

CECI-ZA

Regulation  
No. 25-1-106

31 October 2014

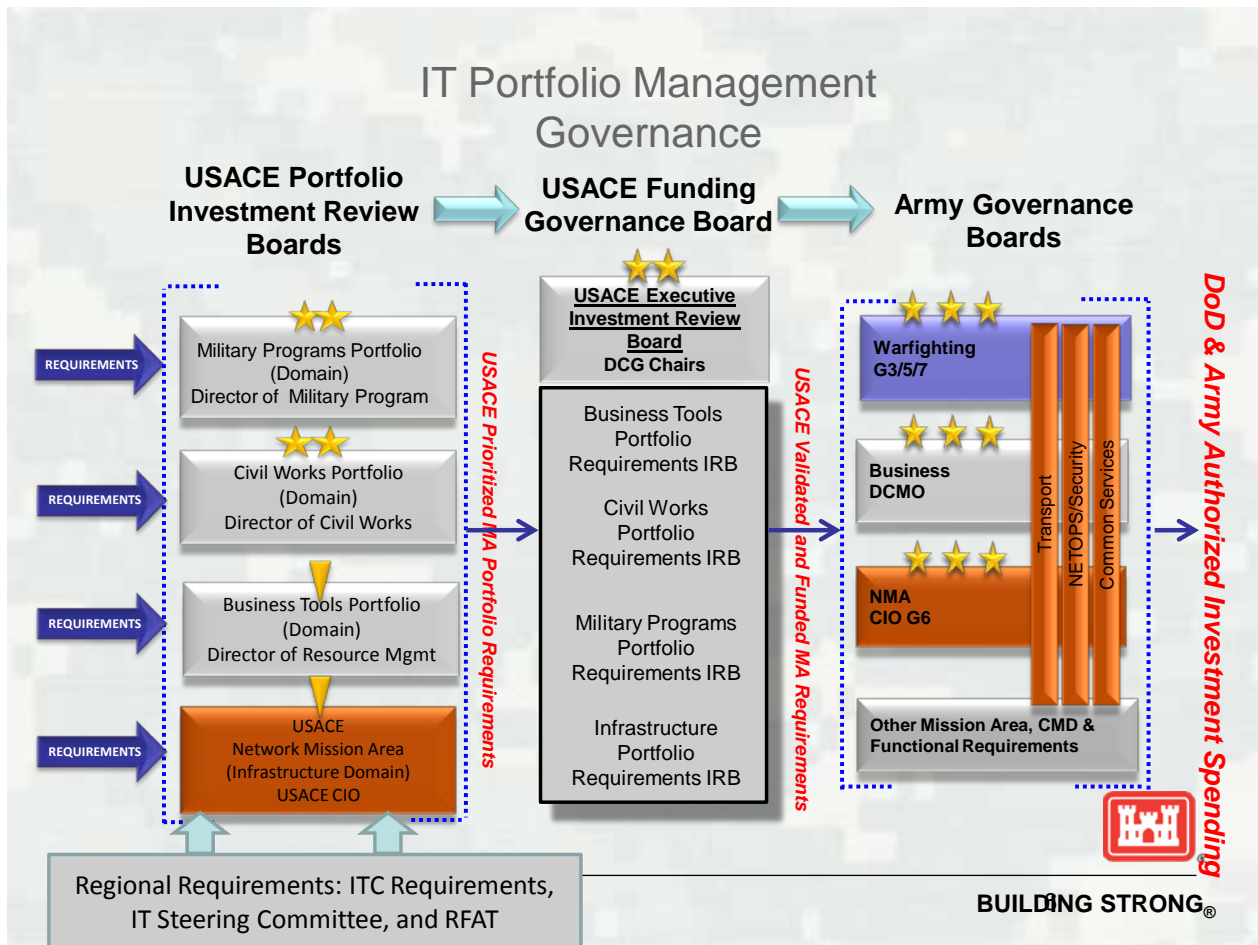
Information Management  
INFORMATION TECHNOLOGY CAPITAL PLANNING AND INVESTMENT  
MANAGEMENT

1. Purpose. This regulation establishes policy, roles and responsibilities for the U.S. Army Corps of Engineers (USACE) Information Technology (IT) Capital Planning and Investment Management (CPIM) process as prescribed by the Clinger Cohen Act of 1996 and Army Regulation 25-1, Army Information Technology. The IT CPIM is an integrated management process focused on achieving a desired business or mission outcome through the continuous review for the selection, management and evaluation of IT investments. The CPIM process provides IT investment requirements as outputs that integrate and feed into the budget process as inputs to elicit funding decisions. The CPIM process uses Investment Review Boards (IRB) as forums to validate and prioritize IT requirements and IT program budgets. A fee-for-service (FFS) funding ceiling is established by the Deputy Commanding General (DCG) upon the recommendations of the Executive Investment Review Board (EIRB).
2. Applicability. This regulation applies to all elements of Headquarters (HQ) USACE and all USACE Commands.
3. Distribution. Approved for public release; distribution is unlimited.
4. References. References are at Appendix A.
5. Terms. Special terms used in this publication are presented in Appendix B.
6. Statutory Alignment. The IT Portfolio Management (PfM) approaches across Federal Agencies require an Investment Review Board (IRB) in order to align with not only the Clinger-Cohen Act of 1996 (Title 40, United States Code (U.S.C.)), but National Defense Authorization Act (NDAA) 2005 (10 U.S.C Section 2222) and as revised in NDAA 2012 (10 U.S.C. Section 2222, as amended). The 2012 statute was amended to require certification by an Investment Review Board (IRB) and approval by the Defense Business System (DBS) Management Committee before any appropriated or non-appropriated funds may be obligated for a defense business system that will have a total lifecycle cost in excess of \$1M . The term ‘Defense Business System’, “...means an information system, other than a national security system, operated by, for, or on behalf of the Department of Defense, including financial systems, mixed systems, financial data feeder systems, and information technology and information assurance infrastructure, used to support business activities, such as acquisition, financial management, logistics, strategic planning and budgeting, installations and environment, and human resource management. See, 10 U.S.C. Section 2222, as amended.” An obligation of DOD funds

