Exhibit 300 (BY2008)

PART ONE	
OVERVIEW	
1. Date of Submission:	2007-02-05
2. Agency:	009
3. Bureau:	90
4. Investment Name:	PSC Debt Management and Collection System (DMCS)
5. UPI:	009-90-01-01-01-1011-00

6. What kind of investment will this be in FY2008?
Operations and Maintenance

7. What was the first budget year this investment was submitted to OMB?
FY2001 or earlier

8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap.
The Debt Management Branch (DMB) of the Program Support Center's (PSC) Financial Management Service (FMS) is one of only two Treasury-designated Debt Collection Centers. The Debt Management and Collection System (DMCS) is a financial management system critical to DMB to manage its debt portfolio and support its debt collection activities and to meet the mission and regulatory requirements of its customer organizations. All requirements of the Debt Collection Improvement Act of 1996 and HHS's Claims Collection Regulations, such as initial debt calculation and recording, interest and penalty accruals, due diligence, collections, and litigation process tracking, have been incorporated into DMCS. . In its efforts to provide social and economic benefits to its citizens, Congress will often specify unique repayment requirements and penalties for defaulting on Government backed loans, scholarships, and other types of grants. These repayment terms, penalties, etc. are often not only unique to the specific program (loan, scholarship) but may be specific to the time period because of changes to the legislation by succeeding Congresses. DMCS provides the flexibility to handle the wide variety of repayment terms and penalties without resorting to manual processing of individual loans or scholarships.

9. Did the Agency's Executive/Investment Committee approve this request?
yes

9.a. If "yes," what was the date of this approval?
2006-06-23

10. Did the Project Manager review this Exhibit?
yes

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

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

12.b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only)
no

13. Does this investment support one of the PMA initiatives?
yes

If yes, select the initiatives that apply:
Eliminating Improper Payments
Expanded E-Government
Financial Performance

13.a. Briefly describe how this asset directly supports the identified initiative(s)?

The DMCS eliminated most manual processing related to managing a diverse and complicated receivables portfolio, thus contributing to improved Financial Performance and expanding E-government. The DMCS works with other PSC systems such as the CORE accounting system and the Payment Management System (PMS) to help in Eliminating Improper Payments by assuring proper repayments and specifically addresses the requirements of the Debt Collection Improvement Act of 1996.

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

no

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

no

15. Is this investment for information technology (See section 53 for definition)?

yes

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

Level 3

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 2006 agency high risk report (per OMB's high risk memo)?

no

19. Is this a financial management system?

yes

19.a. If yes, does this investment address a FFMIA compliance area?

yes

19.a.1. If yes, which compliance area:

Federal financial systems requirements, applicable Federal accounting standards

19.b. If yes, please identify the system name(s) and system acronym(s) as reported in the most recent financial systems inventory update required by Circular A11 section 52.

Debt Management and Collection System (DMCS)

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

Hardware	0
Software	0
Services	100
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?

n/a

22. Contact information of individual responsible for privacy related questions.

Name

Darlene Christian

Phone Number

301-443-5252

Title

Freedon of Information Officer

Email

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

yes

SUMMARY OF SPEND

1. Provide the total estimated life-cycle cost for this investment by completing the following table. All amounts represent budget authority in millions, and are rounded to three decimal places. Federal personnel costs should be included only in the row designated Government FTE Cost, and should be excluded from the amounts shown for Planning, Full Acquisition, and Operation/Maintenance. The total estimated annual cost of the investment is the sum of costs for Planning, Full Acquisition, and Operation/Maintenance. For Federal buildings and facilities, life-cycle costs should include long term energy, environmental, decommissioning, and/or restoration costs. The costs associated with the entire life-cycle of the investment should be included in this report.

All amounts represent Budget Authority

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

	PY-1 & Earlier	PY	CY	BY
	-2005	2006	2007	2008
Planning Budgetary Resources	0.000	0.000	0.000	0.000
Acquisition Budgetary Resources	0.000	0.000	0.000	0.000
Maintenance Budgetary Resources	9.239	5.028	5.230	5.441
Government FTE Cost	0.122	0.064	0.066	0.069
# of FTEs	1	1	1	1

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

PERFORMANCE

In order to successfully address this area of the exhibit 300, performance goals must be provided for the agency and be linked to the annual performance plan. The investment must discuss the agency's mission and strategic goals, and performance measures must be provided. These goals need to map to the gap in the agency's strategic goals and objectives this investment is designed to fill. They are the internal and external performance benefits this investment is expected to deliver to the agency (e.g., improve efficiency by 60 percent, increase citizen participation by 300 percent a year to achieve an overall citizen participation rate of 75 percent by FY 2xxx, etc.). The goals must be clearly measurable investment outcomes, and if applicable, investment outputs. They do not include the completion date of the module, milestones, or investment, or general goals, such as, significant, better, improved that do not have a quantitative or qualitative measure.

