

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 10, 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)
 e-Payroll-2008

I.A.5) Unique Project(Investment) Identifier: Update the UPI using the Exhibit 53 tab.
 029-00-01-19-01-1331-00

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.)
 Acquisition

I.A.7) What was the first budget year this investment was submitted to OMB?
 FY2004

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)
 This investment was previously included with the Payroll/HR Systems-2006 Exhibit 300. In October 2004, the e-Payroll Project was split out from Payroll/HR Systems. As the Managing Partner for the e-Payroll effort, OPM determined that consolidation of payroll service delivery (reducing the number of Federal payroll providers from 22 to 4) and standardization of payroll processes were the first steps in achieving the end state of integrated HR/Payroll services. Under the federal e-Gov initiative for e-Payroll, Defense Finance and Accounting Service (DFAS) has been mandated to become the sole payroll provider for the Department of Veterans Affairs (VA). After VA has migrated to DFAS, efforts will begin to switch from the current self service system, Employee Express, to the system provided with DFAS servicing, MyPay. 1.5% has been incorporated to have an independent assessment review conducted. M and Operational costs will be included in the Payroll/HR Systems (PAID) Exhibit 300.

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?

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	vacocurtia@mail.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)

The consolidation of payroll services to a new payroll provider will reduce the cost for maintaining a separate payroll system after all VA employees have been converted to DFAS and the HR portion of VA's legacy payroll system is replaced. The implementation of a replacement time and attendance that is currently used by the National Institute of Health, who is also serviced by DFAS, reduces the cost of maintaining a separate time and attendance system that is used by a single agency.

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)?

No

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 FFIA (Federal Financial Managers Integrity Act) compliance area?

No

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

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 this project are listed in the VA Financial System Inventory and are listed 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?

NA

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

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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	0.000	0.000	0.000	0.000
Acquisition				
Budgetary Resources	10.416	4.890	6.410	8.070
Total, Sum of Stages				
Total, Resources (Plan & Acq)	10.416	4.890	6.410	8.070
Operations & Maintenance				
Budgetary Resources	0.000	0.000	0.000	0.000
Total, All Stages Resources	10.416	4.890	6.410	8.070
Government FTE Costs	0.614	0.610	0.680	0.690
Govt. FTE Numbers	6	6	7	7
Total, All Stages Resources + FTE	11.030	5.500	7.090	8.760

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
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Section C: Acquisition/Contract Strategy (All Capital Assets)
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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:

Certification that a product complies with Section 508 is required prior to deployment. This requirement will appear as a task on the project WBS and tracked to closure to ensure that the appropriate parties validate the system is Section 508 compliant. An assessment and validation of the selected product(s) will be made following established procedures to ensure compliance with Section 508.

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?

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)

There are no plans to acquire any software, hardware or services in support of this project outside of the federal government.

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.

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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
2007	Mission and Business Results	System Development	Number of employees migrated to DFAS within the established timeframes.	No baseline determined yet. Migration of the first group of VA employees from the legacy payroll system (PAID) to DFAS for payroll processing will commence in CY 06. This will serve as the baseline.	Migrate the designated number of VA employees within the established timeframes. The baseline will be changed to reflect the addition of the most recent group of employees migrated to DFAS out of a population of approximately 235,000.	TBD in FY 07.
2007	Technology	Service Efficiency	Number of customizations required for unique and essential business needs.	No baseline determined yet. Finalization of system requirements and business processes, where standardization has been balanced with customizations along with opportunities to streamline business processes, will serve as the basis for the baseline.	After migration, VA and DFAS to review business processes with the goal of identifying those that can be automated or centralized to DFAS.	TBD in FY07
2007	Customer Results	Customer Satisfaction	Maintain similar or improved accuracy and timeliness of payroll processing	Achieve 95% accuracy and timeliness rating of payroll processing under DFAS.	Achieve 98% accuracy and timeliness rating of payroll processing under DFAS.	TBD in FY 07

PART I - E

PART I: SUMMARY INFORMATION AND JUSTIFICATION

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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

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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)

Office of Management - e-Payroll

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	Back Office Services	Payroll Services	Financial Management	Payroll	Payroll	029-00-01-19-01-1331-00	Internal	0.025
2	Back Office Services	Personnel Services	Human Resources	Benefit Management	Personnel Administration	029-00-01-19-01-1331-00	Internal	0.075
3								
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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	Personnel Administration	Service Access and Delivery	Service Requirements	Legislative / Compliance
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	NOTE:
	<i>(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</i>
	<i>(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>
	<i>I.F.5) Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)?</i>
	Yes
	<i>I.F.5.a) If "yes," please describe. (LONG ANSWER)</i>
	The e-Payroll initiative capitalizes on efficiencies of scale gained from standardization of payroll regulations and consolidation of payroll providers to eliminate redundant payroll and time and attendance systems across the Government.
	<i>I.F.6) Does this investment provide the public with access to a government automated information system?</i>
	No
	<i>I.F.6.a) If "yes," does customer access require specific software (e.g., a specific web browser version)?</i>

PART II - B

PART II: PLANNING, ACQUISITION AND PERFORMANCE INFORMATION

Part II should be completed only for investments which in FY2008 will be in "Planning" or "Full Acquisition," investments, i.e., selected one of these three choices in response to Question 6 in Part I, Section A above.

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Section B - RISK MANAGEMENT (All Capital Assets)

II.B.1) Does the investment have a Risk Management Plan?

Yes

II.B.1.a) If "yes," what is the date of the plan?

Jan 7, 2004

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

No

II.B.1.c) If "yes," describe any significant changes: (LONG ANSWER)

II.B.2) If there currently is no plan, will a plan be developed?

II.B.2.a) If "no," what is the strategy for managing the risks? (LONG ANSWER)

II.B.3) Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule: (LONG ANSWER)

The life cycle cost estimate includes a 10% cost for risks and the investment schedule does not have any extra time included. The original schedule had an additional two months to allow for schedule slippage. The managing partner, OPM, requested that the schedule change from June 2008 to April 2008 for migrating employee accounts to DFAS.