appropriated or non-appropriated) for a business-system program of more than \$1M, which has not been approved, is a violation of 31 U.S.C. 1341 (The Anti-Deficiency Act).

7. Incremental Portfolio Management Approach. USACE began planning to align processes during 2012 with 10 U.S.C Section 2222, as amended, and accompanying DoDD 8115.01 implementing PfM in 2013 and an IT Investment decision for FY14-16 cycle during early 2014. The incremental approach includes: Increment #1 PfM implementation across Enterprise IT Investments for cycle FY14-16; Increment #2 PfM implementation across both Enterprise and Regional IT Investments for cycle FY15-17; and Increment #3 implementation of a single End to End (E2E) authoritative policy and Quality Management System (QMS) detailed process flows for customers, stakeholders and mission partners for cycle FY15-17.

8. High-level IRB Governance. The IRB governance processes at a high-level eliminate the Cross-Functional Assessment Team (CFAT), retain the Regional Functional Assessment Teams (RFATs) and replace the Executive Functional Assessment Team (EFAT) with the Executive IRB (EIRB). Regional IT Requirements start with local requirements based on mission-unique needs. IT Chiefs (ITC) and Chiefs of Information Management facilitate the local requirements gathering, the IT Steering Committee meetings and the RFAT meetings on behalf of commanders. All RFAT requirements are submitted to one of the four IRBs: Infrastructure (Enterprise Services and Network Services), Civil Works, Military Missions and Business Tools. The IRBs meet to review investments, determine whether to validate the investments and then to prioritize all validated investments, based on criteria established by the IRB. Prioritization decisions influence funding allocations. Fee-For-Service (FFS) funded investments are subject to a funding ceiling with funding being allocated within each portfolio. Non-FFS funded requirements, once validated, will compete for funding within the appropriate funding forum. Results from the IRBs are then forwarded to the EIRB for consideration, alignment to the USACE Campaign Plan and DCG decision. A DCG decision memo will be published documenting the approved annual USACE IT Portfolio and Budget Authority. Enterprise IT Investments are not within the scope of the RFAT process and proceed to one of the four IRBs and EIRB. The EIRB results are fed to the Army Governance Boards and reported to the Office of Management and Budget (OMB) as depicted in the graphic below:



9. **IRB Framework.** There are four Chartered IRBs: Business Tools, Civil Works, Military Missions and Infrastructure, each Chaired by an IRB Owner(s) who maintains Primary Office of Responsibility (POR) for their Lines of Effort (LOE). Each IRB Owner(s) has an IRB Lead who is responsible to support the IRB Owner and interface with customers, stakeholders and mission partners including, but not limited to, ACE-IT, Governance and Architecture Division (GAD), Portfolio Integration Division (PID) Portfolio Managers and Capital Planning Division (CPD). IRB Owners may adjust their memberships as necessary to meet their mission requirements and obtain adequate representation. At a high-level, each IRB Portfolio includes Programs containing LOEs and Program Elements containing all LOE Enterprise and Regional IT Investments. As the E2E processes mature, IRB Governance, make-up, etc., will evolve and be updated in policy and/or QMS input. The current IRB Portfolio Program’s LOEs are:

- Infrastructure IRB (8): Enterprise IT Operations, Servers and Storage, Network Telecommunications, Capital Lifecycle Management (purchases), End User Services, Information Assurance, Information Management and Comprehensive Enterprise IT Management.
- Civil Works IRB (4): Water Resources, Geospatial Support, Recreation and Engineering and Construction Tools.

31 Oct 14

- Military Programs IRB (6): Military Construction, COCOM Support, Overseas Contingency Operations, Installation Support, Environmental, Energy and Sustainability and Real Estate.

- Business Tools (8): Resource Management, Contracting, Project Management, Disaster Response, Human Resources, Logistics, Legal and Information Management Applications.

The EIRB is chartered and chaired by the USACE DCG and membership includes major HQ Directors and Division and Center Commanders. The EIRB Chair also issues the FFS funding ceiling to the four IRB Owners.

10. Critical Interactions and Engagements. The IRB leads must work closely with their Program Managers and Portfolio Managers to develop defensible business cases and other documentation for their investments. The IT PfM process is analogous to financial portfolio management in that the seeking of value is constantly balanced with risks and costs; however a purely financial aspect is not sufficient. The Portfolio process requires a deep understanding of the investments' programmatic impact, architecture and compliance, to validate, balance, rank and synchronize the investments with the LOE needs and goals and determine funding priorities.

