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# PBGC – Risk Management Early Warning/ Legal Matter

[redacted]

Agency: 012

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## Exhibit 300: Capital Asset Plan and Business Case Summary Part I: Summary Information and Justification (All Capital Assets)

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### Section A: Overview (All Capital Assets)

1. Date of submission: **Sep 8, 2008**
2. Agency: **012**
3. Bureau: **12**
4. Name of this Capital Asset: **PBGC - Risk Management Early Warning / Legal Matter Management**
5. Unique Project (Investment) Identifier: **012-12-01-05-01-2195-00**
6. What kind of investment will this be in FY2010? **Mixed Life Cycle**
7. What was the first budget year this investment was submitted to OMB? **FY2003**
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: **In 2004 a steering committee was established to address the performance gap. The committee identified the need for an integrated system to manage case information, documents, and work flow that complies with PBGC's enterprise architecture and uses a commercial off-the-shelf (COTS) product. Two departments within PBGC support the strategic corporate goal of safeguarding the pension insurance system through 1) early identification of pension plan risks and 2) proper mitigation of those risks through legal action, settlement, or plan termination. The Department of Insurance Supervision and Compliance (DISC) and the Office of Chief Counsel (OCC), for these departments a gap was identified as there is insufficient capability to track against established performance measures. The system will comply with all information security and privacy act requirements and will facilitate information flow between PBGC, the Department of Labor (DOL), the Internal Revenue Service (IRS), and the Employee Benefits Service Administration (EBSA), as DISC needs to coordinate frequently with those agencies on open, active cases. The investment, once implemented, will be used as a pilot program for use in other departments within PBGC such as the Multi-employer Program Division and the Standard Termination and Compliance Division. Funds for this effort (\$4.9 million) were allocated in 2006. Planning efforts were completed in 2006 to support the executive steering committee decision to pursue a single solution. In 2007, efforts to finalize the process reengineering effort as well as the functional and**

technical system requirements were completed. The investment was put on hold in early 2008 pending completion of a strategic prioritization of technology investments. An outcome of the strategic portfolio review was to add risk management and early warning to the corporation's strategic plan. Because of the time required to complete this activity, the contract to configure and implement the investment was delayed. In September 2008, DISC and OCC will obligated the remainder of the budgeted DME funds to employ the COTS integrator to configure, test, document, and deploy the investment in 2009. By budget year 2010, the investment will be in operations and maintenance.

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

a. If "yes," what was the date of this approval? **Aug 1, 2008**

10. Did the Project Manager review this Exhibit? **yes**

11. Contact information of Program/Project Manager?

|              |                         |
|--------------|-------------------------|
| Name         | Karen Thomas            |
| Phone Number | 202-326-4000 [redacted] |
| E-mail       | thomas.karen@pbgc.gov   |

a. What is the current FAC-P/PM (for civilian agencies) or DAWIA (for defense agencies) certification level of the program/project manager? **Waiver Issued**

b. When was the Program/Project Manager Assigned? **Feb 26, 2007**

c. What date did the Program/Project Manager receive the FAC-P/PM certification? If the certification has not been issued, what is the anticipated date for certification? **Dec 31, 2008**

12. Has the agency developed and/or promoted cost effective, energy efficient and environmentally sustainable techniques or practices for this project. **no**

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

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

1. If "yes," is an ESPC or UESC being used to help fund this investment? **[Not answered]**

2. If "yes," will this investment meet sustainable design principles? **[Not answered]**

3. If "yes," is it designed to be 30% more energy efficient than relevant code? **[Not answered]**

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

**Financial Performance**

**Budget Performance Integration**

a. Briefly and specifically describe for each selected how this asset directly supports the identified initiative(s)? **Budget and Performance Integration: The investment will provide improved reporting of resources used and**

**provide accountability for results to the program managers. Financial Performance: The investment will support improved financial performance through timely and accurate identification of corporate transactions that increase PBGC's exposure to financial loss. Streamlining communications and modernizing case files eliminates manual processes and frees up resources to monitor pension plans.**

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](http://www.whitehouse.gov/omb/part).) **yes**
- a. If "yes," does this investment address a weakness found during a PART review? **yes**
  - b. If "yes," what is the name of the PARTed program? **10002382 - Pension Benefit Guaranty Corporation**
  - c. If "yes," what rating did the PART receive? **Moderately Effective**
15. Is this investment for information technology? **yes**

For information technology investments only:

16. What is the level of the IT Project? (per CIO Council PM Guidance) **Level 2**
17. In addition to the answer in 11(a), what project management qualifications does the Project Manager have? (per CIO Council PM Guidance) **(1) Project manager has been validated as qualified for this investment**
18. Is this investment or any project(s) within this investment identified as "high risk" on the Q4-FY 2008 agency high risk report (per OMB Memorandum M-05-23)? **no**
19. Is this a financial management system? **no**
- a. If "yes," does this investment address a FFMIA compliance area? **no**
    - 1. If "yes," which compliance area: **[Not answered]**
    - 2. If "no," what does it address? **[Not answered]**
  - 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 **[Not answered]**
20. What is the percentage breakout for the total FY2010 funding request for the following?
- |          |           |
|----------|-----------|
| Hardware | <b>0</b>  |
| Software | <b>5</b>  |
| Services | <b>95</b> |
| Other    | <b>0</b>  |
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         | <b>Philip Hertz</b>              |
| Phone Number | <b>202-326-4000</b> [redacted]   |
| Title        | <b>Assistant General Counsel</b> |
| E-mail       | <b>hertz.philip@pbgc.gov</b>     |

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

24. Does this investment directly support one of the GAO High Risk Areas? **no**

**Section B: Summary of Spending**

1.

| <b>Table 1: SUMMARY OF SPENDING FOR PROJECT PHASES</b><br><b>(REPORTED IN MILLIONS)</b><br>(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions) |                  |            |          |          |           |           |           |                 |             |
|---|------------------|------------|----------|----------|-----------|-----------|-----------|-----------------|-------------|
|   | PY-1 and earlier | PY 2008    | CY 2009  | BY 2010  | BY+1 2011 | BY+2 2012 | BY+3 2013 | BY+4 and beyond | Total       |
| Planning:   | 1.2              | 0.2        | 0.2      | 0.2      | 0.2       | 0.2       | 0.2       | 0               | 2.4         |
| Acquisition:  | 0.4              | 3.1        | 0.4      | 0.3      | 0.2       | 0.2       | 0.2       | 0               | 4.8         |
| Subtotal Planning & Acquisition:  | 1.6              | 3.3        | 0.6      | 0.5      | 0.4       | 0.4       | 0.4       | 0               | 7.2         |
| Operations & Maintenance:   | 0.4              | 0.4        | 0.4      | 0.5      | 0.6       | 0.6       | 0.6       | 0.6             | 4.1         |
| <b>TOTAL:</b>   | <b>2</b>         | <b>3.7</b> | <b>1</b> | <b>1</b> | <b>1</b>  | <b>1</b>  | <b>1</b>  | <b>0.6</b>      | <b>11.3</b> |
| <b>Government FTE Costs should not be included in the amounts provided above.</b>   |                  |            |          |          |           |           |           |                 |             |
| Government FTE Costs  | 0.3              | 0.5        | 0.2      | 0.2      | 0.2       | 0.2       | 0.2       | 0.2             | 2           |
| Number of FTE represented by Costs:   | 2                | 3          | 1        | 1        | 1         | 1         | 1         | 1               | 11          |

