Payroll/HR Systems - 2008

PART I - A

PART I: SUMMARY INFORMATION AND JUSTIFICATION
In Part I, complete Sections A. B, C, and D for all capital assets (IT and non-IT). Complete Sections E and F for IT capital assets.
OMB Text Limitations - SHORT ANSWER(250 Characters), MEDIUM ANSWER(500 Characters) and LONG ANSWER(2500 Characters)

Section A: Overview (All Capital Assets)
I.A.1) Date of Submission (mm/dd/yyyy)
Apr 17, 2006
I.A.2) Agency
029 - Department of Veterans Affairs
I.A.3) Bureau
00 - Agency Wide Initiatives
I.A.4) Name of this Investment:(SHORT ANSWER)
Payroll/HR Systems-2008
I.A.5) Unique Project(Investment) Identifier: Update the UPI using the Exhibit 53 tab.
029-00-01-19-01-1330-00
I.A.6) What kind of investment will this be in FY2008? (Please NOTE: Investments moving to O&M ONLY in FY2008, with Planning/Acquisition activities prior to FY2008 should not select O&M. These investments should indicate their current status.)
Operations and Maintenance
I.A.7) What was the first budget year this investment was submitted to OMB?
FY2001 or earlier
I.A.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: (LONG ANSWER)
PAID is VA's 40-year-old legacy system comprised of 2 integrated components, one for Payroll and another for Human Resources. VA also subscribes to Employee Express (EEX), which is a GOTS product used for self-service changes to personal and benefit information. PAID has completed MS IV. In 2003 work began to migrate the Payroll portion of PAID to our e-Gov designated provider, DFAS. Effective with the 2005 Exhibit 300 for BY 07, all DFAS migration work has been separated on to its own Exhibit 300, under a project called "e-Payroll". Upon completion of the Payroll migration, the current Payroll portions of the system will be decommissioned and PAID will then support on-going maintenance of interfaces to and from the DFAS provider and continue to provide HR systems support. The PAID HR system portion will be replaced by a yet to be determined HR LoB solution. Until migration to the new HR LoB provider, PAID will continue to be the on-going HR system. Once both portions of PAID have been replaced, PAID will be decommissioned.
I.A.9) Did the Agency's Executive/Investment Committee approve this request?
Yes
I.A.9.a) If "yes," what was the date of this approval?
May 26, 2005
I.A.10) Did the Project Manager review this Exhibit?
Yes
I.A.11) Project Managers Contact Information

	Project Managers Names (SHORT ANSWER)	PM Phone	E-mail (SHORT ANSWER)

| **Primary in-house** | Angela Curtis | (202) 273-9779 | angela.curtis@va.gov |

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

No

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

No

I.A.12.b) Is this investment for construction or retrofit of a federal building or facility? (Answer applicable to non-IT assets only)

No

I.A.12.b.1) If "yes," is an ESPC or UESC being used to help fund this investment?

I.A.12.b.2) If "yes," will this investment meet sustainable design principles?

I.A.12.b.3) If "yes," is it designed to be 30% more energy efficient than relevant code? (Answer applicable to non-IT assets only)

I.A.13) Does this investment directly support one of the PMA initiatives?

Yes

I.A.13.a) If "yes," check all that apply:

	PMA Initiatives for XML Submission	**PMA Initiatives**
		- Human Capital
		- Budget Performance Integration
		- Financial Performance
Yes	Expanded E-Government	- Expanded E-Government
		- Competitive Sourcing
		- Faith Based and Community
		- Real Property Asset Management
		- Eliminating Improper Payments
		- Privatization of Military Housing
		- Research & Development Investment Criteria
		- Housing & Urban Development Management & Performance
		- Broadening Health Insurance Coverage through State Initiatives
		- "Right Sized" Overseas Presence
		- Coordination of VA & DoD Programs and Systems

I.A.13.b) Briefly describe how this asset directly supports the identified initiative(s)?(MEDIUM ANSWER)

Supports e-Gov by consolidating Payroll and HR services and eliminating government-wide system redundancies. PAID is a member of EEX consortium, sponsored by OPM, and also participates in the Treasury Configuration Control Committee; these meetings are held at monthly and quarterly intervals and attended regularly by PAID staff members.