The four Portfolio Managers coordinate and synchronize the investments so that requirements are fully articulated in Business Case Analysis (BCA), Program Charters, IT Investment Funding Data in eCPIC, Compliance Scorecard, etc., The PMs are responsible for preparation of the required investment documentation and for entering it into eCPIC. The Portfolio Managers evaluate, score and develop risk profiles on the investments to ensure USACE strategic alignment, and provide their analysis to the IRB Lead for use by the IRB. The PMs present and defend their investments to the IRB Leads and the IRB members, who evaluate the investments based on their scores, profiles and other factors, and then validate and rank the investments based on acceptable risks, available resources and maximized financial returns for an IRB Owner(s) decision.

11. Policy. The USACE will use the IT CPIM processes, functions and activities set forth in this regulation and the USACE QMS as the official USACE-wide methodology for *pre-selecting, selecting, managing and evaluating* IT investments. Funds will not be obligated or expended, nor released for use for any IT investments until successful completion of appropriate management oversight reviews as required by this and other regulations. This policy applies to IT regardless of funding source to include research and development. This policy and the CPIM business process outlined in this regulation and QMS are mandatory and will be used by IT investment proponents throughout USACE. At all levels, IT investment proposals and the IT investment decisions will be:

- a. Tied to USACE-specific strategic business goals, mission and programs/projects. Linked to strategies that foster and enable e-government (see Office of Management and Budget website at: <http://www.whitehouse.gov/omb/e-gov>) for the effective and efficient delivery of products and services to citizens, partners, stakeholders and customers.

- b. Selected by a disciplined governance process based on business value and risk.

c. Managed and evaluated using cost, schedule and performance measurements that are monitored and reported to the Portfolio Owner and IT Investment Decision Authority to ensure IT investments are meeting project and business goals.

d. Made in accordance with the USACE IT architecture, including the technical standards in order to maximize “IT support capabilities”, along with maximizing interoperability and eliminating duplicate investments.

e. Made to share data/information and create opportunities to unify and/or simplify systems and processes USACE-wide.

f. Registered in the Army Portfolio Management System (APMS) and Electronic Capital Planning and Investment Control (eCPIC) system.

g. Managed in accordance with DoD procedures for Defense Business Systems.

## 12. Responsibilities.

a. The Deputy Commanding General (DCG) will serve as the Chairman of the Executive Investment Review Board (EIRB), and IT Investment Decision Authority. The DCG approves the annual and future years IT Budget.

b. The Director of Corporate Information will:

(1) Serve as Chair of the IT Infrastructure IRB and as the IT Infrastructure Portfolio Owner.

(2) Provide oversight, guidance and direction to the portfolio owners in the implementation and execution of the IT CPIM process.

(3) Provide required status updates to the EIRB.

(4) Serve as the Milestone Decision Authority for all Enterprise IT Investments.

c. The CECI Portfolio Integration Division (PID) will:

(1) Serve as secretariat of the IRBs.

(2) Serve as enterprise IT Portfolio Managers and Program Managers to manage IT portfolios for Civil Works, Business Tools, Military Missions and Infrastructure.

(3) Prepare annual EIRB Portfolio After Action Report (AAR) publication.

(4) Aggregate, analyze and clarify data to be provided to the IRBs.

(5) Coordinate IRB activities with the CECI Capital Planning and Governance and Architecture Divisions.

(6) Facilitate coordination between the IRBs.

(7) Coordinate requirements with field IT Investment Proponents and local IT Chiefs and aggregate, analyze and clarify data to be provided to the IRBs.

d. The CECI Capital Planning Division (CPD) will:

(1) Serve as secretariat of the EIRB.

(2) Prepare the annual OPORD with the schedule for the annual capital planning cycle.

(3) Facilitate monthly updates to the federal IT dashboard for major IT investments.

(4) Prepare the annual OMB Agency Portfolio (previously Exhibit 53).

(5) Manage the USACE IT portfolio tool, eCPIC.

(6) Facilitate the annual OMB PortfolioStat session.

(7) Facilitate and approve investment registration in APMS.

e. The CECI Governance and Architecture Division (GAD) will:

(1) Perform In-Depth Compliance Reviews on all IT investments and report results and recommendations to the IRBs prior to their annual validation of IT requirements.

(2) Perform IT Technical and Business Assessment on all IT investments and report results and recommendations to the IRBs prior to their ranking of investments within each portfolio.

(3) Manage the Corps Enterprise Architecture.

f. The Director of Resource Management will:

(1) Serve as Chair of the Business Tools IRB and Business Tools Portfolio Owner.

(2) Provide affordability level for the Fee-For-Service funding.

(3) Provide guidance to IT investments proponents and portfolio owners regarding equitable charging procedures and appropriate funding for IT investments during all lifecycles.

(4) Oversee the budget execution process and recommend IT ceilings to the DCG.