2. Will this project require the agency to hire additional FTE's? **no**

a. If "yes", How many and in what year? **[Not answered]**

3. If the summary of spending has changed from the FY2009 President's budget request, briefly explain those changes: **The effort to award a contract to configure and implement the solution was paused in early FY08 to await a strategic portfolio review to prioritize the corporations investments. Upon completion of this work in Spring 2008, the procurement process was resumed to award a contract to configure and implement the solution. A six week contract to assess the requirements work completed in 2007 was awarded in May 2008, and a contract to configure and implement the solution will be awarded in September 2008. This pause has not impacted the final planned cost of the solution, only the schedule of when the solution will be implemented. Contract # PBGC-01-CT-05-0744 has been completed, and \$2 million dollars indicated in PY-1 and earlier spent to date**

**Section C: Acquisition/Contract Strategy**

| <b>Contracts/Task Orders Table:</b>   |                                    |
|---|------------------------------------|
| <b>Contract or Task Order Number</b>  | PBGC-01-DO-0006                    |
| <b>Type of Contract/Task Order (In accordance with FAR Part 16)</b>   | Time & Materials                   |
| <b>Has the contract been awarded</b>  | yes                                |
| <b>If so what is the date of the award? If not, what is the planned award date?</b>   | Jul 24, 2006                       |
| <b>Start date of Contract/Task Order</b>  | Jul 24, 2006                       |
| <b>End date of Contract/Task Order</b>  | Sep 30, 2009                       |
| <b>Total Value of Contract/ Task Order (\$M)</b>  | 1.2                                |
| <b>Is this an Interagency Acquisition?</b>  | no                                 |
| <b>Is it performance based?</b>   | yes                                |
| <b>Competitively awarded?</b>   | yes                                |
| <b>What, if any, alternative financing option is being used?</b>  | NA                                 |
| <b>Is EVM in the contract?</b>  | no                                 |
| <b>Does the contract include the required security &amp; privacy clauses?</b>   | yes                                |
| <b>Name of CO</b>   | Michele Gray                       |
| <b>CO Contact information (phone/email)</b>   | 202-326-4160 gray.michele@pbgc.gov |
| <b>Contracting Officer FAC-C or DAWIA Certification Level</b>   | 3                                  |
| <b>If N/A, has the agency determined the CO assigned has the competencies and skills necessary to support this acquisition?</b> | [Not answered]                     |
|   |                                    |

|   |                                       |
|---|---------------------------------------|
| <b>Contract or Task Order Number</b>  | PBGC-01-CT08-0017                     |
| <b>Type of Contract/Task Order (In accordance with FAR Part 16)</b>   | Firm Fixed Price                      |
| <b>Has the contract been awarded</b>  | yes                                   |
| <b>If so what is the date of the award? If not, what is the planned award date?</b>   | May 22, 2008                          |
| <b>Start date of Contract/Task Order</b>  | May 22, 2008                          |
| <b>End date of Contract/Task Order</b>  | Jul 15, 2008                          |
| <b>Total Value of Contract/ Task Order (\$M)</b>  | 0.2                                   |
| <b>Is this an Interagency Acquisition?</b>  | no                                    |
| <b>Is it performance based?</b>   | yes                                   |
| <b>Competitively awarded?</b>   | no                                    |
| <b>What, if any, alternative financing option is being used?</b>  | NA                                    |
| <b>Is EVM in the contract?</b>  | no                                    |
| <b>Does the contract include the required security &amp; privacy clauses?</b>   | yes                                   |
| <b>Name of CO</b>   | Tiffany Johnson                       |
| <b>CO Contact information (phone/email)</b>   | 202-326-4160 Johnson.Tiffany@pbgc.gov |
| <b>Contracting Officer FAC-C or DAWIA Certification Level</b>   | 3                                     |
| <b>If N/A, has the agency determined the CO assigned has the competencies and skills necessary to support this acquisition?</b> | [Not answered]                        |
|   |                                       |

|   |   |
|---|---|
| <b>Contract or Task Order Number</b>  | PBGC01-CT-05-0742                             |
| <b>Type of Contract/Task Order (In accordance with FAR Part 16)</b>   | Time & Materials                              |
| <b>Has the contract been awarded</b>  | yes   |
| <b>If so what is the date of the award? If not, what is the planned award date?</b>   | Sep 27, 2005                                  |
| <b>Start date of Contract/Task Order</b>  | Sep 26, 2008                                  |
| <b>End date of Contract/Task Order</b>  | Sep 30, 2009                                  |
| <b>Total Value of Contract/ Task Order (\$M)</b>  | 1.3   |
| <b>Is this an Interagency Acquisition?</b>  | no  |
| <b>Is it performance based?</b>   | no  |
| <b>Competitively awarded?</b>   | yes   |
| <b>What, if any, alternative financing option is being used?</b>  | NA  |
| <b>Is EVM in the contract?</b>  | no  |
| <b>Does the contract include the required security &amp; privacy clauses?</b>   | yes   |
| <b>Name of CO</b>   | Robert Price                                  |
| <b>CO Contact information (phone/email)</b>   | 202-326-4000 [redacted]/price.robert@pbgc.gov |
| <b>Contracting Officer FAC-C or DAWIA Certification Level</b>   | 3   |
| <b>If N/A, has the agency determined the CO assigned has the competencies and skills necessary to support this acquisition?</b> | [Not answered]                                |
|   |   |



|   |                                       |
|---|---------------------------------------|
| <b>Contract or Task Order Number</b>  | Proposed PBGC contract                |
| <b>Type of Contract/Task Order (In accordance with FAR Part 16)</b>   | Firm Fixed Price                      |
| <b>Has the contract been awarded</b>  | no                                    |
| <b>If so what is the date of the award? If not, what is the planned award date?</b>   | Sep 26, 2008                          |
| <b>Start date of Contract/Task Order</b>  | Sep 26, 2008                          |
| <b>End date of Contract/Task Order</b>  | Sep 30, 2009                          |
| <b>Total Value of Contract/ Task Order (\$M)</b>  | [redacted]                            |
| <b>Is this an Interagency Acquisition?</b>  | no                                    |
| <b>Is it performance based?</b>   | no                                    |
| <b>Competitively awarded?</b>   | no                                    |
| <b>What, if any, alternative financing option is being used?</b>  | NA                                    |
| <b>Is EVM in the contract?</b>  | yes                                   |
| <b>Does the contract include the required security &amp; privacy clauses?</b>   | yes                                   |
| <b>Name of CO</b>   | Tiffany Johnson                       |
| <b>CO Contact information (phone/email)</b>   | 202-326-4160 Johnson.Tiffany@pbgc.gov |
| <b>Contracting Officer FAC-C or DAWIA Certification Level</b>   | 3                                     |
| <b>If N/A, has the agency determined the CO assigned has the competencies and skills necessary to support this acquisition?</b> | [Not answered]                        |
|   |                                       |

|   |                                       |
|---|---------------------------------------|
| <b>Contract or Task Order Number</b>  | Proposed PBGC contract                |
| <b>Type of Contract/Task Order (In accordance with FAR Part 16)</b>   | Performance Based Firm Fixed Price    |
| <b>Has the contract been awarded</b>  | no                                    |
| <b>If so what is the date of the award? If not, what is the planned award date?</b>   | Sep 30, 2009                          |
| <b>Start date of Contract/Task Order</b>  | Sep 30, 2009                          |
| <b>End date of Contract/Task Order</b>  | Sep 30, 2013                          |
| <b>Total Value of Contract/ Task Order (\$M)</b>  | [redacted]                            |
| <b>Is this an Interagency Acquisition?</b>  | no                                    |
| <b>Is it performance based?</b>   | yes                                   |
| <b>Competitively awarded?</b>   | yes                                   |
| <b>What, if any, alternative financing option is being used?</b>  | NA                                    |
| <b>Is EVM in the contract?</b>  | yes                                   |
| <b>Does the contract include the required security &amp; privacy clauses?</b>   | yes                                   |
| <b>Name of CO</b>   | Tiffany Johnson                       |
| <b>CO Contact information (phone/email)</b>   | 202-326-4160 Johnson.Tiffany@pbgc.gov |
| <b>Contracting Officer FAC-C or DAWIA Certification Level</b>   | 3                                     |
| <b>If N/A, has the agency determined the CO assigned has the competencies and skills necessary to support this acquisition?</b> | [Not answered]                        |
|   |                                       |

