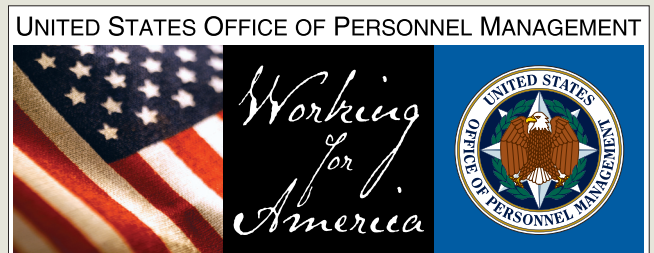


UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

**MIGRATION PLANNING
GUIDANCE
ATTACHMENT H**

**CUSTOMER AGENCY
DUE DILLIGENCE CHECKLIST**

May 23, 2008



ATTACHMENT A: CUSTOMER AGENCY DUE DILIGENCE CHECKLIST

The following checklist is intended to be used by customer agencies planning to select an HR LOB Shared Service Center and represents key items that an agency should consider during the selection process. It is not an exhaustive set of questions and may be refined or expanded based on unique agency requirements. Agencies may require SSC assistance to complete. SSC responses should be documented and evaluated to ensure that the Federal government's objectives and interests are protected.

Customer agencies may use the checklist during the Notice of Intent phase of a public-private competition or to substantiate the submission of an Exception Business Case. In either case, the agency should review the checklist and seek information that pertains to the services that the agency is seeking.

Agencies may also choose to consider this checklist during the development of their Statement of Objectives and Request for Proposal.

The checklist is divided into five sections:

- Section 1. Functional and Technical Approach/Methodology
- Section 2. Staffing Approach/Methodology
- Section 3. Service Delivery Experience
- Section 4. Management
- Section 5. Enterprise Architecture

Section 1. Functional and Technical Approach/Methodology

Criteria 1. Functional and Technical Approach / Methodology	
No.	Criteria
1	The Shared Service Center (SSC) must demonstrate a thorough understanding of HR functions and requirements as defined by the HR LOB Business Reference Model (BRM.) The SSC should also demonstrate a sound I/T technical approach including overall system architecture, security, scalability, privacy, interoperability, and portability as evidenced by past performance and current plans and capabilities. The Shared Service Center services must be in compliance with all applicable laws and regulations as well as Federal security and privacy guidelines.
1.1	Does the SSC meet customer agency defined needs as demonstrated by their completion of the self-evaluation against the HR LOB target requirements?
1.2	Is the SSC solution a System of Record for another Federal agency? If not, does the SSC describe their approach and the technical steps necessary to become a system of record (SOR) for the customer agency?
1.3	What HR services, as related to HRLOB BRM functions, does the SSC offer? For each service offered include technology vendors, business process consulting provider and the strategy in to foster competition among HR service providers?
1.4	If the SSC uses a COTS ERP solution, what are the modules of the ERP solution that the SSC provides or proposes to provide, and to what extent has it been customized? Does the SSC use or propose to use other point solutions in lieu of some delivered ERP modules?
1.5	Are all of the proposed HRIS components fully integrated into the SSC product offering and currently operational within a production environment?
1.6	What interfaces are provided as part of the SSC offering? Is the interface automated and in production? Does the SSC have a formal agreement in place with the external system owner?
1.7	Does the SSC produce and deliver an array of both routine and/or specialized (ad hoc) reports to meet the needs/requirements of customers and provide the capability for customer agencies to self generate reports?
1.8	How does the SSC house, maintain, and allow access to historical HR data? How frequently is the historical data refreshed?
1.9	How does the SSC's system reconcile and synchronize data to prevent unnecessary duplication of employee records and the need to enter data more than once across the different modules of the system?
1.10	Did the SSC provide detailed demonstrations and direct observation of the features and capabilities of its system(s)?
1.11	Is the proposed SSC HRIS solution compliant with Federal requirements? Specifically, CPDF edits, EHRI edits, Guide to Processing Personnel Actions and Guide to Personnel Data Standards.
1.12	Who are the SSC's customers and which BRM functions provided by the SSC does each customer use?
1.13	What is the SSC's methodology for adding new capabilities to its system? How does it perform testing, ensure user acceptance, and ensure a seamless implementation of the new capabilities? What is its system development life cycle methodology?

