

Exhibit 300: Capital Asset Plan and Business Case Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview (All Capital Assets)

1. **Date of Submission:** 2009-03-31 16:29:10

2. **Agency:** 029

3. **Bureau:** 00

4. **Name of this Investment:** E-Payroll-2010

5. **Unique Project (Investment) Identifier:** 029-00-01-19-01-1331-00

6. **What kind of investment will this be in FY 2011?:** Full-Acquisition

- Planning
- Full Acquisition
- Operations and Maintenance
- Mixed Life Cycle
- Multi-Agency Collaboration

7. **What was the first budget year this investment was submitted to OMB?** FY2004

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; this description may include links to relevant information which should include relevant GAO reports, and links to relevant findings of independent audits.**

The e-Payroll Initiative, as a whole, is an OMB/OPM program consolidating Federal payroll systems to four approved providers. Under this program, the VA was directed to migrate its payroll service to the system hosted and operated by the Defense Finance and Accounting Service (DFAS). This goal of this project, therefore, is to successfully perform this migration, including all the supporting activities such as interface integration, training, data clean up and conversion, and ensuring that VA specific payroll issues are accounted for (such as Title 38 employee pay). This migration to DFAS must occur transparently and ensure that employees are paid accurately. VA Payroll processes will be consolidated and standardized as well. The decentralized time and attendance system will be replaced with a centralized web-based system which uses more recent programming language that will be easier to maintain. Since DFAS is an effective dated system, VA will be able to obtain more accurate data for accruals resulting in more reliable accounting data. This effort directly supports several Presidents Management Agenda (PMA) initiatives. The consolidation will realize significant savings of tax dollars by reducing operating costs and avoidance of duplicate modernization investments, and directly support the initiative of Expanded E-Government by creating greater efficiencies in payroll processing. Consolidating payroll data across the Federal Government is improving the link between performance and budgets by standardizing payroll systems to improve accuracy and ensure that payroll costs are processed and captured across government in a standard way. The federal payroll consists of significant expenditures which directly relate to the budget and performance goals. The initiative will improve financial performance. The ePayroll system run by DFAS is well maintained, easier to modify and will ensure that VA complies with all payroll rules and regulations. The system will be modified by the hosting provider as needed when new regulations are enacted or payroll processes change. This will result in a higher degree of accuracy and will provide both program managers and finance officers with information needed to make well-informed decisions. This initiative also represents a strategic investment in human capital. As payroll processes are standardized and systems are consolidated, they will become easier to maintain, and simpler to use.

- a. **Provide here the date of any approved rebaselining within the past year, the date for the most recent (or planned) alternatives analysis for this investment, and whether this investment has a risk management plan and risk register.**

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

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

10. Contact information of Program/Project Manager?

- Name: *
- Phone Number: *
- Email: *

11. What project management qualifications does the Project Manager have? (per FAC-P/PM)? *

- Project manager has been validated according to FAC-PMPM or DAWIA criteria as qualified for this investment.
- Project manager qualifications according to FAC-P/PM or DAWIA criteria is under review for this investment.
- Project manager assigned to investment, but does not meet requirements according to FAC-P/OM or DAWIA criteria.
- Project manager assigned but qualification status review has not yet started.
- No project manager has yet been assigned to this investment.

12. If this investment is a financial management system, then please fill out the following as reported in the most recent financial systems inventory (FMSI):

Financial management system name(s)	System acronym	Unique Project Identifier (UPI) number
*	*	*

a. If this investment is a financial management system AND the investment is part of the core financial system then select the primary FFMIA compliance area that this investment addresses (choose only one): *

- computer system security requirement;
- internal control system requirement;
- core financial system requirement according to FSIO standards;
- Federal accounting standard;
- U.S. Government Standard General Ledger at the Transaction Level;
- this is a core financial system, but does not address a FFMIA compliance area;
- Not a core financial system; does not need to comply with FFMIA

Section B: Summary of Funding (Budget Authority for Capital Assets)

1.