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: **EVM was not required for Contracts 1, 2, or 3 but the contractors were required to create project plans and weekly status reports to communicate cost, schedule, and performance outcomes to**

**the project manager. The project manager then reviewed the actual cost, schedule and performance against the project plan and issued guidance to the contractors as needed to keep the efforts and deliverables on schedule. EVM will be required for Contracts 4 and 5 and language stating this will be included in the contract.**

2. Do the contracts ensure Section 508 compliance? **yes**
  - a. Explain why not or how this is being done? **Section 508 compliance is a mandatory requirement for the procurement of this COTS-based system. The technical requirements require the software vendor to provide evidence that the software complies with Section 508 of the Rehabilitation Act, as detailed in 36 CFR 1194, Subpart B as well as a requirement that the contractor test plans include testing and assurance for Section 508 compliance. Failure to meet this requirement will be grounds for invalidating the proposal.**
3. Is there an acquisition plan which reflects the requirements of FAR Subpart 7.1 and has been approved in accordance with agency requirements? **yes**
  - a. If "yes," what is the date? **May 23, 2008**
    1. Is it Current? **yes**
  - b. If "no," will an acquisition plan be developed? **[Not answered]**
    1. If "no," briefly explain why: **[Not answered]**

**Section D: Performance Information**

| <b>Performance Information Table</b> |   |                              |                             |   |                    |   |                             |
|--------------------------------------|---|------------------------------|-----------------------------|---|--------------------|---|-----------------------------|
| <b>Fiscal Year</b>                   | <b>Strategic Goal(s) Supported</b>  | <b>Measurement Area</b>      | <b>Measurement Grouping</b> | <b>Measurement Indicator</b>  | <b>Baseline</b>    | <b>Target</b>   | <b>Actual Results</b>       |
| 2008                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Mission and Business Results | Productivity                | Number of settlements reached to mitigate risk of increased pension plan under funding                                      | 2 in 2007 32 total | +5 settlement agreements (as a result of the business process reengineering effort and the system deployment) | 7 in 2008, as of 08/01/2008 |
| 2008                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Mission and Business Results | Productivity                | Days between lien arising and perfection – shortening indicates plan is secured and ultimate recovery is maximized          | 55                 | -5 days (as a result of the business process reengineering effort and the system deployment)                  | 50 as of 08/01/2008         |
| 2008                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Customer Results             | Timeliness                  | Days to respond to minimum funding waiver applications for IRS  | 110                | -10 days (as a result of the business process reengineering effort and the system deployment)                 | 100 as of 08/01/2008        |
| 2008                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Processes and Activities     | Cycle Time                  | Days to engage sponsor after a transaction – reduction improves negotiating power to secure additional funding for the plan | 60                 | -5 days (as a result of the business process reengineering effort and the system deployment)                  | 55 as of 08/01/2008         |
| 2008                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other              | Technology                   | Reliability                 | Number of errors found in financial statement audit – maintaining a zero is the optimal goal                                | 0                  | 0 errors (as a result of the business process reengineering effort and the system deployment)                 | 0 as of 08/01/2008          |

**Performance Information Table**

| <b>Fiscal Year</b> | <b>Strategic Goal(s) Supported</b>  | <b>Measurement Area</b>      | <b>Measurement Grouping</b> | <b>Measurement Indicator</b>  | <b>Baseline</b>         | <b>Target</b>  | <b>Actual Results</b>             |
|--------------------|---|------------------------------|-----------------------------|---|-------------------------|--|-----------------------------------|
|                    | stakeholders  |                              |                             |   |                         |  |                                   |
| 2009               | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Mission and Business Results | Productivity                | Number of settlements reached to mitigate risk of increased pension plan under funding                                      | TBD a the end of FY2008 | +5 settlements agreements (as a result of the business process reengineering effort and the system deployment) | Results will be available 9/30/09 |
| 2009               | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Mission and Business Results | Productivity                | Days between lien arising and perfection – shortening indicates plan is secured and ultimate recovery is maximized          | TBD a the end of FY2008 | -15 days (as a result of the business process reengineering effort and the system deployment)                  | Results will be available 9/30/09 |
| 2009               | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Customer Results             | Timeliness                  | Days to respond to minimum funding waiver applications for IRS  | TBD a the end of FY2008 | -15 days (as a result of the business process reengineering effort and the system deployment)                  | Results will be available 9/30/09 |
| 2009               | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Processes and Activities     | Cycle Time                  | Days to engage sponsor after a transaction – reduction improves negotiating power to secure additional funding for the plan | TBD a the end of FY2008 | -15 days (as a result of the business process reengineering effort and the system deployment)                  | Results will be available 9/30/09 |
| 2009               | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Technology                   | Reliability                 | Number of errors found in financial statement audit – maintaining a zero is the optimal goal                                | TBD a the end of FY2008 | 0 errors (as a result of the business process reengineering effort and the system deployment)                  | Results will be available 9/30/09 |

| <b>Performance Information Table</b> |   |                              |                             |   |                          |                           |                                   |
|--------------------------------------|---|------------------------------|-----------------------------|---|--------------------------|---------------------------|-----------------------------------|
| <b>Fiscal Year</b>                   | <b>Strategic Goal(s) Supported</b>  | <b>Measurement Area</b>      | <b>Measurement Grouping</b> | <b>Measurement Indicator</b>  | <b>Baseline</b>          | <b>Target</b>             | <b>Actual Results</b>             |
| 2010                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Mission and Business Results | Productivity                | Number of settlements reached to mitigate risk of increased pension plan under funding                                      | TBD at the end of FY2009 | +10 settlement agreements | Results will be available 9/30/10 |
| 2010                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Mission and Business Results | Productivity                | Days between lien arising and perfection – shortening indicates plan is secured and ultimate recovery is maximized          | TBD at the end of FY2009 | -5 days                   | Results will be available 9/30/10 |
| 2010                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Customer Results             | Timeliness                  | Days to respond to minimum funding waiver applications for IRS  | TBD at the end of FY2009 | -15 days                  | Results will be available 9/30/10 |
| 2010                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Processes and Activities     | Cycle Time                  | Days to engage sponsor after a transaction – reduction improves negotiating power to secure additional funding for the plan | TBD at the end of FY2009 | -5 days                   | Results will be available 9/30/10 |
| 2010                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Technology                   | Reliability                 | Number of errors found in financial statement audit – maintaining a zero is the optimal goal                                | TBD at the end of FY2009 | 0 errors                  | Results will be available 9/30/10 |
| 2011                                 | Safeguard the federal pension insurance   | Mission and Business Results | Productivity                | Number of settlements reached to  | TBD at the end of FY2010 | +5 settlement agreements  | Results will be available 9/30/11 |

