

Exhibit 300 (BY2008)

PART ONE	
OVERVIEW	
1. Date of Submission:	2007-02-05
2. Agency:	009
3. Bureau:	90
4. Investment Name:	PSC Payment Management System (PMS)
5. UPI:	009-90-01-01-01-1021-00
6. What kind of investment will this be in FY2008?	
Operations and Maintenance	
7. What was the first budget year this investment was submitted to OMB?	
FY2001 or earlier	
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.	
<p>One of the key strategic goals of the Department of Health and Human Services is to disburse grant money to promote and improve the health and welfare of the American people. The Payment Management System (PMS) is the key system HHS uses for disbursing grant funds. PMS provides web based access to grantees to request grant fund disbursements and transmits those funds electronically to grantees. It also provides real time account information to grantee and Federal grant awarding agencies. Timely delivery of Federal grant monies allows grantees to operate their Federal programs which directly affect the health and welfare of the American people. The PMS also provides disbursement data to assist Federal awarding agencies track and account for grant funds thus reducing or eliminating improper payments. Grantees and Federal agencies can access their PMS accounts for financial information in real-time. The Program Support Center (PSC), Financial Management Service (FMS), Division of Payment Management (DPM) operates the Payment Management System (PMS) for the Department of Health and Human Services as well as for 14 cabinet and non-cabinet departments and 62 bureaus and sub agencies including all operating divisions within HHS, and 41 other Federal agencies, bureaus and grant awarding offices such as the Departments of Agriculture, Interior, Labor, Treasury, Homeland Security, National Aeronautics and Space Administration (NASA), Corporation for National Service, and the Executive Office of the President. In FY 2004, DPM paid over \$283 billion to recipients of grants awarded by those agencies. Each day, 2,000 grantees access the PMS requesting \$1 billion of their grant funds.</p>	
9. Did the Agency's Executive/Investment Committee approve this request?	
yes	
9.a. If "yes," what was the date of this approval?	
2006-06-23	
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)	
no	
12.b.1. If yes, is an ESPC or UESC being used to help fund this investment?	
no	
12.b.2. If yes, will this investment meet sustainable design principles?	
no	
13. Does this investment support one of the PMA initiatives?	

yes
<i>If yes, select the initiatives that apply:</i>
Budget Performance Integration
Eliminating Improper Payments
Expanded E-Government
Financial Performance
<i>13.a. Briefly describe how this asset directly supports the identified initiative(s)?</i>
PMS allows Federal grantees to request grant funds over the Internet thus supporting Expanded E-Government. PMS receives and services approximately 2000 Internet requests every day for grant funds to be disbursed. Checks and edits built into PMS help eliminate improper payments. In FY04, erroneous payments through PMS were less than one-five thousandth of one percent and in FY05 there were no erroneous payments.
<i>14. Does this investment support a program assessed using OMB's Program Assessment Rating Tool (PART)?</i>
no
<i>14.a. If yes, does this investment address a weakness found during the PART review?</i>
no
<i>15. Is this investment for information technology (See section 53 for definition)?</i>
yes
<i>16. What is the level of the IT Project (per CIO Council's PM Guidance)?</i>
Level 3
<i>17. What project management qualifications does the Project Manager have? (per CIO Council's PM Guidance)</i>
(1) Project manager has been validated as qualified for this investment
<i>18. Is this investment identified as high risk on the Q4 - FY 2006 agency high risk report (per OMB's high risk memo)?</i>
no
<i>19. Is this a financial management system?</i>
yes
<i>19.a. If yes, does this investment address a FFMIA compliance area?</i>
yes
<i>19.a.1. If yes, which compliance area:</i>
Financial Management
<i>19.b. If yes, please identify the system name(s) and system acronym(s) as reported in the most recent financial systems inventory update required by Circular A11 section 52.</i>
Payment Management System (PMS)
<i>20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)</i>
Hardware 0
Software 0
Services 95
Other 5
<i>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?</i>
n/a
<i>22. Contact information of individual responsible for privacy related questions.</i>
<i>Name</i>
Darlene Christian
<i>Phone Number</i>

301-443-5252

Title

Freedom of Information 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?

yes

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	0.000
Maintenance Budgetary Resources	7.050	5.870	6.027	6.570
Government FTE Cost	0.050	1.270	1.310	1.350
# of FTEs	9	21	21	21

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?

no

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

Not Applicable

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.

Agencies must use Table 1 below for reporting performance goals and measures for all non-IT investments and for existing IT investments that were initiated prior to FY 2005. The table can be extended to include measures for years beyond FY 2006.

