Exhibit 300 (BY2008)

PART ONE	
OVERVIEW	
1. Date of Submission:	2007-02-05
2. Agency:	009
3. Bureau:	00
4. Investment Name:	HHS HR LOB IT
5. UPI:	009-00-01-99-01-1126-24

6. What kind of investment will this be in FY2008?
Mixed Life Cycle

7. What was the first budget year this investment was submitted to OMB?
FY2006

8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap.
The COSTS reflected in the spending summary table reflect the cost(s) to the partner and do NOT reflect any HHS funds. OMB/OPM selected HHS to establish 1 of 5 federal Shared Service Centers (SSCs). The objective of the HR LOB is to create a framework for a Government-wide, modern, cost effective, standardized, and interoperable HR solution that provides common core functionality and maximizes automation of processes to support the PMA initiative of strategic management of human capital. The HR LOB common solution takes a phased approach to delivering HR services through SSCs that are based on a common, reusable architecture that leverage " Plug and Play" architecture concepts. HR LOB is a market driven approach where service providers compete for government business and are driven to provide the best services and innovative solutions at the lowest cost. HHS has made several investments in recent years that place it in an excellent and qualified position to provide HR LOB services. This includes: Established the Program Support Center (PSC) to consolidate administrative functions and offer these services departmentally and externally; Implemented PeopleSoft (HR) 2002; Consolidated functional HR services from 40 HR offices to 5 Centers; Invested in several HR applications to obtain efficiencies and improve customer service such as EWITS, e-OPF, EPM reporting tools, Quick Hire and Quick Classification, etc.; Conducted a thorough fit gap analysis against OPM's near term, HR requirements resulting in determination that HHS can meet 98% of all mandatory requirements and many of the critical and useful requirements; Migrated to e-Payroll in 2005 utilizing DFAS as our provider; Implemented e-Learning fielding HHS's Learning Management System; Established HHS University; and Implementing a HHS-wide portal (in process). The approach for Phase I is to leverage existing technologies with minimal upgrades to meet the near term OPM requirements. In the medium and long-term, HHS' HR LOB operating model moves toward a true open architecture environment that promotes scalability, interoperability, and portability of systems components.

9. Did the Agency's Executive/Investment Committee approve this request?
yes

9.a. If "yes," what was the date of this approval?
2005-05-01

10. Did the Project Manager review this Exhibit?
yes

12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project.
yes

12.a. Will this investment include electronic assets (including computers)?
yes

12.b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only)
NA

13, Does this investment support one of the PMA initiatives?
yes

If yes, select the initiatives that apply:

Expanded E-Government	
Human Capital	

13.a. Briefly describe how this asset directly supports the identified initiative(s)?

Human Capital - The solution allows for administration to leverage human capital in strategic planning, measurement, monitoring and evaluation and streamlines HR process, simplifies delivery of services and reduces costs. Expanded Electronic Government - The solution creates an easy-to-find single point of access and standarized systems. Internal HR processes will be standardized and automated to reduce costs and improve efficiency of the workforce.

14. Does this investment support a program assessed using OMB's Program Assessment Rating Tool (PART)?

no

15. Is this investment for information technology (See section 53 for definition)?

yes

16. What is the level of the IT Project (per CIO Council's PM Guidance)?

Level 3

17. What project management qualifications does the Project Manager have? (per CIO Council's PM Guidance)

(1) Project manager has been validated as qualified for this investment

18. Is this investment identified as high risk on the Q4 - FY 2006 agency high risk report (per OMB's high risk memo)?

yes

19. Is this a financial management system?

no

19.a.2. If no, what does it address?

Human Resources Line of Business

20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)

Hardware	0
Software	0
Services	0
Other	0

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

no

22. Contact information of individual responsible for privacy related questions.

Name

Darlene Christian

Phone Number

301-443-5252

Title

PSC Privacy Officer

Email

Darlene.christian@psc.hhs.gov

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

no

SUMMARY OF SPEND

1. Provide the total estimated life-cycle cost for this investment by completing the following table. All amounts represent budget authority in millions, and are rounded to three decimal places. Federal personnel costs should be included only in the row designated Government FTE Cost, and should be excluded from the amounts shown for Planning, Full Acquisition, and Operation/Maintenance. The total estimated

annual cost of the investment is the sum of costs for Planning, Full Acquisition, and Operation/Maintenance. For Federal buildings and facilities, life-cycle costs should include long term energy, environmental, decommissioning, and/or restoration costs. The costs associated with the entire life-cycle of the investment should be included in this report.

All amounts represent Budget Authority

(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)

	PY-1 & Earlier	PY	CY	BY
	-2005	2006	2007	2008
Planning Budgetary Resources	0.000	0.000	0.000	0.000
Acquisition Budgetary Resources	0.000	0.000	0.000	2.340
Maintenance Budgetary Resources	0.000	0.000	0.000	7.750
Government FTE Cost	0.000	0.000	0.000	0.000
# of FTEs	0	0	0	0

Note: For the cross-agency investments, this table should include all funding (both managing partner and partner agencies).

Government FTE Costs should not be included as part of the TOTAL represented.

2. Will this project require the agency to hire additional FTE's?

yes

2.a. If "yes," how many and in what year?

31 - FY2009

3. If the summary of spending has changed from the FY2007 President's budget request, briefly explain those changes.

No

PERFORMANCE

In order to successfully address this area of the exhibit 300, performance goals must be provided for the agency and be linked to the annual performance plan. The investment must discuss the agency's mission and strategic goals, and performance measures must be provided. These goals need to map to the gap in the agency's strategic goals and objectives 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 percent, increase citizen participation by 300 percent a year to achieve an overall citizen participation rate of 75 percent 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, milestones, or investment, or general goals, such as, significant, better, improved that do not have a quantitative or qualitative measure.