| <b>Performance Information Table</b> |   |                              |                             |   |                          |                          |                                   |
|--------------------------------------|---|------------------------------|-----------------------------|---|--------------------------|--------------------------|-----------------------------------|
| <b>Fiscal Year</b>                   | <b>Strategic Goal(s) Supported</b>  | <b>Measurement Area</b>      | <b>Measurement Grouping</b> | <b>Measurement Indicator</b>  | <b>Baseline</b>          | <b>Target</b>            | <b>Actual Results</b>             |
|                                      | system for the benefit of participants, plan sponsors, and other stakeholders   |                              |                             | mitigate risk of increased pension plan under funding   |                          |                          |                                   |
| 2011                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Mission and Business Results | Productivity                | Days between lien arising and perfection  | TBD at the end of FY2010 | -5 days                  | Results will be available 9/30/11 |
| 2011                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Customer Results             | Timeliness                  | Days to respond to minimum funding waiver applications for IRS  | TBD at the end of FY2010 | 0 days                   | Results will be available 9/30/11 |
| 2011                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Processes and Activities     | Cycle Time                  | Days to engage sponsor after a transaction – reduction improves negotiating power to secure additional funding for the plan | TBD at the end of FY2010 | -5 days                  | Results will be available 9/30/11 |
| 2011                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Technology                   | Reliability                 | Number of errors found in financial statement audit – maintaining a zero is the optimal goal                                | TBD at the end of FY2010 | 0 errors                 | Results will be available 9/30/11 |
| 2012                                 | Safeguard the federal pension insurance system for the benefit of participants,                                       | Mission and Business Results | Productivity                | Number of settlements reached to mitigate risk of increased pension plan  | TBD a the end of FY2011  | +5 settlement agreements | Results will be available 9/30/12 |

| Performance Information Table |   |                              |                      |   |                          |                         |                                   |
|-------------------------------|---|------------------------------|----------------------|---|--------------------------|-------------------------|-----------------------------------|
| Fiscal Year                   | Strategic Goal(s) Supported   | Measurement Area             | Measurement Grouping | Measurement Indicator   | Baseline                 | Target                  | Actual Results                    |
|                               | plan sponsors, and other stakeholders   |                              |                      | under funding   |                          |                         |                                   |
| 2012                          | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Mission and Business Results | Productivity         | Days between lien arising and perfection – shortening indicates plan is secured and ultimate recovery is maximized          | TBD a the end of FY2011  | -5 days                 | Results will be available 9/30/12 |
| 2012                          | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Customer Results             | Timeliness           | Days to respond to minimum funding waiver applications for IRS  | TBD a the end of FY2011  | 0 days                  | Results will be available 9/30/12 |
| 2012                          | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Processes and Activities     | Cycle Time           | Days to engage sponsor after a transaction – reduction improves negotiating power to secure additional funding for the plan | TBD a the end of FY2011  | 0 days                  | Results will be available 9/30/12 |
| 2012                          | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Technology                   | Reliability          | Number of errors found in financial statement audit – maintaining a zero is the optimal goal                                | TBD a the end of FY2011  | 0 errors                | Results will be available 9/30/12 |
| 2013                          | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Mission and Business Results | Productivity         | Number of settlements reached to mitigate risk of increased pension plan under funding                                      | TBD at the end of FY2012 | 0 settlement agreements | Results will be available 9/30/13 |



| <b>Performance Information Table</b> |   |                              |                             |   |                          |                         |                                   |
|--------------------------------------|---|------------------------------|-----------------------------|---|--------------------------|-------------------------|-----------------------------------|
| <b>Fiscal Year</b>                   | <b>Strategic Goal(s) Supported</b>  | <b>Measurement Area</b>      | <b>Measurement Grouping</b> | <b>Measurement Indicator</b>  | <b>Baseline</b>          | <b>Target</b>           | <b>Actual Results</b>             |
| 2013                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Mission and Business Results | Productivity                | Days between lien arising and perfection – shortening indicates plan is secured and ultimate recovery is maximized          | TBD at the end of FY2012 | -5 days                 | Results will be available 9/30/13 |
| 2013                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Customer Results             | Timeliness                  | Days to respond to minimum funding waiver applications for IRS  | TBD at the end of FY2012 | 0 days                  | Results will be available 9/30/13 |
| 2013                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Processes and Activities     | Cycle Time                  | Days to engage sponsor after a transaction – reduction improves negotiating power to secure additional funding for the plan | TBD at the end of FY2012 | 0 days                  | Results will be available 9/30/13 |
| 2013                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Technology                   | Reliability                 | Number of errors found in financial statement audit – maintaining a zero is the optimal goal                                | TBD at the end of FY2012 | 0 errors                | Results will be available 9/30/13 |
| 2014                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Mission and Business Results | Productivity                | Number of settlements reached to mitigate risk of increased pension plan under funding                                      | TBD at the end of FY2013 | 0 settlement agreements | Results will be available 9/30/14 |
| 2014                                 | Safeguard the federal pension insurance   | Mission and Business Results | Productivity                | Days between lien arising and perfection –  | TBD at the end of FY2013 | -5 days                 | Results will be available 9/30/14 |

| <b>Performance Information Table</b> |   |                          |                             |   |                          |               |                                   |
|--------------------------------------|---|--------------------------|-----------------------------|---|--------------------------|---------------|-----------------------------------|
| <b>Fiscal Year</b>                   | <b>Strategic Goal(s) Supported</b>  | <b>Measurement Area</b>  | <b>Measurement Grouping</b> | <b>Measurement Indicator</b>  | <b>Baseline</b>          | <b>Target</b> | <b>Actual Results</b>             |
|                                      | system for the benefit of participants, plan sponsors, and other stakeholders   |                          |                             | shortening indicates plan is secured and ultimate recovery is maximized   |                          |               |                                   |
| 2014                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Customer Results         | Timeliness                  | Days to respond to minimum funding waiver applications for IRS  | TBD at the end of FY2013 | 0 days        | Results will be available 9/30/14 |
| 2014                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Processes and Activities | Cycle Time                  | Days to engage sponsor after a transaction – reduction improves negotiating power to secure additional funding for the plan | TBD at the end of FY2013 | 0 days        | Results will be available 9/30/14 |
| 2014                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Technology               | Reliability                 | Number of errors found in financial statement audit   | TBD at the end of FY2013 | 0 errors      | Results will be available 9/30/14 |
| 2014                                 | Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders | Technology               | Reliability                 | Number of errors found in financial statement audit   | TBD at the end of FY2013 | 0 errors      | Results will be available 9/30/14 |

**Section E: Security and Privacy**

1. Have the IT security costs for the system(s) been identified and integrated into the overall costs of the investment?: **yes**
  - a. If "yes," provide the "Percentage IT Security" for the budget year: **7**
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**

| <b>3. Systems in Planning and Undergoing Enhancement(s), Development, and/or Modernization - Security Table(s):</b> |   |                                 |  |
|---|---|---------------------------------|--|
| <b>Name of System</b>   | <b>Agency/ or Contractor Operated System?</b> | <b>Planned Operational Date</b> | <b>Date of Planned certification and accreditation (C&amp;A) update (for existing mixed life cycle systems) or Planned Completion Date (for new systems)</b> |
| Risk Management Early Warning / Legal Matter Management System  | Contractor and Government                     | Sep 30, 2009                    | Sep 30, 2009   |

| <b>4. Operational Systems - Security Table:</b> |   |  |   |                                |  |   |   |
|---|---|--|---|--------------------------------|--|---|---|
| <b>Name of System</b>                           | <b>Agency/ or Contractor Operated System?</b> | <b>NIST FIPS 199 Risk Impact level</b> | <b>Has C&amp;A been Completed, using NIST 800-37?</b> | <b>Date Completed: C&amp;A</b> | <b>What standards were used for the Security Controls tests?</b> | <b>Date Completed: Security Control Testing</b> | <b>Date the contingency plan tested</b> |
| Legal Edge for Windows                          | Government Only                               | Moderate                               | yes   | Apr 30, 2008                   | FIPS 200 / NIST 800-53   | Oct 1, 2007                                     | Aug 10, 2008                            |
| Champs  | Government Only                               | Low                                    | yes   | Feb 28, 2008                   | FIPS 200 / NIST 800-53   | Oct 1, 2007                                     | [Not answered]                          |