I.A.14) Does this investment support a program assessed using the Program Assessment Rating Tool (PART)? (For more information about the PART, visit www.whitehouse.gov/omb/part.)

No

I.A.14.a) If "yes," does this investment address a weakness found during a PART review?
No

I.A.14.b) If "yes," what is the name of the PARTed program? (SHORT ANSWER)

I.A.14.c) If "yes," what rating did the PART receive?

I.A.15) Is this investment information technology? (See section 53.8 for definition)
Yes

I.A.16) What is the level of the IT Project? (per CIO Council PM Guidance)
Level 1

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

Qualification Status	Qualification Status for XML Submission	Description
1	(1) Project manager has been validated as qualified for this investment	(1) - Project manager has been validated as qualified for this investment.
		(2) - Project manager qualification is under review for this investment.
		(3) - Project manager assigned to investment, but does not meet requirements.
		(4) - Project manager assigned but qualification status review has not yet started.
		(5) - No Project manager has yet been assigned to this investment.

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

I.A.19) Is this project (investment) a Financial Management System? (see section 53.3 for definition)
Yes

I.A.19.a) If so, does this project (investment) address a FFMIA (Federal Financial Managers Integrity Act) compliance area?
Yes

I.A.19.a.1) If yes, which compliance area?
FFMIA System Requirements

I.A.19.a.2) If "no," what does it address? (MEDIUM ANSWER)

I.A.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 A–11 section 52 (LONG ANSWER)
Production systems for HR and Payroll are as follows: PAID (Personnel Accounting Integrated Data System) - OLDE (Online Data Entry System) - ETA (Enhanced Time and Attendance System) - EEX (Employee Express)

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

Percentage of Total Investment	
% Hardware	10.00
% Software	10.00
% Services	80.00

% Others	

I.A.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

I.A.22) Contact information of individual responsible for privacy related questions:

Contact Name: (SHORT ANSWER)	Heidi Hamzi
Phone Number:	202-565-8346
Title: (SHORT ANSWER)	IT Specialist
E-mail: (SHORT ANSWER)	heidi.hamzi@va.gov

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

Yes

PART I - B

PART I: SUMMARY INFORMATION AND JUSTIFICATION

In Part I, complete Sections A. B, C, and D for all capital assets (IT and non-IT). Complete Sections E and F for IT capital assets.

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Section B: Summary of Funding (All Capital Assets)

I.B.1) FILL IN TABLE IN CURRENT VALUES (in millions)

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

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.

Category of Funds	PY-1 and Earlier	PY 2006	CY 2007	BY 2008
Planning				
Budgetary Resources	0.350	0.000	0.000	0.000
Acquisition				
Budgetary Resources	10.500	0.000	0.000	0.000
Total, Sum of Stages				
Total, Resources (Plan & Acq)	10.850	0.000	0.000	0.000
Operations & Maintenance				
Budgetary Resources	79.060	11.692	11.820	24.753
Total, All Stages Resources	89.910	11.692	11.820	24.753
Government FTE Costs	16.140	2.380	2.400	2.420
Govt. FTE Numbers	11	10	10	10
Total, All Stages Resources + FTE	106.050	14.072	14.220	27.173

Government FTE Costs SHOULD NOT be INCLUDED as part of the TOTAL, All Stages Resources represented.

Note: 1) For the cross-agency investments, this table should include all funding (both managing partner and partner agencies). 2) Total, All Stages Resources should equal Total, All Stages Outlays.

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

No

I.B.2.a) If Yes, How many and in what year? (MEDIUM ANSWER)

I.B.3) If the summary of spending has changed from the FY2007 President's budget request, briefly explain those changes. (LONG ANSWER)
The baseline shown in this Exhibit 300 is the latest approved by the Office of Management and Budget (OMB). A revised baseline reflecting the amounts shown in the BY 2008 Summary of Funding table is pending OMB approval.