Table 1: SUMMARY OF FUNDING FOR PROJECT PHASES (REPORTED IN MILLIONS) (Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)									
	PY1 and earlier	PY 2009	CY 2010	BY 2011	BY+1 2012	BY+2 2013	BY+3 2014	BY+4 and beyond	Total
Planning:	*	\$0.0	\$0.0	\$0.0	*	*	*	*	*
Acquisition:	*	\$16.1	\$7.3	\$0.0	*	*	*	*	*
Subtotal Planning & Acquisition:	*	\$16.1	\$7.3	0	*	*	*	*	*
Operations & Maintenance:	*	\$0.0	\$0.0	\$0.0	*	*	*	*	*
Disposition Costs (optional):	*	\$0.0	\$0.0	\$0.0	*	*	*	*	*
SUBTOTAL:	*	\$16.1	\$7.3	0	*	*	*	*	*
Government FTE Costs should not be included in the amounts provided above.									
Government FTE Costs	*	\$0.7	\$0.6	\$0.6	*	*	*	*	*
Number of FTE represented by Costs:	*	\$7.0	\$5.0	\$5.0	*	*	*	*	*
TOTAL(including FTE costs)	*	\$23.8	\$12.9	\$5.6	*	*	*	*	*

2. If the summary of funding has changed from the FY 2010 President’s Budget request, briefly explain those changes:

*

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

1. **Table 1: Contracts/Task Orders Table**

Contract or Task Order Number	Type of Contract/ Task Order (In accordance with FAR Part 16)	Has the contract been awarded (Y/N)	If so what is the date of the award? If not, what is the planned award date?	Start date of Contract/ Task Order	End date of Contract/ Task Order	Total Value of Contract/ Task Order (M)	Is this an Interagency Acquisition? (Y/N)	Is it performance based? (Y/N)	Competitively awarded? (Y/N)	What, if any, alternative financing option is being used? (ESPC, UESC, EUL, N/A)	Is EVM in the contract? (Y/N)
V101(049A3)P-2004-005	IAA	Y	2005-10-01	2006-10-01	2006-09-30	\$3.2	Y	N	N	*	*
200AAC06T02	SLA	Y	2005-10-01	2005-10-01	2006-09-30	\$4.8	Y	N	N	*	*
104FSC06022B00A	SLA	Y	2005-10-01	2005-10-01	2006-09-30	\$0.1	Y	N	N	*	*
V101(049A3)P-2004-004	IAA	Y	2006-10-01	2006-10-01	2007-09-30	\$2.7	Y	N	N	*	*
200AAC07100	SLA	Y	2006-10-01	2006-10-01	2007-09-30	\$3.7	Y	N	N	*	*
104FSC07022B000	SLA	Y	2006-10-01	2006-10-01	2007-09-30	\$0.3	Y	N	N	*	*
V101(049A3)P-2008-058	IAA	Y	2007-10-01	2007-10-01	2008-09-30	\$6.3	Y	N	N	*	*
200CDC008T02	SLA	Y	2007-10-01	2007-10-01	2008-09-30	\$3.6	Y	N	N	*	*
104FSC08022B00A	SLA	Y	2007-10-01	2007-10-01	2008-09-30	\$0.4	Y	N	N	*	*
TBD	FFP	N	2009-03-31			\$5.0	N	Y	Y	*	*
V101(049A3)P-2009	IAA	Y	2008-10-01	2008-10-01	2009-09-30	\$3.9	Y	N	N	*	*
200AITC09T02	SLA	Y	2008-10-01	2008-10-01	2009-09-30	\$2.9	Y	N	N	*	*
104FSC09022B000	SLA	Y	2008-10-01	2008-10-01	2009-09-30	\$0.3	Y	N	N	*	*
TBD	FFP	N	2009-10-01	2009-10-01	2010-09-30	\$7.5	N	Y	Y	*	*

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

*

3. Is there an acquisition plan which reflects the requirements of FAR Subpart 7.1 and has been approved in accordance with agency requirements? *

a. If "yes," what is the date? *

Section D: Performance Information (All Capital Assets)

