances are 10% or greater, has the Agency Head concurred in the need to continue the program at the new baseline? Yes\_\_\_\_ No\_\_\_\_

*If the project requests a new baseline, answer the question. At the Business Case Stage, this question should be marked as NOT APPLICABLE.*

## **Part II: Additional Business Case Criteria for Information Technology**

### **II. A. Enterprise Architecture**

In order to successfully address this area of the business case and capital asset plan you must ensure that the investment is included in the agency's EA and CPIC process, and is mapped to and supports the Federal Enterprise Architecture. You must also ensure that the business case demonstrates the relationship between the investment and the business, data, application, and technology layers of the EA.

*IT investments must engage the architecture process for business process re-engineering and/or improvement. Existing National IT investments may or may not have engaged the architecture and should report current or planned future efforts with the architecture.*

*All IT investments must address security and privacy. At the Investment Proposal Stage, identify high level required. At the Business Case Stage, answer all security and privacy questions. Existing National IT investment must address the current state and planned efforts for security and privacy. Check with the Bureau Enterprise Architecture (BEA) and Department of the Interior Enterprise Architecture (IEA) for the latest guidance on completing Part II.A.*

*All IT investments must address current and future paperwork elimination act questions.*

#### **II.A.1 Business**

- A. Is this investment identified in your agency's enterprise architecture? If not, why?

*Has the investment been identified through the BEA process? Explain why the business case has not been coordinated with the BEA, if it has not done so. For major Bureau IT investments, the project must address the question from an IEA perspective.*

- A.1 Will this investment be consistent with your agency’s “to be” modernization blueprint?
- B. Was this investment approved through the EA Review committee at your agency?
- C. What are the major process simplification/reengineering/design investments that are required as part of this IT investment?
- D. What are the major organization restructuring, training, and change management investments that are required?
- E. Please list all the Lines of Business and Sub-Functions from the FEA Business Reference Model that this IT investment supports. The *primary* BRM mapping for this initiative should have been identified with the last six digits of the Unique Investment Identifier in Section 53.8. For a list of the BRM Lines of Business and Sub-Functions, as well as guidance on mapping to the BRM, please see [www.feapmo.gov](http://www.feapmo.gov). (Note: The Services for Citizens area and the Mode of Delivery area should be thought of collectively. If you identified your *primary* line of business/sub-function in section 53.8 as a Service for Citizen or a Mode of Delivery, at a minimum you should identify the corresponding Mode of Delivery/Service for Citizen that applies in this section).

Line of Business	Sub-function

**II.A.2 Data**

*The latest guidance is available at the Bureau Data Support for Project web page, [http://web.blm.gov/data\\_mgt/dm\\_support.htm](http://web.blm.gov/data_mgt/dm_support.htm)*

- A. What types of data will be used in this investment? Examples of data types are health, geospatial, natural resource, etc.
- B. Does the data needed for this investment already exist at the Federal, State, or Local level? If so, what are your plans to gain access to that data?
- C. Are there legal reasons why this data cannot be transferred? If so, what are they and did you address them in the barriers and risk sections above?
- D. If this initiative processes spatial data, identify planned investments for spatial data and demonstrate how the agency ensures compliance with the Federal Geographic Data Committee standards required by OMB Circular A-16.
- E. If this activity involves the acquisition, handling or storage of information that will be disseminated to the public or used to support information that will be disseminated to the public, explain how it will comply with your agency’s Information Quality guidelines (Section 515 requirements)?

- F. Managing business information means maintaining its authenticity, reliability, integrity, and usability and providing for its appropriate disposition. Address how the system will manage the business information (records) that it will contain throughout the information life cycle.

### II.A.3 Applications, Components, and Technology

- A. Discuss this major investment in relationship to the Service Component Reference Model Section of the FEA. Include a discussion of the components included in this major IT investment (e.g., Knowledge Management, Content Management, Customer Relationship Management, etc). For detailed guidance regarding components, please refer to <http://www.feapmo.gov> and the SRM Release Document.
- B. Are all of the hardware, applications, components, and web technology requirements for this investment included in the Agency EA Technical Reference Model? If not, please explain.
- C. Discuss this major IT investment in relationship to the Technical Reference Model Section of the FEA. Identify each Service Area, Service Category, Service Standard, and Service Specification that collectively describes the technology supporting the major IT investment. For detailed guidance regarding the FEA TRM, please refer to <http://www.feapmo.gov>.
- D. Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc). If so, please describe.
- E. Financial Management Systems and Investments, as indicated in Part One, must be mapped to the agency's financial management system inventory provided annually to OMB. Please identify the system name(s) and system acronym(s) as reported in the most recent systems inventory update required by Circular A-11 Section 52.4.