PART I - C

PART I: SUMMARY INFORMATION AND JUSTIFICATION
In Part I, complete Sections A. B, C, and D for all capital assets (IT and non-IT). Complete Sections E and F for IT capital assets.
OMB Text Limitations - SHORT ANSWER(250 Characters), MEDIUM ANSWER(500 Characters) and LONG ANSWER(2500 Characters)

Section C: Acquisition/Contract Strategy (All Capital Assets)
I.C.1) If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why? (LONG ANSWER)
I.C.2) Do the contracts ensure Section 508 compliance?
Yes
I.C.2.a) If the Contracts WILL NOT ensure Section 508 Compliance, explain why:
I.C.3) Is there an acquisition plan which has been approved in accordance with agency requirements?
No
I.C.3.a) If "yes," what is the date?
Oct 16, 2002
I.C.3.b) If "no," will an acquisition plan be developed?
No
I.C.3.b.1) If "no," briefly explain why: (MEDIUM ANSWER)
This is a steady state system that is only being maintained until it is replaced by the E-Gov initiatives. There are no plans to upgrade or modify the legacy system.

PART I - D

PART I: SUMMARY INFORMATION AND JUSTIFICATION

In Part I, complete Sections A. B, C, and D for all capital assets (IT and non-IT). Complete Sections E and F for IT capital assets.

OMB Text Limitations - SHORT ANSWER(250 Characters), MEDIUM ANSWER(500 Characters) and LONG ANSWER(2500 Characters)

Section D: Performance Information (All Capital Assets)

I.D.1) 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 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, milestone, or investment, or general goals, such as, significant, better, improved that do not have a quantitative or qualitative measure.

For Existing IT projects that have previously submitted Exhibit 300s:

--> If you completed Table 1 last year, please use Table 1 to report for fiscal year 2005 and Table 2 for fiscal years 2006 through at least 2009.

--> If you completed only Table 2 last year, please use Table 2 to report for fiscal years 2006 through at least 2009.

For projects that are submitting Exhibit 300s for the first time:

--> Use Table 2.

--> Report on Performance Measures for at least two years, i.e., FY 2008 and 2009, FY 2009 and 2010.

--> If the project will have data for 2007 that you wish to include, add extra lines in Table 2 and complete all information in this single table.

--> At least one performance goal should be met by BY+1.

PERFORMANCE INFORMATION TABLE 2:

Please use Table 2 and the FEA Performance Reference Model (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).

Fiscal Year	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvements to the Baseline	Actual Results
2005	Mission and Business Results	System Development	Life cycle / Change Management. Migration of VA employees off of legacy PAID system to DFAS for payroll processing.	No baseline determined yet. Near the end of FY 04 a migration schedule will be completed for FY 05-07.	Migrate the designated number of VA employees for FY 05, out of a population of approximately 240,000.	DFAS migration delayed and to begin in FY 06.
2005	Customer Results	Customer Satisfaction	Accuracy of Service or Product Delivered. Ensure Payroll and HR transactions are timely processed each pay period through application availability.	Maintain 99% system availability level for the steady state system.	None.	As of 5/31/05 YTD availability level has exceeded 99%.
2005	Processes and Activities	Costs	Savings & Cost Avoidance. Reduce the cost of providing requested ad hoc reports.	FY 04 cost figures under legacy PAID system as baseline.	Achieve cost savings/avoidance of 10% from FY 04 baseline.	Web-Reports canceled in FY05.
2005	Technology	Efficiency	Accessibility. Currently VBA does not have access to ETA like other VA administrations. This electronic access is necessary for	Baseline is none, or very few employees at select locations.	100% of VBA employees will be using ETA by end of FY 05.	On target. All 57 VBA sites will be migrated by 9/3/05.