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

Table 1

	Fiscal Year	Strategic Goal(s) Supported	Performance Measure	Actual/baseline (from Previous Year)	Planned Performance Metric (Target)	Performance Metric Results (Actual)
1	2003	HHS Strategic Goals and Objectives FY04-08 "Achieve Excellence in Management Practices"; Objective 8.4 "Improve Financial Management"'	% delinquent debt referred to the Treasury Offset Program within 180 days	100%	100%	100%
2	2004	HHS Strategic Goals and Objectives FY04-08 "Achieve Excellence	% delinquent debt referred to the Treasury Offset	100%	100%	100%

		in Management Practices"; Objective 8.4 "Improve Financial Management"'	Program within 180 days				
3	2005	HHS Strategic Goals and Objectives FY04-08 "Achieve Excellence in Management Practices"; Objective 8.4 "Improve Financial Management"'	% delinquent debt referred to the Treasury Offset Program within 180 days	100%	100%	100%	
4	2006	HHS Strategic Goals and Objectives FY04-08 "Achieve Excellence in Management Practices"; Objective 8.4 "Improve Financial Management"'	% delinquent debt referred to the Treasury Offset Program within 180 days	100%	100%		
5	2007	HHS Strategic Goals and Objectives FY04-08 "Achieve Excellence in Management Practices"; Objective 8.4 "Improve Financial Management"'	% delinquent debt referred to the Treasury Offset Program within 180 days	100%	100%		

All new IT investments initiated for FY 2005 and beyond must use Table 2 and are required to use the FEA Performance Reference Model (PRM). Please use Table 2 and the PRM to identify the performance information pertaining to this major IT investment. Map all Measurement Indicators to the corresponding "Measurement Area" and "Measurement Grouping" identified in the PRM. There should be at least one Measurement Indicator for at least four different Measurement Areas (for each fiscal year). The PRM is available at www.egov.gov.

Table 2

	Fiscal Year	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results
1	2006	Mission and Business Results	Collections and Receivables	% delinquent debts referred to the Treasury Offset Program within 180 days	95%	improve to 100%	
2	2006	Customer Results	Response Time	% delinquent debts referred to the Treasury Offset Program within 180 days	95%	improve to 100%	
3	2006	Processes and Activities	Cycle Time	% daily interface jobs processed successfully	95%	improve to 100%	
4	2006	Technology	Availability	% time system is available	97%	improve to 100%	
5	2007	Mission and Business Results	Collections and Receivables	% delinquent debts referred to the Treasury Offset Program within 180 days	95.5%	improve to 100%	
6	2007	Customer	Response Time	% delinquent debts	95.5%	improve to 100%	

		Results		referred to the Treasury Offset Program within 180 days			
7	2007	Processes and Activities	Cycle Time	% daily interface jobs processed successfully	95.5%	improve to 100%	
8	2007	Technology	Availability	% time system is available	97.5%	improve to 100%	

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.

DMCS is a sub-system of the Core Accounting System (CORE). CORE is scheduled to be the replaced by the Department of Health and Human Services (HHS) Unified Financial Management System (UFMS) in Fiscal Year 2007. DMCS is scheduled to be replaced in UFMS in 2011. (See the HHS UFMS Capital Asset Plan and Business Case).

3. Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to http://www.whitehouse.gov/omb/egov/.

Component: Use existing SRM Components or identify as NEW. A NEW component is one not already identified as a service component in the FEA SRM.

Reused Name and UPI: A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 53 submission.

Internal or External Reuse?: Internal reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. External reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government.

Funding Percentage: Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the funding level transferred to another agency to pay for the service.

	Agency Component Name	Agency Component Description	Service Type	Component	Reused Component Name	Reused UPI	Internal or External Reuse?	Funding %
1	Debt Management Branch	The DMCS is the financial management system used to perform the debt collection functions for HHS and other non-HHS agencies. The DMCS is a subsidiary/feeder system to the Core Accounting System (CORE), which is used to support the	Financial Management	Debt Collection			No Reuse	100

		Department's audited financial statements						

4. To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component: Service Components identified in the previous question should be entered in this column. Please enter multiple rows for FEA SRM Components supported by multiple TRM Service Specifications.

Service Specification: In the Service Specification field, Agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate.

	SRM Component	Service Area	Service Category	Service Standard	Service Specification (i.e., vendor and product name)
1	Debt Collection	Service Access and Delivery	Access Channels	Other Electronic Channels	on-line, real-time via IBM CICS
2	Debt Collection	Service Access and Delivery	Delivery Channels	Intranet	on-line, real-time via IBM CICS
3	Debt Collection	Service Platform and Infrastructure	Support Platforms	Platform Independent	COBOL programming language
4	Debt Collection	Service Platform and Infrastructure	Delivery Servers	Application Servers	IBM Titan OS/390 mainframe
5	Debt Collection	Service Platform and Infrastructure	Database / Storage	Database	Virtual Storage Access Method (VSAM)
6	Debt Collection	Service Platform and Infrastructure	Hardware / Infrastructure	Servers / Computers	IBM Titan OS/390 mainframe

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

yes

5.a. If yes, please describe.

DMCS has interface to Pay.Gov and Treasury's Offset Program for collection of delinquent debts.

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

no

PART THREE

RISK

You should perform a risk assessment during the early planning and initial concept phase of the investment's life-cycle, develop a risk-adjusted life-cycle cost estimate and a plan to eliminate, mitigate or manage risk, and be actively managing risk throughout the investment's life-cycle.

Answer the following questions to describe how you are managing investment risks.

1. Does the investment have a Risk Management Plan?

yes

1.a. If yes, what is the date of the plan?

2003-04-30

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

no

COST & SCHEDULE

1. Was operational analysis conducted?

yes

1.a. If yes, provide the date the analysis was completed.	
2006-12-14	
What were the results of your operational analysis?	
DMCS was evaluated against NIST 800-53 requirements specifically in areas of Risk Assessment, System Security Plan, Certification and Accreditation, Identification and Authentication, Audit and Accountability, and Change Control. Two minor findings were noted. Findings are being corrected. DMCS support staff and MOU are adhering to cost and schedule goals and are meeting/exceeding customer business needs for Debt Collection and Referral services.	