(5) Ensure IT investment proponent's accountability for IT investments. Provide mechanism for tracking obligations/expenditures against IT authority levels as approved by the DCG.

g. The Director of the Civil Works will serve as Chair of the Civil Works IRB and Civil Works Portfolio Owner.

h. The Director of Military Missions will serve as Chair of the Military Missions IRB and Military Programs Portfolio Owner.

i. The Director of Contracting will serve in partnership with the USACE CIO to achieve efficiencies and economies in USACE-wide IT acquisition strategies.

j. The Investment Review Boards (IRBs) will:

- (1) Review and set portfolio strategic investment priorities.
- (2) Review and validate, as appropriate, IT investment requirements.
- (3) Identify and direct investment integration opportunities within the portfolio.
- (4) Ensure portfolio investments individually and collectively maximize mission and financial returns.
- (5) Evaluate requests and establish a rank ordered list of portfolio investments, with funding level recommendations.
- (6) Brief the IRB budget recommendations to the EIRB.
- (7) Monitor programs within the portfolio to evaluate investment performance
- (8) Re-balance and re-allocate funding across programs within the portfolio, as needed, in the year of execution.

k. The Executive Investment Review Board (EIRB) will:

- (1) Review and consider the IRB Chairs' recommendations.
- (2) Consider strategic adjustments and IT spending priorities.
- (3) Conduct a cross functional review of portfolios to ensure appropriate balance of investments.
- (4) Recommend Enterprise IT Spending Ceiling (Obligation Authority) and the USACE IT Portfolio budget including IT program budgets.
- (5) Re-balance and re-allocate funding across portfolios in the year of execution.

31 Oct 14

l. Portfolio Owners will:

(1) Ensure that IT investments/proposals are submitted in accordance with and follow the CPIM business process.

(2) Ensure that their Program Managers (PgMs) and Project Managers (PMs) manage their investments as required in AR 25-1, Army Information Technology, and this policy.

(3) Ensure that the IT PgMs and IT PMs properly register their IT investment(s) into eCPIC and APMS.

(4) Establish the membership of the IRB assuring an appropriate mix of functional and field representation.

(5) Prepare IRB Charter and update the Charter as necessary.

m. The Investment Review Board Coordination Team (ICT) will:

(1) Coordinating issues between IRBs

(2) The ICT will make cross portfolio recommendations to the portfolio owners and the EIRB.

(3) The ICT will attempt to adjudicate any disagreements between the portfolio owners or will raise the issue with the EIRB for final resolution

n. USACE Division, District and Center Commanders and FOA Directors will:

(1) Conduct an annual IT investment review to determine what investments meet mission needs and are approved to go forward for review by the IRBs.

(2) Implement the IT CPIM process described in this regulation applicable to, and appropriate with, their delegated authority to pre-select, select, manage and evaluate the IT investments in their IT Investment Portfolios.

(3) Be responsible for providing direction to ensure IT investments produce meaningful improvements in cost, quality, timeliness of service and mission accomplishment.

(4) Provide feedback on corporate, command-wide, standard information systems to the CIO and the appropriate Portfolio Owners.

o. PgMs, PMs, IT Chiefs and Chiefs of Information Management will:

(1) Enter their IT investment information into the USACE IT investment portfolio system (eCPIC).



- (2) Provide documentation required for their investment as described in Appendix D.
- (3) Ensure IT investments are managed for strategic alignment, performance, environmental impact, risk, cost, redundancy and gaps.
- (4) Register all USACE IT, including computing infrastructure, hardware, software, services, initiatives, prototypes and investments, regardless of funding source or amount, in APMS.
- (5) Comply with required data calls and maintain accurate and current system records.
- (6) Prepare documentation, justification and OMB Business Case for major IT investments for submission with the IT budget in accordance with annual OMB Guidance.
- (7) Populate and keep the IT architecture reference models current.
- (8) Ensure all required Business Capability Lifecycle (BCL) and Department of Defense Architecture Framework (DoDAF) views are developed according to USACE policy.
- (9) Streamline and reengineer business processes before submitting IT investments or modernization proposals to support the business processes.
- (10) Submit all defense business systems with a total cost in excess of \$1 million (over the five year period of the current future year defense program) for review by the appropriate Investment Review Board and certification approval by the Defense Business System Management Committee (DBSMC) before obligating funds.
- (11) Submit business cases and funding requests with detailed line item costs to meet annual suspense for IRB review.

p. The Director U.S. Army Engineer Research and Development Center (ERDC) will:

Conduct an annual IT investment review which will identify and report scope, budget, and schedule information for any Research & Development or pilot projects within their domain which may be transferred to the production network and/or managed within one of the USACE IT Portfolios.

q. The Director USACE Institute for Water Resources (IWR) will:

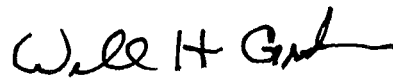
Conduct an annual IT investment review which will identify and report scope, budget and schedule information for any pilot projects within their domain which may be transferred to the production network and/or managed within one of the USACE IT Portfolios.

r. The Director of the Army Geo-Spatial Center (AGC) will:

Conduct an annual IT investment review which will identify and report scope, budget and schedule information for any pilot projects within their domain which may be transferred to the production network and/or managed within one of the USACE IT Portfolios.

13. Implementation. HQUSACE and all USACE Major Subordinate Commands will immediately implement the policy, guidance and CPIM process prescribed in this regulation.