### II. B. Security and Privacy

***Check with WO-590 for the latest information on security and with the Bureau Privacy Officer, WO-560, for the latest information on Privacy.***

In order to successfully address this area of the business case, each question below must be answered at the investment (system/application) level, not at a program or agency level. Simply referring to security plans or other documents is not an acceptable response. For IT investments under development, security planning must proceed in parallel with the development of the system to ensure that IT security requirements and costs for the lifecycle of the investment are identified and validated. All IT investments must have up-to-date security plans and be fully certified and accredited prior to becoming operational. Anything short of a full certification and accreditation indicates that identified IT security weaknesses remain and need to be remediated and is therefore not adequate to ensure funding for the investment. Additionally, to ensure that requests for increased IT security funding are appropriately addressed and prioritized, the agency must identify: 1) current costs; 2) current IT security performance gaps; and 3) how the funding request will close the performance gaps. This information must be provided to OMB through the agencies' plan of action and milestone developed for the system and tied to the IT business case through the unique investment identifier.

In addition, agencies must demonstrate that they have fully considered privacy in the context of this investment. Agencies must comply with Section 208 of the E-government Act and forthcoming OMB implementing guidance and, in appropriate circumstances, conduct a privacy impact assessment that evaluates the privacy risks, alternatives and protective measures implemented at each stage of the information life cycle. Agencies should utilize the guidance provided in the OMB Memoranda in conducting the PIA and submit a copy, using the unique investment identifier, to OMB at [PIA@omb.eop.gov](mailto:PIA@omb.eop.gov). ***Do Not Submit to OMB unless directed by the SCO.***

*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.*

II.B.1. How is security provided and funded for this investment (e.g., by program office or by the CIO through the general support system/network)?

- A. What is the total dollar amount allocated to IT security for this investment in FY 2005? Please indicate whether an increase in IT security funding is requested to remediate IT security weaknesses, specifying the amount and a general description of the weakness.

II.B.2 Please describe how the investment (system/application) meets the following security requirements of the Federal Information Security Management Act, OMB policy, and NIST guidelines:

- A. Does the investment (system/application) have an up-to-date security plan that meets the requirements of OMB policy and NIST guidelines? What is the date of the plan?
- B. Has the investment been certified and accredited (C&A)? Note: Certification and accreditation refers to a full C&A and does not mean interim authority to operate. Additionally, specify the C&A methodology used (e.g., NIST guidelines) and the date of the last review.
- C. Have the management, operational, and technical security controls been tested for effectiveness? When were most recent tests performed?
- D. Have all system users been appropriately trained in the past year, including rules of behavior and consequences for violating the rules?
- E. How has incident handling capability been incorporated into the system or investment, including intrusion detection monitoring and audit log reviews? Are incidents reported to DHS' FedCIRC?
- F. Is the system operated by contractors either on-site or at a contractor facility? If yes, does any such contract include specific security requirements required by law and policy? How are contractor security procedures monitored, verified, and validated by the agency?

II.B.3 How does the agency ensure the effective use of security controls and authentication tools to protect privacy for those systems that promote or permit public access?

II.B.4 How does the agency ensure that the handling of personal information is consistent with relevant government-wide and agency policies.

II.B.5 If this is a new or significantly altered investment involving information in identifiable form collected from or about members of the public, has a Privacy Impact Assessment (PIA) for this investment been provided to OMB at PIA@omb.eop.gov with the investment's unique investment identifier. ***Do Not Submit the PIA to OMB unless directed by the SCO.***

## II. C. Government Paperwork Elimination Act (GPEA)

*Check with the Bureau Records Officer for the latest information on GPEA.*

II.C.1 If this investment supports electronic transactions or record-keeping that is covered by GPEA, briefly describe the transaction or record-keeping functions and how this investment relates to your agency's GPEA plan.

*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".*

II.C.2 What is the date of your GPEA plan?

II.C.3 Identify any OMB Paperwork Reduction Act (PRA) control numbers from information collections that are tied to this investment.