Table 1

	Fiscal Year	Strategic Goal(s) Supported	Performance Measure	Actual/baseline (from Previous Year)	Planned Performance Metric (Target)	Performance Metric Results (Actual)
1	2003	Goal: Increase the number of recipient organizations reporting electronically for the PSC 272 Federal Cash Transaction Report	500	11,000	11,500	11,500
2	2003	Goal: Increase the non-HHS customer base serviced by the Payment Management System	0	42	42	42
3	2003	Goal: Increase the level of customer satisfaction with Payment Management Services:	Fully Met	All requested funds delivered	Fully Met	Fully Met
4	2004	Goal: Increase the number of recipient organizations reporting electronically for the PSC 272 Federal Cash Transaction Report	500	11,500	12,000	12,000
5	2004	Goal: Increase the non-HHS customer base serviced by the Payment Management System	0	42	42	42
6	2004	Goal: Increase the level of customer satisfaction with Payment Management Services:	Fully Met	All requested funds delivered	Fully Met	Fully Met
7	2005	Goal: Increase the number of recipient organizations reporting electronically for the PSC 272 Federal Cash Transaction Report	500	12,000	12,500	Number of recipient organizations reporting electronically
8	2005	Goal: Increase the non-HHS customer base serviced by the Payment Management System	1	42	43	Number of Non-HHS Awarding Agency Customers
9	2005	Goal: Increase the level of customer satisfaction with Payment Management Services:	Fully Met	All requested funds delivered	Fully Met	Fully Met
10	2006	Goal: Increase the	500	12,500	12,500	12,500

		number of recipient organizations reporting electronically for the PSC 272 Federal Cash Transaction Report				
11	2006	Goal: Increase the non-HHS customer base serviced by the Payment Management System	1	43	43	43
12	2006	Goal: Increase the level of customer satisfaction with Payment Management Services:	Fully Met	All requested funds delivered	Fully Met	Fully Met
13	2007	STRATEGIC GOAL 1 - Excellent Customer Service	95 % Payments made on time	BASELINE - 95%	95%	
14	2007	STRATEGIC GOAL 1 - Excellent Customer Service	Av time to process a payment <24 hours	BASELINE - < 24 hours	< 24 hours	
15	2007	STRATEGIC GOAL 4 - Excellent Resource Management	% of \$ paid in error < 1.0%	BASELINE - < 1.0%	< 1.0%	
16	2007	STRATEGIC GOAL 1 - Excellent Customer Service	% of time PMS available for customer access > 96%	BASELINE - > 96%	> 96%	
17	2007	STRATEGIC GOAL 4 - Excellent Resource Management	Av time to correct erroneous payments < 72 hours	BASELINE - < 72 hours	< 72 hours	
18	2007	STRATEGIC GOAL 1 - Excellent Customer Service	Av time to close help desk ticket <48 hours	BASELINE - < 48 hours	< 48 hours	

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	2007	Processes and Activities	Timeliness	% Payments made on time	95%	95%	
2	2007	Processes and Activities	Cycle Time	Av time to process a payment	< 24 hours	< 24 hours	
3	2007	Processes and Activities	Errors	% of \$ paid in error	< 1.0%	< 1.0%	

4	2007	Customer Results	Access	% of time PMS available for customer access	> 96%	> 96%	
5	2007	Processes and Activities	Cycle Time	Av time to correct erroneous payments	< 72 hours	< 72 hours	
6	2007	Mission and Business Results	Help Desk Services	Av time to close help desk ticket	< 48 hours	< 48 hours	

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

1.a. If no, please explain why?

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.

Payment Management System (PMS)

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	DPM	Payment/Settlement	Data Management	NEW			No Reuse	30
2	DPM	Payment/Settlement	Financial Management	NEW			No Reuse	30
3	DPM	Payment/Settlement	Financial Management	Payment / Settlement			No Reuse	30

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	Payment / Settlement	Service Access and Delivery	Access Channels	Web Browser	IE, Netscape, Firefox, etc.
2	Payment / Settlement	Service Access and Delivery	Delivery Channels	Internet	Internet
3	Payment / Settlement	Service Platform and Infrastructure	Delivery Servers	Web Servers	Compaq Alpha
4	Payment / Settlement	Component Framework	Data Management	Database Connectivity	Oracle

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

no

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

yes

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

no

PART THREE

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?

2005-08-24

1.b. Has the Risk Management Plan been significantly changed since last year's submission to OMB?

no

COST & SCHEDULE

1. Was operational analysis conducted?

no

1.a. If yes, provide the date the analysis was completed.

2006-08-31

1.c. If no, please explain why it was not conducted and if there are any plans to conduct operational analysis in the future.

System operations were analyzed and improved in the last year through a number of alternative mechanisms. PMS was evaluated as part of the A-123 audit and no material deficiencies noted. Changing user needs are addressed by a user group through which users can submit requests for changes to functionality in PMS.