# Exhibit 300 (BY2009)

| PART ONE | |
|---|---|
| **OVERVIEW** | |
| **1. Date of Submission:** | 2007-09-10 |
| **2. Agency:** | 015 |
| **3. Bureau:** | 45 |
| **4. Name of this Capital Asset:** | Enterprise Data Access Strategy (EDAS)(Formerly Enterprise Data Warehouse) |
| **5. Unique Project Identifier:** | 015-45-01-14-01-2220-00 |

*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?*

FY2008

*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 Enterprise Data Access Strategy (EDAS) is the Control phase of the Treasury CPIC process. It was formally referred to as the Enterprise Data Warehouse (EDW) which was pre-selected by the MITS Enterprise Governance Committee (MEG) as part of the Annual Portfolio Selection Process. For FY07 and FY08, EDAS will consists of two projects the XML Relational Data Base (EDAS XRDB) and the Integrated Production Model (EDAS IPM). The EDAS XRDB became operational in FY06 and provides customers in TE/GE the electronically filed business returns in a relational format. The EDAS IPM will provide customers in all the BODs with a consolidate data base of tax return and account data. By analyzing the data on EDAS IPM, the IRS can implement initiatives to improve tax compliance in one area that does not lead to a decrease in compliance in another, thereby affecting a decrease in the Tax Gap. Functional areas using EDAS IPM include Forms and Publications, Legislative Affairs, Counsel, Taxpayer Service and traditional enforcement activities of Collection, Examination, and Criminal Investigation. In addition Congress, the Office of Management and Budget, the Treasury, the State Taxation Authorities, and the Bureau of Economic Analysis are interested in the results of EDAS IPM-based research. EDAS will be expanded to include additional projects in FY09 and beyond and those will be included in this document once details are known. The system consists of current data extracted at various intervals from the Tax Master Files, Return Transactions Files, Payer Master File and the Information Returns Master Files. This data is loaded into EDAS, linking all related information about a taxable entity in a relational format. EDAS is the only IRS system that links all of these disparate files into a single source of information. In FY08 the system will include the XML Relational Database (XRDB) and the Integrated Production Model (IPM). The XRDB will be expanded to include the most recent return data for the Mod-Efile system. The IPM will be expanded to add data from additional master files and return transaction files as well as update the data which was initially loaded in FY07. This will enable the IRS to retire some outdated legacy system programs that currently perform these functions against the IRS Master Files.

*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:*

Taylor, Sheryl

*Project Manager Phone:*

202-283-5066

*Project Manager Email:*

Sheryl.M.Taylor@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:*

Financial Performance

*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?)*

FP-EDAS provides the data source to the Taxpayer Advocate's yearly report to Congress. This data will show how compliance activities have led to the shrinking of the tax gap which now exists. EDAS data allows the compliance functions to work those cases with the most income generating potential.

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

yes

*14.a. If yes, does this investment address a weakness found during the PART review?*

yes

*14.b. If yes, what is the name of the PARTed program?*

Internal Revenue Service Tax Collection

*14.c. If yes, what rating did the PART receive?*

Ineffective

*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

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

EDAS is a set of databases that pull together data from several disparate IRS data sources and consolidates these into a single source of data for the business to use in decision support and analytics. In addition the data is used to enable the compliance areas (exam and collection) to provide better criteria for case selection to ensure that there is a higher probablity that work performed will result in the shrinkage of the tax gap.

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

| Hardware | 0 |
| --- | --- |
| Software | 14 |
| Services | 86 |
| 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*

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?*

no

*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 |
| **Planning Budgetary Resources** | 0.000 | 0.020 | 0.000 |
| **Acquisition Budgetary Resources** | 0.000 | 2.700 | 0.000 |
| **Maintenance Budgetary Resources** | 2.350 | 1.432 | 1.289 |
| **Government FTE Cost** | 4.603 | 4.603 | 4.132 |
| **# of FTEs** | 44 | 48 | 48 |

*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.*

The budget for all fiscal years has been increased to add the development costs for the EDAS IPM which was a new intitiative created to meet the needs of the Tier B projects out of fthe Modernization Visioning and Strategy. A Baseline Change Request was submitted to reflect the new budget figures as well as to add the DME milestones for the IPM development, and is in the approval process. It is expected to be approved prior to final submission of this document in July 2007.