All new IT investments initiated for FY 2005 and beyond must use Table 2 and are required to use the FEA Performance Reference Model (PRM). Please use Table 2 and the PRM to identify the performance information pertaining to this major IT investment. Map all Measurement Indicators to the corresponding "Measurement Area" and "Measurement Grouping" identified in the PRM. There should be at least one Measurement Indicator for at least four different Measurement Areas (for each fiscal year). The PRM is available at www.egov.gov.

Table 2

	Fiscal Year	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results
1	2006	Mission and Business Results	Human Resources Development	Selected to be a HR SSC	20 Agencies bidding for Service Center LOB	5 to be Selected	5
2	2006	Customer Results	New Customers and Market	Conduct Customer/Market	0	1	1

				Penetration	Assesment			
3	2006	Processes and Activities	Planning	Complete set of target requirements for SSC:	0	1	1
4	2006	Technology	Functionality	Complete Business Case and CONOPS	0	1	1
5	2007	Mission and Business Results	Human Resources Development	Requirements gathering and publication for core requirements functions: Personnel Actions and Compensation and Benefits Mgt.	5	1	
6	2007	Customer Results	Service Efficiency	Consolidation of HRC Process	0% as of 2007	Improve Baseline by 90%	
7	2007	Processes and Activities	Policies	Compress the 5 HRC Policies	0% as of 2007	Improve baseline by 90%	
8	2007	Technology	Compliance and Deviations	Consolidation of Physical HRCs	5	2	

EA

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

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

yes

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

yes

2.a. If yes, provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment.

Capital HR (EHRP)

3. Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to http://www.whitehouse.gov/omb/egov/.

Component: Use existing SRM Components or identify as NEW. A NEW component is one not already identified as a service component in the FEA SRM.

Reused Name and UPI: A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 53 submission.

Internal or External Reuse?: Internal reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. External reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government.

Funding Percentage: Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the funding level transferred to another agency to pay for the service.

	Agency Component Name	Agency Component Description	Service Type	Component	Reused Component Name	Reused UPI	Internal or External Reuse?	Funding %
1	Capital HR (EHRP)	Personnel Administration	Human Resources	Personnel Administration	Personnel Administration		Internal	100

2	EOPF	Personnel Administration	Human Resources	Personnel Administration	Personnel Administration		Internal	100
3	ITAS	Personnel Admininstration	Human Resources	Personnel Administration	Personnel Administration		Internal	100

4. To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component: Service Components identified in the previous question should be entered in this column. Please enter multiple rows for FEA SRM Components supported by multiple TRM Service Specifications.

Service Specification: In the Service Specification field, Agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate.

	SRM Component	Service Area	Service Category	Service Standard	Service Specification (i.e., vendor and product name)
1	Personnel Administration	Service Access and Delivery	Access Channels	Web Browser	Microsoft
2	Personnel Administration	Service Access and Delivery	Delivery Channels	Internet	Internet Services
3	Personnel Administration	Service Access and Delivery	Service Transport	Supporting Network Services	HTTP
4	Personnel Administration	Service Platform and Infrastructure	Delivery Servers	Web Servers	HP

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

yes

5.a. If yes, please describe.

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6. Does this investment provide the public with access to a government automated information system?

no

PART TWO

RISK

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

Answer the following questions to describe how you are managing investment risks.

1. Does the investment have a Risk Management Plan?	
yes	
1.a. If yes, what is the date of the plan?	
2006-06-05	
1.b. Has the Risk Management Plan been significantly changed since last year's submission to OMB?	
no	
3. Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule: (O&M investments do NOT need to answer.)	
Program risk management is an ongoing part of project management on the HR LOB IT investment. We have a very robust risk management capability in place that requires biweekly meetings with active participation spanning all aspects of the investment. The systems integrator and HHS actively work together to identify, manage and track risks that could adversely impact the program. Costs associated with the risk capability are captured in individual task orders and included in the cost estimated throughout the lifecycle. Due to the complexity of the HR LOB program there are several identified areas of high risk. Schedule and cost risks are continously monitored and mitigated through our established processes. In some cases, scope and/or schedule must be adjusted to avert cost overruns. Risks associated with added functionality to HR LOB IT are assessed and mitigation and/or contingency plans are developed as necessary. Risks relative to government mandates are managed within existing risk management processes.	

COST & SCHEDULE

Does the earned value management system meet the criteria in ANSI/EIA Standard 748?	
yes	
2.a. What is the Planned Value (PV)?	
0	
2.b. What is the Earned Value (EV)?	
0	
2.c. What is the actual cost of work performed (AC)?	
0	
What costs are included in the reported Cost/Schedule Performance information?	
Contractor and Government	
2.e. As of date:	
2006-11-30	
3. What is the calculated Schedule Performance Index (SPI= EV/PV)?	
0	
4. What is the schedule variance (SV = EV-PV)?	
0	
5. What is the calculated Cost Performance Index (CPI = EV/AC)?	
0	
6. What is the cost variance (CV = EV-AC)?	
0	
7. Is the CV or SV greater than 10%?	
no	
7.a. If yes, was it the CV or SV or both?	
7.b. If yes, explain the variance.	
7.d. What is most current Estimate at Completion?	
0	

8. Have any significant changes been made to the baseline during the past fiscal year?

no