FOR THE COMMANDER:



WILLIAM. H. GRAHAM  
COL, EN  
Chief of Staff

4 Appendices  
Appendix A – References  
Appendix B – Glossary of Terms  
Appendix C - USACE IT Portfolio  
Funding Sources  
Appendix D – Life Cycle Management of  
Information Systems

## APPENDIX A

### References

The references cited contain policy and guidance directly related to the functions, roles and responsibilities inherent with the IT Capital Planning and Investment Management process.

#### *Federal Regulations, Laws, Guidance*

National Defense Authorization Act for FY2001, Title X, Subtitle G, 44 U.S.C. 3531, et. seq., PL 106-398, OCT 30, 2000

National Defense Authorization Act for FY2012 Title IX, Subtitle A, 10 U.S.C. section 2222 Public Law 112-81, Dec 31, 2011

E-Government Act, 2002 PL 107-34, Dec 17, 2002

National Information Infrastructure Protection Act, 18 U.S.C. 1030

Government Performance and Results Act of 1993, 31 U.S.C. 1101, et. seq.

Government Paperwork Elimination Act, 44 U.S.C. 3504, et. Seq.

Privacy Act, 5 U.S.C. 552a, as amended

Executive Order 13011, 16 Jul 96, "Federal Information Technology"

OMB Circular A-11, Preparation and Submission of Budget Estimates

OMB Circular A-123, Management Accountability and Management

OMB Circular A-127, Financial Management Systems

OMB Circular A-130, Management of Federal Information Resources

OMB Memorandum M-97-02, Funding Information Systems Investments

OMB Memorandum M-00-07, Incorporating and Funding Security in Information System Investments

OMB Memorandum M-13-09, Implementing PortfolioStat

Federal CIO Council, Architecture Alignment & Assessment Guide

Federal CIO Council, Federal Enterprise Architecture Framework (FEAF), Version 1.1

ER 25-1-106

31 Oct 14

Federal CIO Council, A Practical Guide to Federal Enterprise Architecture

Federal Information Security Management Act (FISMA) of 2002

*Department of Defense Regulations and Guidance*

DoD Instruction 5000.2, "Operation of the Defense Acquisition System 11/25/2013

DOD Instruction 8510.01, Risk Management Framework (RMF) for DoD IT 3/12/2014

DoD Instruction 8115.02 Information Technology Portfolio Management Implementation,

DoD 5400.11-R, Department of Defense Privacy Program

Memorandum Defense Business System Investment Management Process Guidance 8 April 2013

*Department of the Army Regulations and Guidance*

AR 11-18, Cost and Economic Analysis Program

AR 25-1, Army Information Technology

AR 25-2, Information Assurance

AR 70-1, Army Acquisition Policy

AR 71-9, Materiel Requirements

AR 340-21, The Army Privacy Program

DA Pamphlet 25-1-1, Information Management - Army Information Technology Implementation Instructions

Department of the Army, Economic Analysis Manual, U.S. Army Cost and Economic Analysis Center

Department of the Army, Cost Analysis Manual

*USACE Regulations and Guidance*

ER 5-1-11, USACE Business Process

ER 37-1-31, Planning, Programming, Budgeting and Executing Operations

## APPENDIX B

## Glossary of Terms

**Alignment.** The degree of relational agreement, conformance and consistency between organization's mission, vision, values and goals with its policies, guidance, structures, processes and systems, competencies and individual behaviors.

**Automated Information System (AIS).** Term used in USACE to refer to IT investments. The term is also used to specifically mean software developed in USACE such as CEFMS.

**Army Portfolio Management System (APMS).** System used to facilitate collection and analysis of information necessary to prioritize the thousands of IT investments within its portfolio.

**Benefit.** A term used to indicate an advantage, profit or gain attained by an individual or organization. Tangible benefits can be explicitly quantified. Such benefits may include reducing costs, increasing productivity, decreasing cycle time or improving quality.

**Business Case.** A document, generally having a structured format, which articulates an initiative, action or change requiring the allocation of resources and a management decision. A business case typically includes a statement about why the initiative, action or change is required; assumptions, constraints and risks; economic analysis on alternatives; return-on-investment (benefits and costs); and a recommendation. USACE business cases are validated using the Defense Acquisition Guidebook.

**Business Process.** A systematic, disciplined and consistent means by which people perform work to produce products or achieve results/outcomes or deliver services. Business processes usually have policy and guidance associated with them and, characteristically, have sub-processes, procedures, activities, events and tasks. Business processes have inputs, outputs and mechanisms to ensure efficiency, effectiveness, quality and customer satisfaction. Time-to-Delivery is generally one measure of business process performance. Business processes are documented in the Quality Management System.

**Capability Requirement.** *See* Requirement.

**Chief Acquisition Officer (CAO).** Executive HQUSACE level position that is responsible for executing and achieving efficiencies and economies in USACE-wide acquisition strategies. The Director of Contracting is the CAO.

**Chief Financial Officer (CFO).** Executive HQUSACE level position that is responsible for facilitating the coordination of budget forums, e.g., Plant Replacement and Improvement Program, Fee For Service (FFS), Executive Direction and Management, to determine the affordability of investments. The Director of Resource Management is the USACE CFO.

**Chief Information Officer (CIO).** Executive HQUSACE level position responsible for executing the IT Capital Planning and Investment Management Process within HQUSACE and for

31 Oct 14

ensuring that the Process is being executed within USACE Regions. The Director is the Corporate Information is the USACE CIO.