5. 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? **yes**
  - a. If "yes," have those weaknesses been incorporated into the agency's plan of action and milestone process? **yes**
6. Indicate whether an increase in IT security funding is requested to remediate IT security weaknesses? **no**
  - a. If "yes," specify the amount, provide a general description of the weakness, and explain how the funding request will remediate the weakness. **[Not answered]**

7. How are contractor security procedures monitored, verified, and validated by the agency for the contractor systems above? **All PBGC systems identified above are jointly run and managed by federal employees and contractor teams reporting to PBGC federal employees. PBGC contracts include language to ensure the suitability of contractors' employees, and inspection of all new or renovated contractor hosting sites. PBGC federal employees and contractors are subject to suitability background investigations. New federal employees and contractors are issued roles of conduct, required to take computer security awareness orientation, and provided instruction on incident reporting procedures. Annually, federal employees and contractors are required to take refresher security awareness training. Role-based training is conducted during employee position training. For positions related to the Designated Approving Authority, Information System Owner, System Administrators and Project Managers, role-based training is conducted by PBGC's Enterprise Security Team following orientation, and annually thereafter. Electronic security compliance is monitored by the OIT security team through routine checking of user ID account activity for suspicious or high-risk behavior. If such behavior is identified, the contracting officer is notified immediately to begin remediation procedures. PBGC also conducts user account recertification annually.**

| <b>8. Planning &amp; Operational Systems - Privacy Table:</b>      |                              |  |  |   |   |
|--|------------------------------|--|--|---|---|
| <b>Name of System</b>  | <b>Is this a new system?</b> | <b>Is there a Privacy Impact Assessment (PIA) that covers this system?</b> | <b>Internet Link or Explanation</b>  | <b>Is a System of Records Notice (SORN) required for this system?</b> | <b>Internet Link or Explanation</b>               |
| Risk Management and Early Warning / Legal Matter Management System | yes                          | yes  | The system does not contain, process, or transmit personal identifying information | no  | The system is not a Privacy Act System of Records |
| Champs   | no                           | yes  | The system does not contain, process, or transmit personal identifying information | no  | The system is not a Privacy Act System of Records |
| Legal Edge for Windows (LEW)                                       | no                           | yes  | The system does not contain, process, or transmit personal identifying information | no  | The system is not a Privacy Act System of Records |

**Section F: Enterprise Architecture (EA)**

Is this investment included in your agency's target enterprise architecture? **yes**

a. If "no," please explain why? **[Not answered]**

1. Is this investment included in the agency's EA Transition Strategy? **yes**

a. If "yes," provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment. **Risk Management and Early Warning / Legal Matter Management System**

b. If "no," please explain why? **[Not answered]**

2. Is this investment identified in a completed and approved segment architecture? **no**

a. If "yes," provide the six digit code corresponding to the agency segment architecture. The segment architecture codes are maintained by the agency Chief Architect. For detailed guidance regarding segment architecture codes, please refer to <http://www.egov.gov>. **[Not answered]**

**4. Service Component Reference Model (SRM) Table :**

| Agency Component Name                                 | Agency Component Description  | FEA SRM Service Type  | FEA SRM Component        | Service Component Reused |                         | Internal or External Reuse? | BY Funding Percentage |
|---|---|-----------------------|--------------------------|--------------------------|-------------------------|-----------------------------|-----------------------|
|   |   |                       |                          | Component Name           | UPI                     |                             |                       |
| RISK AND LEGAL MATTER MANAGEMENT (CHAMPS/RME WS-LMMS) | Financial and actuarial management system for risk identification and valuation | Investment Management | Performance Management   | [Not answered]           | [Not answered]          | No Reuse                    | 10                    |
| RISK AND LEGAL MATTER MANAGEMENT (CHAMPS/RME WS-LMMS) | Financial and actuarial management system for risk identification and valuation | Tracking and Workflow | Case Management          | [Not answered]           | [Not answered]          | No Reuse                    | 40                    |
| RISK AND LEGAL MATTER MANAGEMENT (CHAMPS/RME WS-LMMS) | Imaging Processing System for document storage and retrieval                    | Document Management   | Document Imaging and OCR | Document Imaging and OCR | 012-12-01-05-01-2075-00 | Internal                    | 40                    |
| PARTICIPANT SERVICES (FILENET/CMS)                    | Case Administration for plan terminations                                       | Tracking and Workflow | Case Management          | Data Exchange            | 012-12-01-05-01-2075-00 | Internal                    | 5                     |

**4. Service Component Reference Model (SRM) Table :**

| Agency Component Name           | Agency Component Description                            | FEA SRM Service Type  | FEA SRM Component    | Service Component Reused |                         | Internal or External Reuse? | BY Funding Percentage |
|---------------------------------|---|-----------------------|----------------------|--------------------------|-------------------------|-----------------------------|-----------------------|
|                                 |   |                       |                      | Component Name           | UPI                     |                             |                       |
| CONSOLIDATED FINANCIAL SERVICES | Premium payer tracking and insured inventory management | Tracking and Workflow | Portfolio Management | Data Exchange            | 012-12-01-01-01-2065-00 | Internal                    | 5                     |

**5. Technical Reference Model (TRM) Table:**

| FEA SRM Component      | FEA TRM Service Area                | FEA TRM Service Category | FEA TRM Service Standard          | Service Specification   |
|------------------------|-------------------------------------|--------------------------|-----------------------------------|---|
| Performance Management | Service Access and Delivery         | Access Channels          | Web Browser                       | COTS to be procured. The investment will support PBGC browser standards (IE)  |
| Performance Management | Service Access and Delivery         | Delivery Channels        | Intranet                          | COTS to be procured. The investment will support PBGC EA standards from the Blueprint.  |
| Performance Management | Service Access and Delivery         | Service Requirements     | Legislative / Compliance          | All PBGC privacy and security and web standards, in the case of this web based software this includes 508, Records Management and P3P |
| Performance Management | Service Access and Delivery         | Service Requirements     | Authentication / Single Sign-on   | PBGC CSS/GSS standards  |
| Performance Management | Service Platform and Infrastructure | Support Platforms        | Platform Independent Technologies | COTS to be procured. The investment will support PBGC EA standards from the Blueprint ex. J2EE, Linux and Oracle                      |
| Performance Management | Service Platform and Infrastructure | Delivery Servers         | Application Servers               | COTS to be procured. The investment will support PBGC EA standards from the Blueprint ex Oracle Application Server (OC4J)             |
| Performance Management | Service Platform and Infrastructure | Database / Storage       | Database                          | Oracle RDMS (current PBGC supported versions)   |
| Performance Management | Service Interface and Integration   | Interface                | Service Description / Interface   | EA Blueprint standards concerning Service Oriented Architecture   |
| Case Management        | Service Access and                  | Access Channels          | Web Browser                       | COTS to be procured. The  |