Table 1: Performance Information Table

Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
2007	Ensure Smooth Transition	Mission and Business Results	System Development	Lifecycle/Change Management. Migration of VA employees off of legacy PAID system to DFAS for payroll processing.	Migrate VBA Oakland	Migrate the designated number of employees for FY06, out of a population of approximately 240,000	100% VBA Oakland Migrated to DFAS on 10/28/07.
2007	Ensure Smooth Transition	Technology	Availability	System Availability	Maintain 99% availability level for the steady state system.	99% availability	Annual Availability exceeded 99%.
2007	Ensure Smooth Transition	Customer Results	Customer Satisfaction	Accuracy of Service or Product Delivered. Ensure Payroll and HR transactions are timely processed each pay period through application availability.	Maintain 99.5% system accuracy.	Achieve 99.5% accuracy and timeliness rating of payroll processing under DFAS.	Annual Accuracy level has exceeded 99.5%.
2007	Ensure Smooth Transition	Processes and Activities	Costs	Reduce the costs of providing requested Ad Hoc reports	FY04 cost figures under legacy PAID as baseline.	Achieve cost savings/avoidance of 10% from FY06 results.	Reduction of Costs Realized in FY06.
2008	Ensure Smooth Transition	Mission and Business Results	System Development	Lifecycle/Change Management. Migration of VA employees off of legacy PAID system to DFAS for payroll processing.	Migrate VAMC San Francisco Title 38 population, and remaining VBA sites.	Migrate the designated number of employees for FY06, out of a population of approximately 240,000	100% VAMC San Francisco migrated to DFAS along with all remaining VBA sites.
2008	Ensure Smooth Transition	Technology	Availability	System Availability	Maintain 99% availability level for the steady state system.	99% availability	Annual Availability exceeded 99%.
2008	Ensure Smooth Transition	Customer Results	Customer Satisfaction	Accuracy of Service or Product Delivered. Ensure Payroll and HR transactions are timely processed each pay period through application availability.	Maintain 99.5% system accuracy.	Achieve 99.5% accuracy and timeliness rating of payroll processing under DFAS.	Annual Accuracy level has exceeded 99.5%.
2008	Ensure Smooth Transition	Processes and Activities	Efficiency	Reduce the costs of providing requested Ad Hoc reports	FY04 cost figures under legacy PAID as baseline.	Achieve cost savings/avoidance of 10% from FY07 results.	Reduction of Costs Realized in FY06.

Table 1: Performance Information Table

Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
2009	Ensure Smooth Transition	Mission and Business Results	System Development	Lifecycle/Change Management. Migration of VA employees off of legacy PAID system to DFAS for payroll processing.	Migrate Remaining Sites	Migrate the remaining sites to DFAS.	TBD in FY 09
2009	Ensure Smooth Transition	Technology	Availability	System Availability	Maintain 99% availability level for the steady state system.	99% availability	TBD in FY 09
2009	Ensure Smooth Transition	Customer Results	Accuracy of Service or Product Delivered	Accuracy of Service or Product Delivered. Ensure Payroll and HR transactions are timely processed each pay period through application availability.	Maintain 99.5% system accuracy.	Achieve 99.5% accuracy and timeliness rating of payroll processing under DFAS.	TBD in FY 09
2009	Ensure Smooth Transition	Processes and Activities	Efficiency	Reduce the costs of providing requested Ad Hoc reports	FY04 cost figures under legacy PAID as baseline.	After migration, implement additional system changes that will further reduce the number of payroll related jobs and programs processed by the VA.	TBD in FY 09
2010	Ensure Smooth Transition	Mission and Business Results	System Development	Lifecycle/Change Management. Migration of VA employees off of legacy ETA system to new Timekeeping system.	TBD in FY 10	TBD in FY 10	TBD in FY 10
2010	Ensure Smooth Transition	Technology	Availability	System Availability	Maintain 99% availability level for the steady state system.	99% availability	TBD in FY 10
2010	Ensure Smooth Transition	Customer Results	Customer Satisfaction	Accuracy of Service or Product Delivered. Ensure Payroll and HR transactions are timely processed each pay period through application availability.	Maintain 99.5% system accuracy.	Achieve 99.5% accuracy and timeliness rating of payroll processing under DFAS.	TBD in FY 10
2010	Ensure Smooth Transition	Processes and Activities	Costs	Reduce the costs of	FY04 cost figures under	Achieve cost savings/avoidan	TBD in FY 10

Table 1: Performance Information Table

Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
				providing requested Ad Hoc reports	legacy PAID as baseline.	ce of 10% from FY08 results.	

Part II: Planning, Acquisition And Performance Information

Section A: Cost and Schedule Performance (All Capital Assets)

1. Comparison of Actual Work Completed and Actual Costs to Current Approved Baseline

Description of Milestones	Planned Cost (\$M)	Actual Cost (\$M)	Planned Start Date	Actual Start Date	Planned Completion Date	Actual Completion Date	Planned Percent Complete	Actual Percent Complete
Conversion to consolidated e-Payroll provider	\$32.8	\$40.3	2003-07-01	2003-07-01	2008-06-30	2009-10-02	0.00%	90.00%
Replace time and attendance system with Web-based system	*	*	2005-10-01		2009-09-30		0.00%	0.00%

* - Indicates data is redacted.