			migration to DFAS.			
2006	Mission and Business Results	System Development	Life cycle / Change Management. Migration of VA employees off of legacy PAID system to DFAS for payroll processing.	No baseline determined yet. Near the end of FY 05 a migration schedule will be completed for FY 06-08.	Migrate the designated number of VA employees for FY 06, out of a population of approximately 240,000.	TBD in FY 06
2006	Customer Results	Customer Satisfaction	Accuracy of Service or Product Delivered. Ensure Payroll and HR transactions are timely processed each pay period through application availability.	Maintain 99% system availability level for the steady state system.	None.	TBD in FY 06
2006	Processes and Activities	Costs	Savings & Cost Avoidance. Reduce the cost of providing requested ad hoc reports.	FY 04 cost figures under legacy PAID system as baseline.	Achieve cost savings/avoidance of 10% from FY 05 results.	TBD in FY 06
2006	Technology	Efficiency	User Requirements. Capture requirements and support changes in EEX as we move to eliminating TSP open season.	Baseline is none. Work with OPM and EEX Consortium to achieve TSP objective.	100% TSP open season availability in FY 06 in the PAID environment.	TBD in FY 06
2007	Mission and Business Results	System Development	Life cycle / Change Management. Migration of VA employees off of legacy PAID system to DFAS for payroll processing.	No baseline determined yet. Near the end of FY 05 a migration schedule will be completed for FY 06-08.	Migrate the designated number of VA employees for FY 07, out of a population of approximately 240,000.	TBD in FY 07
2007	Customer Results	Customer Satisfaction	Accuracy of Service or Product Delivered. Ensure Payroll and HR transactions are timely processed each pay period through application availability.	Maintain 99% system availability level for the steady state system.	None.	TBD in FY 07
2007	Processes and Activities	Costs	Savings & Cost Avoidance. Reduce the cost of providing requested ad hoc reports.	FY 04 cost figures under legacy PAID system as baseline.	Achieve cost savings/avoidance of 10% from FY 06 results.	TBD in FY 07
2007	Technology	Efficiency	Data Storage. Begin a data warehousing Web-based reports interface.	No baseline determined yet. Determine at end of FY 06 the number of reports generated using SAS and other non-web mechanisms.	Achieve 25% conversion to the data warehouse with web-reports capabilities.	Web-Reports canceled in FY05.
2008	Mission and Business Results	System Development	Life cycle / Change Management. Migration of VA employees off of legacy PAID system to DFAS for payroll processing.	No baseline determined yet. Near the end of FY 05 a migration schedule will be completed for FY 06-08.	Migrate the designated number of VA employees for FY 07, out of a population of approximately 240,000.	TBD in FY 08
2008	Customer Results	Customer Satisfaction	Accuracy of Service or Product Delivered. Ensure Payroll and HR	Maintain 99% system availability level for the steady	None.	TBD in FY 08

			transactions are timely processed each pay period through application availability.	state system.		
2008	Processes and Activities	Costs	Savings & Cost Avoidance. Reduce the cost of providing requested ad hoc reports.	FY 04 cost figures under legacy PAID system as baseline.	Achieve cost savings/avoidance of 10% from FY 07 results.	TBD in FY 08
2008	Technology	Efficiency	Data Storage. Continue a data warehousing Web-based reports interface.	No baseline determined yet. Determine at end of FY 06 the number of reports generated using SAS and other non-web mechanisms.	Achieve 100% conversion to the data warehouse with web-reports capabilities.	Web-Reports canceled in FY05.
2008	Technology	Reporting and Information	Fiscal Users Menu	No baseline	Reporting system for financial reports	TBD in FY08

PART I - E

PART I: SUMMARY INFORMATION AND JUSTIFICATION

In Part I, complete Sections A. B, C, and D for all capital assets (IT and non-IT). Complete Sections E and F for IT capital assets.

OMB Text Limitations - SHORT ANSWER(250 Characters), MEDIUM ANSWER(500 Characters) and LONG ANSWER(2500 Characters)

Section E: Security and Privacy (IT Capital Assets only)

System/Application Level Information:

In order to successfully address this area of the business case, each question below must be answered at the system/application level, not at a program or agency level. Systems supporting this investment on the planning and operational systems security tables should match the systems on the privacy table below. Systems on the Operational Security Table must be included on your agency FISMA system inventory and should be easily referenced in the inventory (i.e., should use the same name or identifier).