Chief Operating Officer (COO). Term used by OMB M-12-10 subject: Implementing PortfolioStat, dated March 30, 2012, which directs Agency Chief Operating Officers (COO), on an annual basis to lead an agency-wide IT portfolio review within their respective organization. The Deputy Commanding General is the COO.

Compliance Review. Review architecture artifacts to include DoDAF artifacts, Business Enterprise Architecture (BEA) and Business Process Reengineering for individual investments and portfolios for completeness and compliance with both the BEA and Corps Enterprise Architecture (CeA).

Corps Enterprise Architecture (CeA). The United States Army Corps of Engineers Corps Enterprise Architecture (CeA) is a management tool to enhance communications between business leaders and Information Technology (IT) experts to ensure IT is effectively used to achieve current and future business needs. The CeA collects, shares and manages information relative to current (Baseline architecture) and future (Target architecture) business functions, business and IT performance metrics, information and data, applications, technology and security. The purpose of the CeA is to facilitate exchanging ideas, functional requirements and technical solutions between business owners/managers, strategic planners, Automated Information System (AIS) developers and Chief of Information Officer (CIO) staff.

Defense Business System (DBS) An information system other than a national security system operated by, for, or on behalf of the DOD. Includes financial systems, mixed systems, financial data feeder systems and information technology and information assurance infrastructure used to support business activities, such as acquisition, financial management, logistics, strategic planning and budgeting, installations and environment and human resource management.

Defense Business System Management Committee (DBSMC) Section 332 of the FY 2005 NDAA established the Defense Business Systems Management Committee (DBSMC) and the Investment Review process to provide investment management oversight and control for the acquisition, modernization and sustainment of DBS.

Development, Modernization and Enhancements (DME). The costs for new IT investments and any changes or modifications to existing IT investments to improve capability or performance, or to implement changes mandated by Congress or agency leadership, (i.e., Department of Defense, Department of Army, Headquarters USACE), labor costs for project management and direct support. Improved capability or performance achieved as a by-product of the replacement of broken IT equipment to continue an operation at the current service levels is not categorized as DME.

DOD Instruction Risk Management Framework (RMF) for DoD IT. The standard DoD management process for identifying information security requirements, providing security solutions and managing information system security activities.

eCPIC Electronic Capital Planning and Investment Control. An information system used by many federal agencies to support the Capital Planning process and for upward reporting to OMB. It is replacing the Information Technology Investment Portfolio System (ITIPS).

Enterprise Architecture (EA). A strategic tool that defines the business, information, applications (information systems) and information technologies necessary to support the mission, programs and projects of the organization. The EA identifies the current "state" (AS-IS) as well as the "objective, end-state" (TO-BE) and serves as a "blueprint" for implementing changes to the business, information, applications and information technology needs of the organization. The EA is a "tool" used in the architecture alignment and assessment management process and is a critical component in the IT capital planning and investment management process for selecting, managing and evaluating IT investments. USACE EA can be found at <http://www.publications.usace.army.mil/USACEPublications/EngineerRegulations/tabid/16441/u43546q/45522032352D312D313036/Default.aspx>.

Enterprise Architecture Framework (EAF). A graphical representation that documents the linkages between an organization's business (mission and processes), information requirements, information system (applications) and information technology infrastructure (IA assets and technical standards).

Executive Investment Review Board. The EIRB is comprised of Division and Center Commanders and major HQ USACE directors. This senior level committee reviews and recommends to the DCG, a prioritized list of validated IT investments and the USACE IT Portfolio budget including IT program budgets.

Federal Enterprise Architecture. Is a business-based framework for government-wide improvement. It describes the relationship between business functions and the technologies and information that support them. The FEA is being constructed through a collection of interrelated "reference models" designed to facilitate cross-agency analysis and the identification of duplicative investments, gaps and opportunities for collaboration within and across federal agencies.

Fee-For-Service (FFS). Fee-For-Service is a funding mechanism used for enterprise level systems. The revolving fund is used to pay for the Operations and Maintenance of the systems. Funds are collected from directly appropriated USACE Projects. Internal USACE activities are charged for the use of the systems in accordance with a billing algorithm set forth and documented in the Command Consolidated Guidance (CCG). The billing algorithms are selected to reflect the users of the system and may include charges by individual users, a set charge to each activity, number of transactions or other equitable methods. The billing algorithm for each investment is published in the CCG.

Functional Proponent. Commander or chief of an organization or staff element that is the operative agency charged with the accomplishment of a particular function(s).

Information System. The organized collection, processing, transmission and dissemination of information in accordance with defined procedures, whether automated or not.

31 Oct 14

Information Technology. Any equipment or interconnected system or subsystem of equipment, that is used in the acquisition, storage, manipulation, management, movement, display, switching, interchange, transmission or reception of data or information. For the purpose of the preceding sentence, equipment is used by the government or by a contractor under a contract with the government, which (1) requires the use of such equipment or (2), requires the use, to a significant extent, of such equipment in the performance of a service or the furnishing of a product. IT includes the computers, ancillary equipment, software, firmware and similar procedures, services (including support services) and related resources used by an organization to accomplish a function . See, 40 U.S.C. 11101(6).