**PERFORMANCE**

| | 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 | Mission and Business Results | Taxation Management | EDAS supports IRS efforts to close the tax gap by providing access to taxpayer data in a consistent and standardized format for use across multiple applications. | 0 business application using EDAS. | 2 total business applications have accessed EDAS | The first release of EDAS will not be operational til the end of FY07 so there will be no measurable results in FY07. |
| 2 | 2007 | Manage the U.S. Government's Finances Effectively | Customer Results | Integration | EDAS provides central access to more integrated data to support business analysis and reporting. | 1 data sources integrated into EDAS | 6 total sources for IRS Tax data have been loaded into EDAS. | The first release of EDAS will not be operational til the end of FY07 so there will be not measurable results in FY07. |
| 3 | 2007 | Manage the U.S. Government's Finances Effectively | Processes and Activities | Savings and Cost Avoidance | Applications using IPM will not need to incur costs associated with securing the database. This avoids the burden to ensure that IRS core data is protected from unauthorized access. | $.0 cost avoidance to provide database security for the business applications using IPM | $.368 cost avoidance as projects accessing EDAS do not have to provide database security for their business applications | The first release of EDAS will not be operational til end of FY07 so there will be no measurable results in FY07. |
| 4 | 2007 | Manage the U.S. Government's Finances | Technology | Interoperability | A decrease in number of data stores needed by business | The number of existing data stores | 0% increase in the number of existing data stores | The first release of EDAS will not be |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | Effectively | | | applications minimizes data redundancy and reduces overall data management costs. | created from the 701 data extracts | | operational til end of FY07 so there will be no measurable results in FY07. |
| 5 | 2008 | Manage the U.S. Government's Finances Effectively | Mission and Business Results | Taxation Management | EDAS supports IRS efforts to close the tax gap by providing access to taxpayer data in a consistent and standardized format for use across multiple applications. | 2 business application using EDAS. | 4 total business applications have accessed EDAS | |
| 6 | 2008 | Manage the U.S. Government's Finances Effectively | Customer Results | Integration | EDAS provides central access to more integrated data to support business analysis and reporting. | 6 data sources integrated into EDAS | 8 total sources for IRS Tax data have been loaded into EDAS. | |
| 7 | 2008 | Manage the U.S. Government's Finances Effectively | Processes and Activities | Savings and Cost Avoidance | Applications using IPM will not need to incur costs associated with securing the database. This avoids the burden to ensure that IRS core data is protected from unauthorized access. | $.368 cost avoidance to provide database security for the business applications using IPM | $4.436 cost avoidance as projects accessing EDAS do not have to provide database security for their business applications | |
| 8 | 2008 | Manage the U.S. Government's Finances Effectively | Technology | Interoperability | IPM standardizes the format and interpretation for data integrated into EDAS. This improves data interoperability across business applications and the ability to perform data aggregation in support of analysis. | 2 business application using EDAS. | 4 business applications have accessed EDAS. | |
| 9 | 2009 | Manage the U.S. | Mission and Business | Taxation Management | EDAS supports IRS efforts to | 4 business application | 8 total business | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | Government's Finances Effectively | Results | | close the tax gap by providing access to taxpayer data in a consistent and standardized format for use across multiple applications. | using EDAS. | applications have accessed EDAS | |
| 10 | 2009 | Manage the U.S. Government's Finances Effectively | Customer Results | Integration | EDAS provides central access to more integrated data to support business analysis and reporting. | 8 total data sources integrated into EDAS | 11 total sources for IRS Tax data have been loaded into EDAS. | |
| 11 | 2009 | Manage the U.S. Government's Finances Effectively | Processes and Activities | Savings and Cost Avoidance | Applications using IPM will not need to incur costs associated with securing the database. This avoids the burden to ensure that IRS core data is protected from unauthorized access. | $4.436 cost avoidance to provide database security for the business applications using IPM | $5.420 cost avoidance as projects accessing EDAS do not have to provide database security for their business applicationsh | |
| 12 | 2009 | Manage the U.S. Government's Finances Effectively | Technology | Interoperability | IPM standardizes the format and interpretation for data integrated into EDAS. This improves data interoperability across business applications and the ability to perform data aggregation in support of analysis. | 5 business applications using EDAS. | 7 business applications have accessed EDAS | |

| 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.*

Enterprise Data Warehouse (EDW)