Criteria 1. Functional and Technical Approach / Methodology	
No.	Criteria
1.14	What is the SSC’s system capacity for processing and storage? What formal steps has it taken to ensure that the addition of new customers will not adversely impact the system capacity for processing and storage while maintaining response time for current customers? What is the strategy for expanding its capacity, if needed?
1.15	What is the SSC’s pricing methodology, what services are included, and is there the flexibility to pay only for services received (cafeteria approach)?
1.16	How does the SSC’s pricing methodology address the financing of technology upgrades and replacement?
1.17	Does the SSC support the customer agency’s unique security requirements? (i.e., beyond a baseline FIPS 199 moderate security categorization)
1.18	How has the SSC incorporated the government-wide information security rules into its technical approach and methodology, including "workarounds"?
1.19	How does the SSC ensure security and privacy controls are maintained and monitored through the complex set of partner relationships and widely distributed operations?
1.20	What core weaknesses were identified in the SSC’s latest security and privacy audits and what Plans of Actions and Milestones (POA&Ms) does it have in place to address those weaknesses and vulnerabilities?
1.21	What is the SSC’s Disaster Recovery Plan and/or Continuation of Operations Plan (COOP)? What is its test schedule? What were its most recent test results? What is the customer role in execution?
1.22	What is the SSC’s migration plan to accommodate the customer agency’s unique or specialized characteristics? For example, an agency-wide migration plan versus a phased-in migration plan or a small, simple migration plan versus a large, complex migration. Does the migration plan include operational readiness, scalability, data migration and expansion capacity?
1.23	Does the SSC provide a detailed schedule that describes when specific functionality being sought will be provided and in what order?
1.24	What previous migrations to the SSC have occurred? For each migration, briefly describe the migration timeline, services subscribed to, and data migrated to the SSC.
1.25	What is the SSC’s strategy to manage change during customer agency migrations, to cover communication, training, business processes, and schedule? Did the SSC include an example of its actions addressing unexpected disruptions in similar situations?

Criteria 1. Functional and Technical Approach / Methodology	
No.	Criteria
1.26	Has the SSC conducted any business process reengineering/optimization for another agency/customer that can be leveraged by the customer agency?
1.27	Has the SSC developed Standard Operating Procedures and are they currently used and continuously updated?

Section 2. Staffing Approach/Methodology

Criteria 2. Staffing Approach / Methodology	
No.	Criteria
2	The Shared Service Center must demonstrate the ability to provide adequate staff with the necessary disciplines, skills, and competencies. The Shared Service Center must also demonstrate the ability to plan, manage, develop and expand their workforce to meet customer needs.
2.1	Does the SSC's human resources service delivery staffing model include: <ul style="list-style-type: none"> - Workforce development strategies - Customer service staffing - Processing and Information Technology support - Any other customer support mechanism - Staffing level management to handle ongoing and variable workloads (such as during customer migrations) - Changes, if any, to accommodate customer needs
2.2	How will the SSC increase back office transactional support services to an expanding customer base; reference current back-office servicing ratios and projected economies of scale?
2.3	What is the SSC's succession plan for staffing critical positions? Can the SSC demonstrate its ability to plan, manage, and develop the workforce?

Section 3. Service Delivery Experience

Criteria 3. Service Delivery Experience	
No.	Criteria
3	The Shared Service Center must demonstrate present and past experience in providing HR services, experience in change control management, technical performance, and customer service performance.
3.1	Describe the SSC's means of providing and managing the provision of services, including but not limited to services contracted out, contracting method (fixed-price vs. time & materials), contract incentives, hosting, use and scope of Independent Verification and Validation (IV&V), and program management structure.
3.2	What is the SSC's experience in cross servicing and performing migrations for diverse client agencies? What experience does the SSC have in cross-agency Program Management?
3.3	What are the SSC's current measures and metrics in place with its customers, how does it use these metrics to improve performance and how does it plan to address future requirements? How do these performance measures and metrics relate to the HR LOB Performance Model? Does it support a line of sight to customer agency Mission Results and Business Results?
3.4	What is the SSC's customer satisfaction rating, how is it measured, and how does it compare to industry standards?
3.5	What core weaknesses were identified in the SSC's latest service delivery audits (internal audits, third party audits, etc.) and how does it plan to address those weaknesses and vulnerabilities?
3.6	Has an Independent Verification and Validation been completed on any in-house proprietary development and customizations?
3.7	How does the SSC's telecommunications environment and internet capability support its current service delivery mechanism?
3.8	Did the SSC provide references that attest to its capability and performance as a service provider and its ability to deliver quality HR services?
3.9	Does the SSC accommodate customers who would like to use other best-of-breed point solutions, "bolt-ons" or services provided by other vendors and/or HR SSCs? If so please describe how.
3.10	Does the SSC interface with the other HR e-Gov initiatives (EHRI, E-Training, E-Clearance, E-Payroll and Recruitment One Stop)?
3.11	What is the SSC's experience, management approach, and technical approach (e.g., bi-directional feeds, data sync issues, data error correction, transaction retransmission, and interconnection agreements) to interfacing with external systems, including front-end and back-end feeds to financial, Payroll, HR, and management information systems?