**5. Technical Reference Model (TRM) Table:**

| <b>FEA SRM Component</b> | <b>FEA TRM Service Area</b>         | <b>FEA TRM Service Category</b> | <b>FEA TRM Service Standard</b>   | <b>Service Specification</b>  |
|--------------------------|-------------------------------------|---------------------------------|-----------------------------------|---|
|                          | Delivery                            |                                 |                                   | investment will support PBGC browser standards (IE)   |
| Case Management          | Service Access and Delivery         | Delivery Channels               | Intranet                          | COTS to be procured. The investment will support PBGC EA standards from the Blueprint.  |
| Case Management          | Service Access and Delivery         | Service Requirements            | Legislative / Compliance          | All PBGC privacy and security and web standards, in the case of this web based software this includes 508, Records Management and P3P |
| Case Management          | Service Access and Delivery         | Service Requirements            | Authentication / Single Sign-on   | PBGC CSS/GSS standards  |
| Case Management          | Service Platform and Infrastructure | Support Platforms               | Platform Independent Technologies | COTS to be procured. The investment will support PBGC EA standards from the Blueprint ex. J2EE, Linux and Oracle                      |
| Case Management          | Service Platform and Infrastructure | Delivery Servers                | Application Servers               | COTS to be procured. The investment will support PBGC EA standards from the Blueprint ex Oracle Application Server (OC4J)             |
| Case Management          | Service Platform and Infrastructure | Database / Storage              | Database                          | Oracle RDMS (current PBGC supported versions)   |
| Case Management          | Service Interface and Integration   | Interface                       | Service Description / Interface   | EA Blueprint standards concerning Service Oriented Architecture   |
| Document Imaging and OCR | Service Access and Delivery         | Access Channels                 | Web Browser                       | COTS to be procured. The investment will support PBGC browser standards (IE)  |
| Document Imaging and OCR | Service Access and Delivery         | Delivery Channels               | Intranet                          | COTS to be procured. The investment will support PBGC EA standards from the Blueprint.  |
| Document Imaging and OCR | Service Access and Delivery         | Service Requirements            | Legislative / Compliance          | All PBGC privacy and security and web standards, in the case of this web based software this includes 508, Records Management and P3P |
| Document Imaging and OCR | Service Access and Delivery         | Service Requirements            | Authentication / Single Sign-on   | PBGC CSS/GSS standards  |
| Document Imaging and OCR | Service Platform and Infrastructure | Support Platforms               | Platform Independent Technologies | COTS to be procured. The investment will support PBGC EA standards from the Blueprint ex. J2EE, Linux and Oracle                      |
| Document Imaging         | Service Platform and                | Delivery Servers                | Application Servers               | COTS to be procured. The  |

**5. Technical Reference Model (TRM) Table:**

| <b>FEA SRM Component</b> | <b>FEA TRM Service Area</b>         | <b>FEA TRM Service Category</b> | <b>FEA TRM Service Standard</b> | <b>Service Specification</b>   |
|--------------------------|-------------------------------------|---------------------------------|---------------------------------|--|
| and OCR                  | Infrastructure                      |                                 |                                 | investment will support PBGC EA standards from the Blueprint ex Oracle Application Server (OC4J) |
| Document Imaging and OCR | Service Platform and Infrastructure | Database / Storage              | Database                        | Oracle RDMS (current PBGC supported versions)  |
| Document Imaging and OCR | Service Interface and Integration   | Interface                       | Service Description / Interface | EA Blueprint standards concerning Service Oriented Architecture                                  |
| Case Management          | Component Framework                 | Data Interchange                | Data Exchange                   | XML/SOAP   |
| Case Management          | Component Framework                 | Data Management                 | Database Connectivity           | JDBC/ADO.NET   |
| Portfolio Management     | Component Framework                 | Data Interchange                | Data Exchange                   | XML/SOAP   |
| Portfolio Management     | Component Framework                 | Data Management                 | Database Connectivity           | JDBC/ADO.NET   |

6. Will the application leverage existing components and/or applications across the Government (i.e., USA.Gov, Pay.Gov, etc)? **no**
- a. If "yes," please describe. [**Not answered**]



**PART II: PLANNING, ACQUISITION AND PERFORMANCE INFORMATION**

**Section A: Alternatives Analysis**

1. Did you conduct an alternatives analysis for this investment? **yes**
  - a. If "yes," provide the date the analysis was completed? **Feb 15, 2008**
  - b. If "no," what is the anticipated date this analysis will be completed? [**Not answered**]
  - c. If no analysis is planned, please briefly explain why: [**Not answered**]

| <b>2. Alternatives Analysis Results:</b> |   |   |  |
|--|---|---|--|
| <b>Alternative Analyzed</b>              | <b>Description of Alternative</b>   | <b>Risk Adjusted Lifecycle Costs estimate</b> | <b>Risk Adjusted Lifecycle Benefits estimate</b> |
| Baseline                                 | Use of Champs for DISC and LEW for OCC. The use of current systems is fragmented and does not enable the participants in the case team to share the same information in an electronic matter or establish and track due dates and work flow tasks.  | 7   | 10   |
| Alternative #1 (COTS)                    | Use of COTS to create an integrated case management, document management and workflow management tool to integrate DISC and OCC operations and information. The primary benefit of this investment is a net improvement in the total dollars negotiated in settlements and risk mitigation which represents a real increase in the funds available to PBGC to pay benefits. The net present value of this alternative is \$39.4 million.  | 13.3  | 40   |
| Alternative #2 (Custom Build)            | Custom build an integrated case management, document management and workflow management tool to integrate DISC and OCC operations and information. Effort includes developing, testing, and deploying the new system. The primary benefit of this investment is a net improvement in the total dollars negotiated in settlements, which represents a real increase in the funds available to PBGC to pay benefits. The net present value of this alternative is \$19.8 million. | 28.2  | 40   |
| Alternative #3 (Modified Legacy)         | Conversion of all OCC users to CHAMPS (from LEW). The primary benefit of this investment is a net improvement in the total dollars negotiated in settlements, which represents a real increase in the funds available to PBGC to pay benefits. The net present value of this alternative is \$4.8 million.  | 9.4   | 12   |

3. Which alternative was selected by the Agency's Executive/Investment Committee and why was it chosen? **Alternative #1 was chosen, both for its lower estimated cost and its highest net present value. DISC and OCC also place great value on the use of COTS because it enables the agency to implement the necessary functions much sooner, thereby speeding up benefit realization. COTS can also be more easily reused by other departments within PBGC or similar functions at other agencies like DOL or EBSA. The COTS-based solution involves a business process reengineering effort to integrate and streamline the processes of both DISC and OCC. Rather than having to create detailed requirements as would be required for a custom-built system, functional requirements can be used because much of the functionality required is already available in the COTS product, it just needs to be configured to meet the specific needs of DISC and OCC. This investment is envisioned to be reused as the workflow management, tracking, and document management component in at least 3 other departments within PBGC, the Standard Termination and Compliance Division, the Multi-employer Program Division and the Office of General Counsel.**
  - a. What year will the investment breakeven? (Specifically, when the budgeted costs savings exceed the cumulative costs.) **2010**
4. What specific qualitative benefits will be realized? **This alternative will significantly improve communication and workflow between the business units that are engaged in safeguarding the pension insurance system. Because the system can be deployed faster by using COTS than a custom-built solution, it will enable the two departments to realize benefits sooner. This is critical because the economic environment has required rapid responses to corporate transactions in order to protect the pension assets from exposure to risk. This alternative will enable DISC and OCC to share information, use a common data model to describe and track the work that they do, and give the managers in each business unit a much better organizational view of priorities, and allow more effective team assignments to be made by each. By increasing organizational capacity through workflow streamlining and the reduction of manual processes, DISC and OCC will be able to more closely monitor a larger portion of the entire insured inventory. By improving interoperability across DISC and OCC analysts, attorneys and managers and by increasing the availability of case histories and analytical information, we will be able to respond more quickly to high-risk transactions thereby increasing the amount of protection that can be obtained for the plan, either through settlement agreement, 412(n) lien perfection, or letter of credit. Other intangible benefits include eliminating clerical and administrative burdens at each level of the organization that take time away from activities that add value to program objectives, an increase in efficiency that will allow more time for value-added activities which will be reflected in larger workload capacity per resource, more timely processing of plan events and terminations, and an increase in the percentage of the insured inventory that is actively and aggressively monitored, promoting a flat budget environment where a steady-state workforce can handle periods of increased activity without experiencing a decrease in performance or efficiency, and allowing actuaries to be actuaries. Architectural Fit: The recommended alternative is consistent with**