All systems supporting and/or part of this investment should be included in the tables below, inclusive of both agency owned systems and contractor systems. For IT investments under development, security and privacy planning must proceed in parallel with the development of the system(s) to ensure IT security and privacy requirements and costs are identified and incorporated into the overall lifecycle of the system(s).

I.E.1) Identified the IT security costs for the system(s) and have integrated those costs into the overall costs of the investment:

Yes

I.E.2) Is identifying and assessing security and privacy risks a part of the overall risk management effort for each system supporting or part of this investment.

Yes

I.E.3) Have any weaknesses, not yet remediated, related to any of the systems part of or supporting this investment been identified by the agency or IG?

No

I.E.3.a) If "yes," have those weaknesses been incorporated into the agency's plan of action and milestone process?

PART I - F

PART I: SUMMARY INFORMATION AND JUSTIFICATION

In Part I, complete Sections A. B, C, and D for all capital assets (IT and non-IT). Complete Sections E and F for IT capital assets.

OMB Text Limitations - SHORT ANSWER(250 Characters), MEDIUM ANSWER(500 Characters) and LONG ANSWER(2500 Characters)

Section F: Enterprise Architecture (EA) (IT Capital Assets only)

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.

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

Yes

I.F.1.a) If "no," please explain why? (LONG ANSWER)

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

Yes

I.F.2.a) If "yes," provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment. (MEDIUM ANSWER)

VA IT Investment (OMB 300) Payroll/HR Systems

I.F.2.b) If "no," please explain why? (LONG ANSWER)

I.F.3) FEA SERVICE REFERENCE MODEL:

	I.F.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/.

SERVICE COMPONENT TABLE:

	Agency Component Name (SHORT ANSWER)	Agency Component Description (MEDIUM ANSWER)	FEA SRM Service Type	FEA SRM Component (a*)	FEA Service Component Reused : Component Name (b*)	FEA Service Component Reused : UPI (b*)	Internal or External Reuse? (c*)	BY Funding Percentage (d*)
1	Payroll/HR System	Payroll/HR System	Financial Management	Payroll	Payroll	029-00-01-19-01-1330-00	Internal	40.000
2	Payroll/HR System	Payroll/HR System	Human Resources	Benefit Management	Benefit Management	029-00-01-19-01-1330-00	Internal	60.000
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	NOTE:
	(a*) - Use existing SRM Components or identify as "NEW". A "NEW" component is one not already identified as a service component in the FEA SRM.
	(b*) - 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.
	(c*) - '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.
	(d*) - 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.

I.F.4) FEA TECHNICAL REFERENCE MODEL:

	I.F.4) To demonstrate how this major IT investment aligns with Reference Model (TRM), please list the Service Areas, Service Specifications supporting this IT investment.

TECHNICAL REFERENCE MODEL TABLE:

	FEA SRM Component (a*)	FEA TRM Service Area	FEA TRM Service Category	FEA TRM Service Standard
1	Payroll	Service Access and Delivery	Service Requirements	Legislative / Compliance
2	Benefit Management	Service Access and Delivery	Service Requirements	Legislative / Compliance
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NOTE:

(a*) - Service Components identified in the previous question(I.F.3) should be entered in this column. Please enter

	multiple rows for FEA SRM Components supported by multiple TRM Service Specifications
	(b*) - 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.
	I.F.5) Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)?
	Yes
	I.F.5.a) If "yes," please describe. (LONG ANSWER)
	This project leverages the Employee Express (EEX) application used by approximately 60 Federal Agencies and, with the addition of VA, more than one million employees.
	I.F.6) Does this investment provide the public with access to a government automated information system?
	No
	I.F.6.a) If "yes," does customer access require specific software (e.g., a specific web browser version)?