Information Technology (IT) Investment. Refers to the expenditure of IT resources to address mission delivery and management support. An IT investment may include a project or projects for the development, modernization, enhancement or maintenance of a single IT asset or group of IT assets with related functionality and the subsequent operation of those assets in a production environment. All IT investments should have a defined life cycle with start and end dates, with the end date representing the end of the currently estimated useful life of the investment, consistent with the investment's most current alternatives analysis, if applicable. A portfolio contains programs and programs contain projects.

Information Technology Investment Portfolio System (ITIPS). Old tool used to collect information on IT investments to support the USACE IT Capital Planning process. ITIPS is to be replaced by Electronic Capital Planning and Investment Control (eCPIC) during 2014.

Information Technology Investment Proponent. A general term including program and project managers and the person or office which has the business need for the system.

Information Technology Chief. A management level position in the Headquarters and each Division, District, Center and FOA responsible for executing the IT Capital Planning and Investment Management Process within a district or division.

Investment. An asset, initiative, program or project as well as service and support service for which the organization is allocating or will allocate resources, in particular, funds. Also, the "decision" by the organization to expend resources or the actual expenditure of resources on selected information technologies or IT-related initiatives for which there is an expectation that the benefits from the expenditure exceed the value of the resources expended

Investment Decision Authority. The organization's commander or designated senior management official having the authority to approve the proposed IT investment and/or aggregation of IT investments as having value/benefit to the organization, i.e., approve the authority levels recommended via the CPIM Process. The investment Decision Authority is the DCG.

IT Investment Portfolio. The aggregation of the organization's IT assets, initiatives, programs, projects, automated information systems and services/support services requirements, whether planned, installed or operational. USACE has four IT Portfolios. They are Business Tools, IT Infrastructure, Military Programs and Civil Works.



**Investment Review Board.** Working level committee that evaluates IT investments and provides IT Budget recommendations, including authority levels, to the Executive Investment Review Board, re-allocates funding among programs within the year of execution, and approves IT Requirements.

**Investment Review Board Coordination Team.** The ICT will attempt to adjudicate any disagreements between the portfolio owners or will raise the issue with the EIRB for final resolution as well as make cross portfolio recommendations to the portfolio owners and the EIRB.

**Investment Sponsor or Functional/Business Sponsor.** The name of the agency official who is responsible for the program or function supported or implemented by the investment (44 U.S.C. 3501 (a) (4)). The sponsor is responsible for expressing the value of, ensuring successful implementation of, and providing accurate and timely data for the IT investment to the agency CIO and OMB.

**Major IT Investment.** IT investment requiring special management attention because of its importance to the mission or function to the government, significant program or policy implications, high executive visibility, high development, operating, or maintenance costs, unusual funding mechanism, or definition as major by the agency's capital planning and investment control process. The USACE major IT investments include items with funding greater than \$1M for the current year, investments that support the USACE core mission functions, investments defined as significant/major by CECI or the Portfolio Owners, and investments that support the USACE infrastructure.

**Milestone.** A point-in-time or event that an expected deliverable or activity is scheduled to be started, completed or is in the process of being completed. A milestone is typically used to measure progress and to hold an individual, team, or organization accountable for success or failure.

**Operational Analysis.** Management oversight actions of investments in steady state. It involves the collection of information concerning an IT investment's performance and the comparison of this performance with an established baseline. An investment's performance measures should include how well the investment supports customers and stakeholders and how well the investment is managed by the agency. The outputs of this process are recommendations to agency Project Managers and/or Investment Sponsors as to the investment's continued use, modification, improvement or termination.

**Portfolio.** Rationalized group of Programs and Program Elements managed as a group to achieve strategic objectives.

**Portfolio Management.** The management of selected groupings of IT investments using integrated strategic planning, integrated architectures, performance measures, risk management techniques, transition plans, and portfolio investment strategies. The core activities associated with PFM are binning, criteria development, analysis, selection, control and evaluation.

**Portfolio Manager.** Member of the CECI staff who works to support the portfolio owner and acts as the secretariat for the IRBs.

**Portfolio Owner.** Chair of the Investment Review Board.

**PortfolioStat.** OMB established accountability sessions, engaging directly with agency leadership to assess the effectiveness of current information technology (IT) management practices and address opportunities to improve management of IT resources.

**Program.** A group of related Program Elements that are managed in a coordinated way to obtain benefits not available from managing them individually.

**Program Element.** The IT investments (projects, subprogram, program activities, AIS, Licenses, etc.) that comprise a program.

**Program Manager (PgM).** An individual appointed in writing by the Investment Sponsor who is responsible for providing oversight to Project Managers for related IT investments.

**Project Manager (PM).** The individual appointed in writing by the Investment Sponsor who is responsible for the delivery of agreed upon deliverables to the IT Investment Sponsor. A manager responsible for the resources provided and for the execution of the approved project management plan with cost, schedule and performance goals.

**Requirement.** A capability required to meet an organization's roles, functions and missions in current or future operations. To the greatest extent possible, capability requirements are described in relation to tasks, standards and conditions in accordance with the Universal Joint Task List or equivalent DoD Component Task List. If a capability requirement is not satisfied by a capability solution, there is also an associated capability gap which carries a certain amount of risk until eliminated. A requirement is considered to be 'draft' or 'proposed' until validated by the appropriate authority. A requirement is documented in a business case.