**the PBGC Enterprise Architecture. Quality: The alternative provides for reduction in data redundancy as well as improved accuracy and quality. User Impact: This alternative provides more benefits to the user than other alternatives; benefits are delivered earlier; and consistency with the existing PBGC user interface (“look and feel”) is maintained.**

| <b>5. Federal Quantitative Benefits (\$millions):</b> |                              |                       |  |   |
|---|------------------------------|-----------------------|--|---|
|   | <b>Budgeted Cost Savings</b> | <b>Cost Avoidance</b> | <b>Justification for Budgeted Cost Savings</b>   | <b>Justification for Budgeted Cost Avoidance</b>  |
| PY-1 and Prior  | 0                            | 0                     | [Not answered]   | [Not answered]  |
| PY  | 0                            | 0                     | [Not answered]   | [Not answered]  |
| CY  | 5                            | 0                     | Cost savings is a result of an increase in negotiated protections for pension plans as a result of increased diligence in monitoring and coordination between DISC and OCC. The amount is estimated based on the level of program implementation during the year and expected resource time savings that can reasonably be redeployed to increasing program outcomes (plan protections such as settlement agreements, waivers, and liens). | No cost avoidance expected in this year – all systems are still operational                                       |
| BY  | 10                           | 0                     | Cost savings is a result of an increase in negotiated protections for pension plans as a result of increased diligence in monitoring and coordination between DISC and OCC. The amount is estimated based on the level of program implementation during the year and expected resource time savings that can reasonably be redeployed to increasing program outcomes (plan protections such as settlement agreements, waivers, and liens). | No cost avoidance expected in this year – all systems are still operational                                       |
| BY+1  | 10                           | 0.24                  | Cost savings is a result of an increase in negotiated protections for pension plans as a result of increased diligence in monitoring and coordination between DISC and OCC. The amount is estimated based on the level of program  | Cost avoidance is specifically the retirement of the CHAMPS maintenance contract for remainder of 5-year contract |

|                          |    |      |  |   |
|--------------------------|----|------|--|---|
|                          |    |      | implementation during the year and expected resource time savings that can reasonably be redeployed to increasing program outcomes (plan protections such as settlement agreements, waivers, and liens).   |   |
| BY+2                     | 5  | 0.12 | Cost savings is a result of an increase in negotiated protections for pension plans as a result of increased diligence in monitoring and coordination between DISC and OCC. The amount is estimated based on the level of program implementation during the year and expected resource time savings that can reasonably be redeployed to increasing program outcomes (plan protections such as settlement agreements, waivers, and liens). | Cost avoidance is specifically the retirement of LEW document management servers (for OCC) and CHAMPS servers and maintenance |
| BY+3                     | 5  | 0.36 | Cost savings is a result of an increase in negotiated protections for pension plans as a result of increased diligence in monitoring and coordination between DISC and OCC. The amount is estimated based on the level of program implementation during the year and expected resource time savings that can reasonably be redeployed to increasing program outcomes (plan protections such as settlement agreements, waivers, and liens). | Cost avoidance is specifically the retirement of LEW document management servers (for OCC) and CHAMPS servers and maintenance |
| BY+4 and Beyond          | 5  | 0.36 | Cost savings is a result of an increase in negotiated protections for pension plans as a result of increased diligence in monitoring and coordination between DISC and OCC. The amount is estimated based on the level of program implementation during the year and expected resource time savings that can reasonably be redeployed to increasing program outcomes (plan protections such as settlement agreements, waivers, and liens). | Cost avoidance is specifically the retirement of LEW document management servers (for OCC) and CHAMPS servers and maintenance |
| <b>Total LCC Benefit</b> | 40 | 1.08 | <b>LCC = Life-cycle cost</b>   |   |

6. Will the selected alternative replace a legacy system in-part or in-whole? **yes**
- a. If "yes," are the migration costs associated with the migration to the selected alternative included in this investment, the legacy investment, or in a separate migration investment? **This investment**
  - b. If "yes," please provide the following information:

| <b>List of Legacy Investment or Systems</b>     |                         |                                      |
|---|-------------------------|--------------------------------------|
| <b>Name of the Legacy Investment or Systems</b> | <b>UPI if available</b> | <b>Date of the System Retirement</b> |
| Champs  | [Not answered]          | Sep 30, 2009                         |
| Legal Edge for Windows (LEW)                    | [Not answered]          | Sep 30, 2009                         |

## Section B: Risk Management (All Capital Assets)

1. Does the investment have a Risk Management Plan? **yes**
  - a. If "yes," what is the date of the plan? **May 14, 2008**
  - b. Has the Risk Management Plan been significantly changed since last year's submission to OMB? **no**
  - c. If "yes," describe any significant changes: **[Not answered]**
2. If there currently is no plan, will a plan be developed? **[Not answered]**
  - a. If "yes," what is the planned completion date? **[Not answered]**
  - b. If "no," what is the strategy for managing the risks? **[Not answered]**
3. Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule: **The largest risks to the investment regard the procurement activities and these are being tracked closely. All procurement activity was placed on hold in early FY08 pending completion of the strategic portfolio review. Other risks typically impact either the schedule or executive approval (at many levels) and thereby impact the cost of the investment. The most apparent schedule risks are related to obtaining all of the appropriate and required sign offs (usually from outside department resources) on critical path deliverables, as required by the IT solution life cycle methodology. To mitigate this risk, we have included in the project plan, a key milestone for each deliverable and the preparatory steps required to effectively communicate and manage the signoff of each critical path deliverable. This additional project management component adds FTE costs to the schedule of about 20% of the overall contractor services costs. The value it provides by effectively mitigating much larger risks to the investment cost makes the additional steps and cost a necessary element of the budget and schedule. These risk adjusted costs are included in the budget request and schedule. PBGC is not requesting additional funds for risk management. In the past, several contracts awarded for this investment have been time and material placing the burden of risk on the government. In an effort to mitigate this risk, a firm fixed price contract will be awarded in September 2008 and a performance based contract awarded in 2010.**