*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 | Extraction and Transformation | EDAS extracts and transforms taxpayer and tax account data from various IRS systems. | Data Management | Extraction and Transformation | | | No Reuse | 25 |
| 2 | Loading and Archiving | EDAS loads taxpayer and tax account data from various IRS systems into a common data store. | Data Management | Loading and Archiving | | | No Reuse | 25 |
| 3 | OLAP | EDAS provides data for Online Analytical Processing. | Reporting | OLAP | | | No Reuse | 25 |
| 4 | Data Warehouse | EDAS store taxpayer and tax account data from various IRS systems to be used for analytical purposes. | Data Management | Data Warehouse | | | No Reuse | 25 |

*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 | Extraction and Transformation | Service Access and Delivery | Service Transport | Service Transport | EMC Symmetrix InfoMover |
| 2 | Loading and Archiving | Service Interface and Integration | Integration | Enterprise Application Integration | Informatica Data Integration Software |
| 3 | Extraction and Transformation | Component Framework | Business Logic | Platform Independent | Informatica Data Integration Software |
| 4 | Loading and Archiving | Service Platform and Infrastructure | Database / Storage | Database | Oracle 9i |
| 5 | Data Warehouse | Service Platform and Infrastructure | Software Engineering | Software Configuration Management | Rational Clear Case |
| 6 | Data Warehouse | Service Platform and Infrastructure | Software Engineering | Test Management | Custom code |
| 7 | OLAP | Service Interface and Integration | Interface | Service Description / Interface | Custom code |
| 8 | OLAP | Component Framework | Data Management | Reporting and Analysis | Business Objects |
| 9 | Data Warehouse | Component Framework | Security | Supporting Security Services | Custom code |

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

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?*

2007-04-12

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

yes

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

The previous Risk Management Plan addressed the EDW IFM/BFM/XRDB. The EDW IFM/BFM will be replaced by the EDAS IPM which the new Risk Management Plan addresses. The EDW XRDB has become the EDAS XRDB and is still included in the plan.

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

The EDAS project team incorporates identified risks into the project schedule. This is accomplished by identifying risks, developing a mitigation strategy, and identifying the event trigger and likely date of occurrence. The risk inventory is then

updated with this assessment data, which acts as an input into developing/updating the project schedule such as activity estimates and Work Breakdown Structure (WBS) with the expected date that the risk will occur. Costs associated with risk capability are captured in task order and included in the cost estimated throughout the lifecycle. Schedule and cost risk are continuously monitored and mitigated through established processes. The following mitigation strategies are in place: a) Implement enhancements based on fiscal year funding available. b) Schedule discretionary changes in advance and share resources by utilizing overtime. c) Apply quality review to improve productivity. d) Conduct regular stakeholder status meetings, with follow-up on action items.

## 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 ± 10%?*

no

*2.b. If yes, explain the variance.*

The Enterprise Data Access Strategy project was recently formed and it was decided to merge it with the Enterprise Data Warehouse project. Costs for the first two quarters have been absorbed through the EDW budget. It has been requested to increase the budget to meet the new DME needs. Spending for the first two quarters was minimal as this redirection of resources took place and a spending plan was in development. EDAS has just exited the logical design phase and has begun development and thus is in a position to spend the money which has been allocated. It is anticpated that the project should be able to spend and erase the varience during the third quarter.

*2.c. If yes, what corrective actions are being taken?*

At the beginning of the Fiscal Year a decision was made to replace EDW IFM and BFM with the IPM. A new Data Strategy program was created called EDAS. EDAS included the operational system EDW XRDB and the development effort for the IPM. EDAS spending for the first two quarters centered around the operational component for XRDB and the milestone documentation creation for IPM. Spending was minimal and included the FTE for both projects as well as the operational software maintenance contracts. Contractor services were also employed for requirements gathering, but there was no major hardware purchases as origianally planned for as the alternatives analysis was conducted. Since the IPM has exited the phyical design phase on May 21, the project is now in the position to not only procure the hardware needed, but will be relying on contractor resources for some of the development effort. Spending in the third and fourth quarter should dramatically increase to erase the cost variance. The project remains on schedule to deliver the functionality requested by the customer by 9/30/2007.

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

yes

*3.a. If yes, when was it approved by the agency head?*

2007-09-12