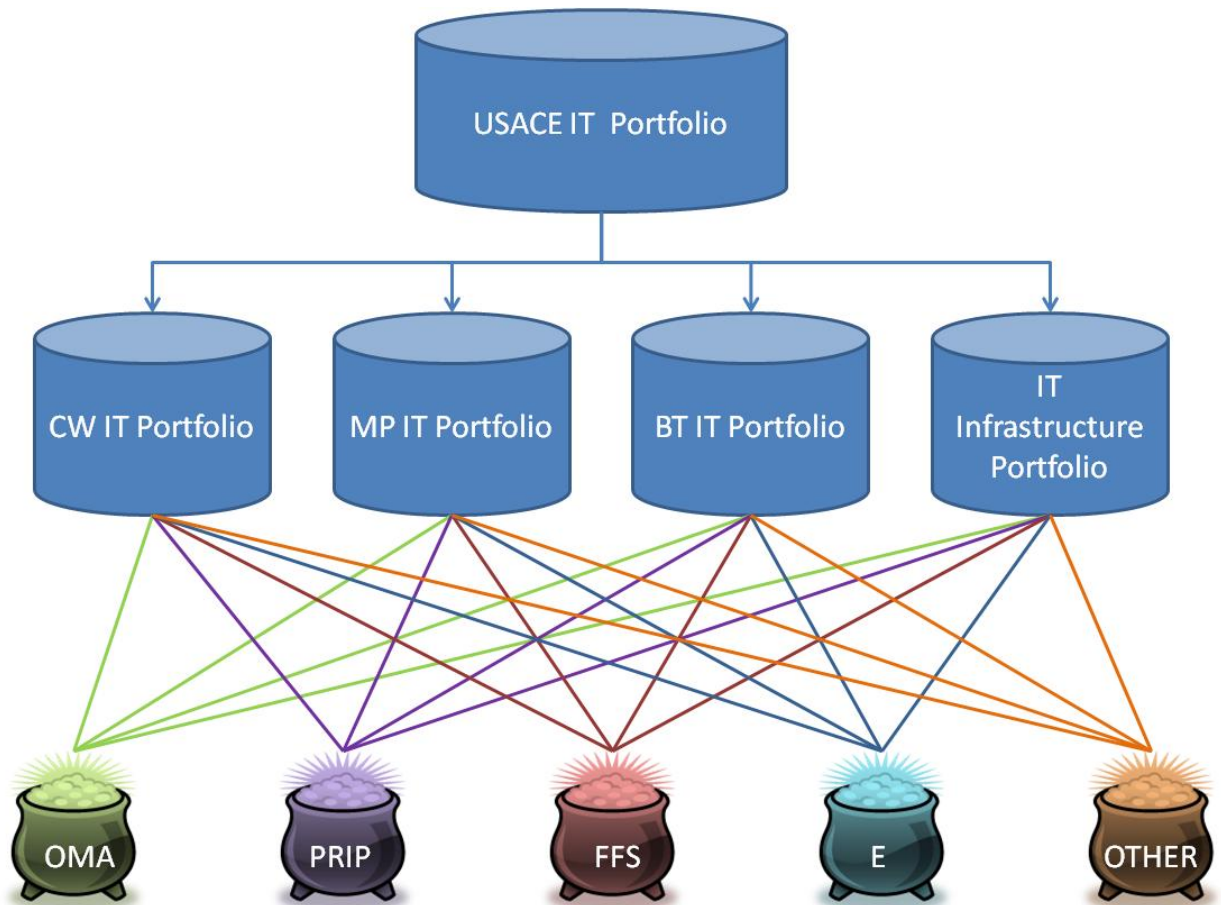
**Requirements Validation.** *See* Business Case.

**Risk.** A measure of future uncertainties in achieving program performance goals and objectives within defined cost, schedule and performance constraints that address the potential variation in the planned approach and its expected outcome.

## APPENDIX C

### USACE IT Portfolio Funding Sources

The USACE IT Portfolio must include all USACE IT investments. USACE uses a structured approach to build up from the bottom the total set of IT investments. Figure 1 describes the high level USACE Portfolio Structure and funding sources.



**Figure 1 USACE IT Portfolio Funding Sources**

Each Portfolio is composed of Programs. Each Program is composed of Program Elements. All IT investments must be associated with an IRB validated IT requirement before it can be resourced. This structured approach is necessary to assure consistent upward reporting to Army, DoD and OMB which is used to obtain required certifications to allow funds to be expended on IT investments.

THIS PAGE INTENTIONALLY LEFT BLANK

## Appendix D

### Business Capability Lifecycle of Information Systems

The following documents are required for IT investments at various stages of the life cycle.

Business Case

Data Management Plan

Risk Management Framework (RMF) and/or Certificate of Networthiness (CON)

Investment Summary Sheet

Privacy Impact Assessment

Problem Statement

Project Charter

Project Management Plan

Records Management Plan

Risk Management Plan

System Description

System Diagram

Data Dictionary

Logical Data Model

System Interface Description

Technical Description

Interface Description

THIS PAGE INTENTIONALLY LEFT BLANK