PART III - A

Part III: For "Operation and Maintenance" investments ONLY (Steady State)
Part III should be completed only for investments identified as "Operation and Maintenance" (Steady State) in response to Question 6 in Part I, Section A above.
OMB Text Limitations - SHORT ANSWER(250 Characters), MEDIUM ANSWER(500 Characters) and LONG ANSWER(2500 Characters)

Section A - RISK MANAGEMENT (All Capital Assets)
In order to successfully address this issue on the business case and capital asset plan, you must have performed a risk assessment at the initial concept, included 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 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) project resources. For security risks, identify 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.
Moreover, for each risk category with a probability of occurrence of at least medium and impact of at least medium, please indicate whether or not the costs to mitigate the risk have been incorporated into your lifecycle cost estimates in the summary of spending stages section of this Exhibit 300. If not, please also indicate why in your response.
III.A.1) Does the investment have a Risk Management Plan?
Yes
III.A.1.a) If "yes," what is the date of the plan?
Apr 1, 2004
III.A.1.b) Has the Risk Management Plan been significantly changed since last year's submission to OMB?
No
III.A.1.c) If "yes," describe any significant changes: (LONG ANSWER)
III.A.2) If there currently is no plan, will a plan be developed?
III.A.2.a) If "yes," what is the planned completion date?
III.A.2.b) If "no," what is the strategy for managing the risks? (LONG ANSWER)

PART III - B

Part III: For "Operation and Maintenance" investments ONLY (Steady State)

Part III should be completed only for investments identified as "Operation and Maintenance" (Steady State) in response to Question 6 in Part I, Section A above.

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III.B) Cost and Schedule Performance:

III.B.1) Was operational analysis conducted?

No

III.B.1.a) If "yes," provide the date the analysis was completed.

III.B.1.b) If "yes," what were the results? (LONG ANSWER)

III.B.1.c) If "no," please explain why it was not conducted and if there are any plans to conduct operational analysis in the future: (LONG ANSWER)

VA has plans to conduct Operational Analysis on this program. VA Directive 6061 requires the use of post implementation reviews and operational analysis on operations and maintenance efforts for sustainment (system operation/steady state) investments (or the sustainment portion of mixed life cycle projects) to promote more effective management oversight. VA is now completing a guide which will require regular use of Operational Analysis to formally assess how well an investment is meeting program objectives, customer needs, and is performing within baseline performance goals. The VA operational analysis will involve the collection of information concerning an investment's performance and the comparison of this performance with an established baseline. Performance measures are required in order to determine how well the asset supports customers and stakeholders, how well the asset is managed by the agency, how well the IT system is operating, and how well the asset is meeting established performance goals. The outputs of the operational analysis are recommendations to VA agency resource managers as to the asset's continued use, modification, improvement, or termination.

III.B.2) Complete the following table to compare actual performance against the current performance baseline and to the initial performance baseline. In the Current Baseline section, for all milestones listed, you should provide both the baseline and actual completion dates (e.g., "03/23/2003"/ "04/28/2004") and the baseline and actual total costs (in $ Millions).

III.B.2.a) What costs are included in the reported Cost/Schedule Performance information (Government Only/Contractor Only/Both)? (Per OMB requirements Cost/Schedule Performance information should include both Government and Contractor Costs).

Contractor and Government

III.B.2.b) Complete the following table to compare actual performance against the current performance baseline and to the initial performance baseline. In the Current Baseline section, for all milestones listed, you should provide both the baseline and actual completion dates (e.g., "03/23/2003"/ "04/28/2004") and the baseline and actual total costs (in $ Millions).

Description of Milestone	Current BL Completion Date Planned	Current BL Completion Date Actual
Implement a reports warehouse and Web-deployed reporting tool	Mar 31, 2005	Mar 31, 2005
Subscribe to EEX	Jun 30, 2004	Jun 30, 2004
Maintain PAID FY 01	Sep 30, 2001	Sep 20, 2001
Maintain PAID FY 02	Sep 30, 2002	Sep 30, 2002
Maintain PAID FY 03	Sep 30, 2003	Sep 30, 2003
Maintain PAID FY 04	Sep 30, 2004	Sep 30, 2004
Maintain PAID FY 05	Sep 30, 2005	Sep 20, 2005
Maintain PAID FY 06	Sep 30, 2006	Sep 30, 2006
Maintain PAID FY 07	Sep 30, 2007	
Maintain PAID FY 08	Sep 30, 2008	

DFAS Payroll Service Fees FY08	Sep 30, 2008	