Criteria 3. Service Delivery Experience	
No.	Criteria
3.12	What employee self-service capabilities does the SSC solution provide?
3.13	How will the SSC integrate multiple systems to enable single sign-on, single point of entry for data, synchronization and reconciliation?
3.14	How will the SSC integrate its system to provide adequate identity management? Does the SSC have a plan to integrate with e-Authentication?

Section 4. Management

Criteria 4. Management	
No.	Criteria
4	The Shared Service Center must demonstrate a robust management plan that will include tracking and reporting progress, identify and resolve issues, manage change, maintain an efficient organizational structure, and effectively manage corporate and/or subcontractor teaming. Shared Service Centers should also provide risk assessment and mitigation strategies (both for the agency’s system and for customer service and customer migration), project management, and integration.
4.1	What is the SSC governance process and how does it align with the agency and HR LOB governance structure already in place?
4.2	What is the SSC’s change control approach? Provide a description which includes at least: <ul style="list-style-type: none"> - Membership of the Change Control Board - Frequency of meetings - Resources devoted to supporting research and recommendations to the change control board - Problem report tracking and resolution - Change request and approval procedures - Prioritization methodology - Release schedule and notification procedures - Extent of customer agency participation
4.3	What is the SSC’s customer relationship management plan and process?
4.4	Did the SSC describe its Customer Control Board? The response should include: <ul style="list-style-type: none"> - Membership of the Customer Control Board - User Groups - Frequency of Meetings - Decision-making process - On-going communication
4.5	Does the SSC plan to use outside contractors for implementation or other areas of this initiative? If yes, then how does the SSC plan to use them and oversee their performance? What is the SSC’s contracting approach (i.e. performance-based, share-in-savings, etc.)?
4.6	What is the SSC organizational structure? Is a detailed organization chart and process description provided that depicts how the various partners work together, how communication is conducted, how responsibility is divided among the team to ensure an integrated solution and how overall partner/team management is conducted?

Criteria 4. Management	
No.	Criteria
4.7	What provisions and contingencies does the SSC have in place in case its software vendor does not meet future federal HR requirements?
4.8	What risk management plans does the SSC have in place and what are the associated mitigation strategies?
4.9	Does the SSC have a fully developed risk mitigation plan, strategy, and back up system(s) in the event of vendor contract noncompliance or failure?
4.10	How does the SSC ensure the functionality and security of services provided beginning with transition and continuing to operations and maintenance? What quality assurance plans and processes are in place?

Section 5. Enterprise Architecture

Criteria 5. Enterprise Architecture	
No.	Criteria
5	The Shared Service Center must demonstrate an approach that supports customer agency enterprise architecture objectives. SSCs must comply with the Federal Enterprise Architecture (FEA) and contribute to the customer agency enterprise architecture (EA) programs. The HR LOB supports the E-Gov initiatives meeting PMA objectives by promoting reuse across the federal government, enhancing flexibility and interoperability across information systems, reducing redundancies and inefficiencies, and improving access to accurate, timely, and consistent information.
5.1	What Enterprise Architecture artifacts and work products will the SSC provide to the customer agency? (e.g., business process models, entity-relationship diagrams, data dictionaries, and data warehouse models)
5.2	How will the SSC support/participate in the customer agency enterprise architecture program to: <ul style="list-style-type: none"> - ensure alignment with the FEA - align with the customer agency enterprise architecture - meet customer agency target architecture objectives
5.3	How will the SSC meet the current and future Federal Transition Framework initiatives, such as the HSPD-12, IPv6 transition, and E-Authentication?
5.4	Which assets (e.g., business process models, data dictionaries, data models, and entity-relationship diagrams) developed during the engagement are owned by the customer agency and available for reuse by the customer agency or Federal government?
5.5	How does the SSC provide HR LOB specific services as described within the HR LOB Technical Model? (e.g., mass action)



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