**Section C: Cost and Schedule Performance (All Capital Assets)**

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%? (CV%= CV/EV x 100; SV%= SV/PV x 100) **no**
  - a. If "yes," was it the? **[Not answered]**
  - b. If "yes," explain the causes of the variance: **[Not answered]**
  - c. If "yes," describe the corrective actions **[Not answered]**
3. Has the investment re-baselined during the past fiscal year? **no**
  - a. If "yes," when was it approved by the agency head? **[Not answered]**

| <b>4. Comparison of Initial Baseline and Current Approved Baseline:</b> |                                |                                   |  |              |   |      |                                     |   |                         |
|---|--------------------------------|-----------------------------------|--|--------------|---|------|-------------------------------------|---|-------------------------|
| <b>Description of Milestone</b>   | <b>Initial Baseline</b>        |                                   | <b>Current Baseline</b>                |              |   |      | <b>Current Baseline Variance</b>    |   | <b>Percent Complete</b> |
|   | <b>Planned Completion Date</b> | <b>Total Cost (\$M) Estimated</b> | <b>Completion Date Planned: Actual</b> |              | <b>Total Cost (\$M) Planned: Actual</b> |      | <b>Schedule: Cost (# days: \$M)</b> |   |                         |
| 1.1 RMEW-LMMS Market Research   | Dec 30, 2005                   | 0.1                               | Nov 30, 2006                           | Nov 30, 2006 | 0.1                                     | 0.1  | 0                                   | 0 | 100                     |
| 1.2 As Is Process Model Defined   | Apr 30, 2007                   | 0.4                               | Apr 30, 2007                           | Apr 30, 2007 | 0.4                                     | 0.4  | 0                                   | 0 | 100                     |
| 1.3 To be Process Model   | May 30, 2007                   | 0.4                               | May 30, 2007                           | May 30, 2007 | 0.4                                     | 0.4  | 0                                   | 0 | 100                     |
| 1.4 Functional & Technical Requirements Complete                        | Jun 30, 2007                   | 0.2                               | Jun 30, 2007                           | Jun 30, 2007 | 0.2                                     | 0.2  | 0                                   | 0 | 100                     |
| 1.5 Case Management Segment Architecture                                | Feb 14, 2008                   | 0.1                               | Feb 14, 2008                           | Feb 14, 2008 | 0.1                                     | 0.1  | 0                                   | 0 | 100                     |
| 2.0 Purchase COTS   | Sep 30, 2007                   | 0.4                               | Sep 30, 2007                           | Sep 30, 2007 | 0.4                                     | 0.4  | 0                                   | 0 | 100                     |
| 3.1 Review SOW  | Mar 3, 2008                    | 0.1                               | Mar 3, 2008                            | Mar 3, 2008  | 0.1                                     | 0.1  | 0                                   | 0 | 100                     |
| 3.2 Issue SBA Offering Letter   | Mar 3, 2008                    | 0.01                              | Mar 3, 2008                            | Mar 4, 2008  | 0.01                                    | 0.01 | 1                                   | 0 | 100                     |
| 3.3 Draft RFP   | Mar 19, 2008                   | 0.01                              | Mar 19, 2008                           | Mar 19, 2008 | 0.01                                    | 0.01 | 0                                   | 0 | 100                     |

| 4. Comparison of Initial Baseline and Current Approved Baseline: |                         |                            |                                 |                                  |                              |                |                           |                |                  |
|--|-------------------------|----------------------------|---------------------------------|----------------------------------|------------------------------|----------------|---------------------------|----------------|------------------|
| Description of Milestone   | Initial Baseline        |                            | Current Baseline                |                                  |                              |                | Current Baseline Variance |                | Percent Complete |
|  | Planned Completion Date | Total Cost (\$M) Estimated | Completion Date Planned: Actual | Total Cost (\$M) Planned: Actual | Schedule: Cost (# days: \$M) |                |                           |                |                  |
|  |                         |                            | 2008                            | 2008                             |                              |                |                           |                |                  |
| 3.4 OGC Review   | Mar 26, 2008            | 0.01                       | Mar 26, 2008                    | Mar 26, 2008                     | 0.01                         | 0.01           | 0                         | 0              | 100              |
| 3.5 Issue RFP  | Apr 1, 2008             | 0.01                       | Apr 1, 2008                     | Apr 1, 2008                      | 0.01                         | 0.01           | 0                         | 0              | 100              |
| 3.6 Receive Written Proposals                                    | Apr 22, 2008            | 0.01                       | Apr 22, 2008                    | Apr 18, 2008                     | 0.01                         | 0.01           | -2                        | 0              | 100              |
| 3.7 Technical Evaluation   | Apr 25, 2007            | 0.01                       | Apr 25, 2007                    | Apr 25, 2007                     | 0.01                         | 0.01           | 0                         | 0              | 100              |
| 3.8 Prepare Award Documents + Negotiation Summary                | May 8, 2008             | 0.01                       | May 8, 2008                     | May 2, 2008                      | 0.01                         | 0.01           | -4                        | 0              | 100              |
| 3.9 OGC Review   | May 15, 2008            | 0.01                       | May 15, 2008                    | May 19, 2008                     | 0.01                         | 0.01           | 2                         | 0              | 100              |
| 3.10 Award   | May 20, 2008            | 0.01                       | May 20, 2008                    | May 20, 2008                     | 0.01                         | 0.01           | 0                         | 0              | 100              |
| 3.11 Contractor on Site  | Jun 2, 2008             | 0                          | Jun 2, 2008                     | Jun 2, 2008                      | 0                            | 0              | 0                         | 0              | 100              |
| 4.0 Updated Requirements and Project Plan                        | Jul 15, 2008            | 0.2                        | Jul 15, 2008                    | Jul 15, 2008                     | 0.2                          | 0.2            | 0                         | 0              | 100              |
| 5.0 RMEW/LMMS Configuration Phase RFP                            | Sep 26, 2008            | 0.1                        | Sep 26, 2008                    | [Not answered]                   | 0.1                          | [Not answered] | 0                         | 0              | 82               |
| 6.0 Prepare Exhibit 300 and supporting documentation             | Sep 8, 2008             | 0                          | Sep 8, 2008                     | [Not answered]                   | 0                            | [Not answered] | 0                         | 0              | 0                |
| 7.0 Configure and Implement Version 1                            | Sep 30, 2009            | 3.7                        | Sep 30, 2009                    | [Not answered]                   | 3.7                          | [Not answered] | [Not answered]            | [Not answered] | 0                |
| 8.0 Close Out  | Sep 30, 2008            | 0                          | Sep 30, 2008                    | [Not answered]                   | 0                            | [Not answered] | [Not answered]            | [Not answered] | 0                |



| <b>4. Comparison of Initial Baseline and Current Approved Baseline:</b> |                                |                                   |  |   |                                     |                |                                  |                |                         |
|---|--------------------------------|-----------------------------------|--|---|-------------------------------------|----------------|----------------------------------|----------------|-------------------------|
| <b>Description of Milestone</b>   | <b>Initial Baseline</b>        |                                   | <b>Current Baseline</b>                |   |                                     |                | <b>Current Baseline Variance</b> |                | <b>Percent Complete</b> |
|   | <b>Planned Completion Date</b> | <b>Total Cost (\$M) Estimated</b> | <b>Completion Date Planned: Actual</b> | <b>Total Cost (\$M) Planned: Actual</b> | <b>Schedule: Cost (# days: \$M)</b> |                |                                  |                |                         |
| 9.0 Steady State  | Sep 30, 2014                   | 4.1                               | Sep 30, 2014                           | [Not answered]                          | 4.1                                 | [Not answered] | [Not answered]                   | [Not answered] | 0                       |
| 10.0 Future Enhancements  | Sep 30, 2013                   | 1.7                               | Sep 30, 2013                           | [Not answered]                          | 1.7                                 | [Not answered] | [Not answered]                   | [Not answered] | 0                       |
| 11.0 Project and Risk Management  | Sep 30, 2014                   | 1.8                               | Sep 30, 2014                           | [Not answered]                          | 1.8                                 | [Not answered] | [Not answered]                   | [Not answered] | 10                      |