

**Exhibit 300 (BY2009)**

<b>PART ONE</b>	
<b>OVERVIEW</b>	
<b>1. Date of Submission:</b>	2007-09-10
<b>2. Agency:</b>	015
<b>3. Bureau:</b>	45
<b>4. Name of this Capital Asset:</b>	Correspondence Imaging System (CIS) - Major
<b>5. Unique Project Identifier:</b>	015-45-01-14-01-2465-00
6. What kind of investment will this be in FY2009?	
Mixed Life Cycle	
7. What was the first budget year this investment was submitted to OMB?	
FY2007	
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 Correspondence Imaging System (CIS) has been developed in two different releases. Release 1.0 has been fully deployed and is operational. Release 2 will add additional functionality for BMF locations continuing to leverage digital imaging in managing taxpayer account correspondence.	
9. Did the Agency's Executive/Investment Committee approve this request?	
yes	
9.a. If "yes," what was the date of this approval?	
2007-08-16	
10. Did the Project Manager review this Exhibit?	
yes	
11. Project Manager Name:	
Strudel, Barbara	
Project Manager Phone:	
512.460.2292	
Project Manager Email:	
barbara.j.strudel@irs.gov	
11.a. What is the current FAC-P/PM certification level of the project/program manager?	
TBD	
12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project.	
no	
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	
13. Does this investment directly support one of the PMA initiatives?	
yes	
If yes, select the initiatives that apply:	

Expanded E-Government

13.a. Briefly and specifically describe for each selected how this asset directly supports the identified initiative(s)? (e.g. If E-Gov is selected, is it an approved shared service provider or the managing partner?)

CIS Release 2.0 supports the 'Expanding Electronic Government' (E-Gov) initiative of the Presidents Management Agenda (PMA) by delivering the Internal Revenue Service (IRS) operational and processing efficiencies as a result of imaged correspondence, and automated workflow tools and the electronic capture of detailed account history information. These tools enable the IRS to provide an enhanced level of service to taxpayers and provide the infrastructure for the IRS to provide enhanced electronic services to taxpayers in the future.

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

no

15. Is this investment for information technology?

yes

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

Level 2

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 2007 agency high risk report (per OMB memorandum M-05-23)?

yes

19. Is this a financial management system?

no

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

<b>Hardware</b>	0
<b>Software</b>	0
<b>Services</b>	100
<b>Other</b>	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

Carlos Moura

Phone Number

202- 927-0730

Title

Management and Program Analyst

Email

carlos.moura@irs.gov

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

yes

24. Does this investment directly support one of the GAO High Risk Areas?

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

	PY-1 & Earlier	PY	CY
	-2006	2007	2008
<b>Planning Budgetary Resources</b>	0.000	0.000	0.000
<b>Acquisition Budgetary Resources</b>	4.100	4.912	0.000
<b>Maintenance Budgetary Resources</b>	5.470	0.000	4.926
<b>Government FTE Cost</b>	1.056	2.241	2.011
<b># of FTEs</b>	6	13	11

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 FY2008 President's budget request, briefly explain those changes.

Updated full time equivalent (resources) to reflect projected Government FTE costs for BY+4 and Beyond.

### 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 (indicators) 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 measure.

Agencies must use the following table to report performance goals and measures for the major investment and use the Federal Enterprise Architecture (FEA) Performance Reference Model (PRM). 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 each of the four different Measurement Areas (for each fiscal year). The PRM is available at [www.egov.gov](http://www.egov.gov). The table can be extended to include performance measures for years beyond FY 2009.

	Fiscal Year	Strategic Goal Supported	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results
1	2007	Manage the U.S. Government's Finances Effectively	Customer Results	Service Efficiency	Reduce the number of days to close cases controlled on IDRS	40	30	46
2	2007	Manage the U.S. Government's Finances Effectively	Technology	Availability	System Availability	97%	99.97%	98.21%
3	2007	Manage the	Processes and	Timeliness	Reduce the	23%	15%	28.4%

		U.S. Government's Finances Effectively	Activities		average percentage			
4	2007	Manage the U.S. Government's Finances Effectively	Mission and Business Results	Taxation Management	Increase cases controlled on the Integrated Data Retrieval System (IDRS)	80%	85%	86.1%
5	2008	Manage the U.S. Government's Finances Effectively	Customer Results	Service Efficiency	Reduce the number of days to close cases controlled on IDRS	40	30	47
6	2008	Manage the U.S. Government's Finances Effectively	Technology	Availability	System Availability	97%	99.97%	99.29%
7	2008	Manage the U.S. Government's Finances Effectively	Processes and Activities	Timeliness	Reduce the overage percentage	23%	15%	25.07%
8	2008	Manage the U.S. Government's Finances Effectively	Mission and Business Results	Taxation Management	Increase cases controlled on the Integrated Data Retrieval System (IDRS)	80%	85%	89.40%
9	2009	Manage the U.S. Government's Finances Effectively	Customer Results	Service Efficiency	Reduce the number of days to close cases controlled on the Integrated Data Retrieval System (IDRS)	40	30	
10	2009	Manage the U.S. Government's Finances Effectively	Technology	Availability	System Availability	97%	99.97%	
11	2009	Manage the U.S. Government's Finances Effectively	Processes and Activities	Timeliness	Reduce the overage percentage	23%	15%	
12	2009	Manage the U.S. Government's Finances Effectively	Mission and Business Results	Taxation Management	Increase cases controlled on the Integrated Data Retrieval System (IDRS)	80%	85%	

**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.

This investment will be identified as the Correspondence Imaging System(CIS) in the next release of Treasury Enterprise Architecture (EA) Transition Strategy. It has passed the SELECT process and is submitting initial architecture information via this E-300.

3. Is this investment identified in a completed (contains a target architecture) and approved segment architecture?

yes

3.a. If yes, provide the name of the segment architecture as provided in the agency's most recent annual EA Assessment.

Enterprise Transition Plan, Volume 1: Enterprise Transition Strategy (IRS)

4. 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	Document Imaging and Optical Character Recognition (OCR)	CIS Release 2.0 provides document imaging and OPTICAL CHARACTER RECOGNITION (OCR) through its Kodak scanners and Kofax Accent Capture imaging software. The documents are scanned, validated and then released to the system for assignment to a CSR.	Document Management	Document Imaging and Optical Character Recognition (OCR)			No Reuse	30
2	Process Tracking	Manages the lifecycle of cases/issues or data for Taxpayer correspondence and amended returns.	Tracking and Workflow	Process Tracking			No Reuse	50

5. 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	Document Imaging and Optical Character Recognition (OCR)	Service Platform and Infrastructure	Hardware / Infrastructure	Peripherals	Kofax Accent Capture Imaging Software
2	Process Tracking	Service Platform and Infrastructure	Delivery Servers	Application Servers	IBM Content Manager

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

no

6.a. If yes, please describe.

Not applicable

## 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?

2007-03-30

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

no

1.c. If yes, describe any significant changes:

.

3. Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule:

Both the life-cycle cost estimates and the investment schedule are risk-adjusted. Through the project life cycle, the project team has estimated both cost and schedule factors to mitigate significant project risks. When appropriate these mitigation factors are incorporated into both the project's cost estimations and schedules according to sound project management practices.

### COST & SCHEDULE

1. Does the earned value management system meet the criteria in ANSI/EIA Standard 748?

no

2. Is the CV% or SV% greater than  $\hat{A} \pm 10\%$ ?

no

3. Has the investment re-baselined during the past fiscal year?

no