

Indian Health Service Capital Planning & Investment Control

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Agenda

- **CPIC Team Introductions**
- **Presentation** [30 min.]
- **Hands-On Demo** [45 min.]
- **Q & A** [15 min.]



Capital Planning & Investment Control

IT Governance

THE AIM OF THIS PRESENTATION IS TO SHARE AND FACILITATE THE SHARING OF HELPFUL INFORMATION.

Clinger-Cohen Act of 1996 (CCA)

- In February 1996, Congress enacted the Clinger-Cohen Act (CCA) to **reform** and **improve** the way Federal agencies acquire and manage IT resources.
- CCA mandates that all government agencies establish a Capital Planning and Investment Control (CPIC) process that requires the HHS to treat IT expenditures as capital investments.



Federal Information Technology Acquisition Reform Act (FITARA), 2014

The Federal Information Technology Acquisition Reform Act (FITARA), passed by Congress in December 2014, is a historic law that represents the first major overhaul of Federal Information Technology (IT) in almost 20 years.

IN GENERAL— “An agency may not enter into a contract or other agreement for information technology or information technology services, unless the contract or other agreement has been reviewed and approved by the Chief Information Officer (CIO) of the agency.”



Capital Planning and Investment Control (CPIC)

As defined by the Office of Management & Budget (OMB) Circular A-11:

“Capital planning and investment control is a *decision-making process for ensuring IT investments integrate strategic planning, budgeting, procurement, and the management of IT* in support of the agency’s mission and business needs.”

Purpose

- Establishes the CIO and IT management controls that will meet FITARA requirements while providing the **flexibility** in adapting to the agency’s processes and unique mission requirements.



Capital Planning and Investment Control (CPIC)

WHAT

An integrated management process for the continuous selection, control, and evaluation of IT investments over their lifecycles.

WHY

To achieve the best balance of IT investments, at the lowest cost, with the least risk, while ensuring that the mission and business goals are met.

HOW

- Aligns to the Enterprise Performance Life Cycle Framework.
- Supports adherence to stage gate decisions and IT Governance.
- Adheres to department (HHS) level governance requirements.
- Supports project selection, planning, execution, and time reporting.
- Enables financial planning and execution tracking.
- Provides notifications and supportive process guidance.
- Works continuously to identify and close process gaps.



Technology Business Management Taxonomy 4.0

- The TBM Taxonomy is a value-management framework that aligns IT, Finance, Budget, and Operations to promote transparency in the breakdown of costs, technology, IT resources, and solutions.
- CPIC oversees compliance with the IHS investment portfolio reporting requirements and the annual budget submissions, including reporting budget formulation information required by the TBM Taxonomy.

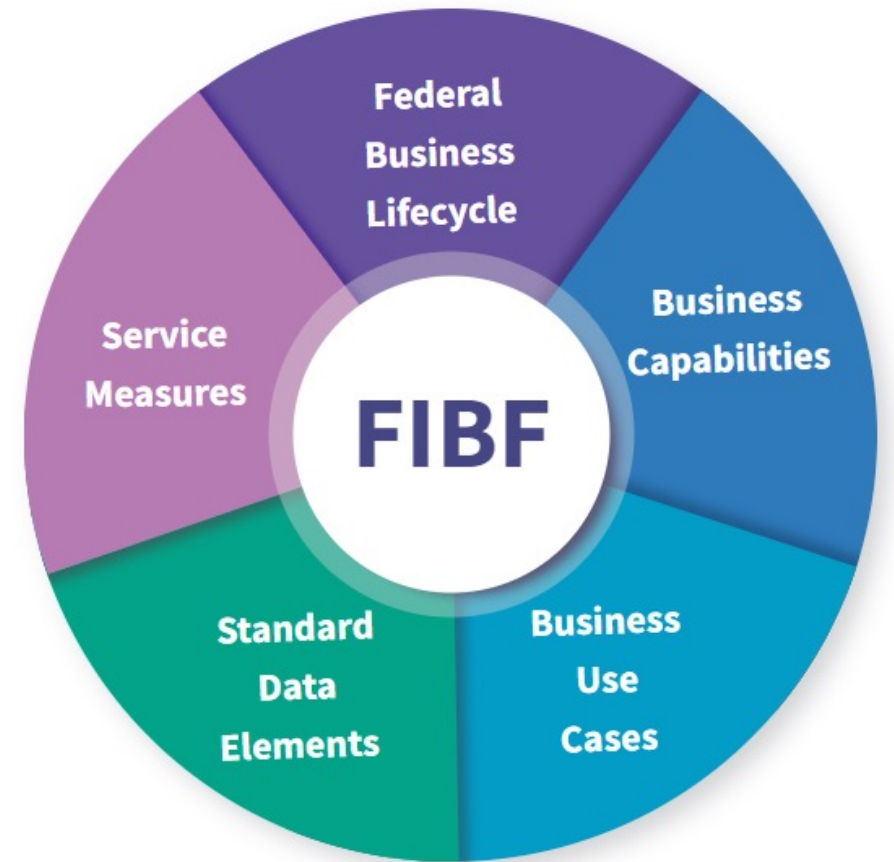


Federal Integrated Business Framework (FIBF)

- As of **April 2023**, the Office of Management and Budget (OMB) moves towards a new process.
- FIBF enables better coordination and documentation of business needs to focus on outcomes, data, processes, and performance.
- Standards that drive economies of scale and leverages federal buying power.

NOW, AGENCIES MUST—

- Submit IT investment budget data to OMB using the Technology Business Management 4.0 Taxonomy.
- Analyze their IT budget request and IT spending.



Operating Division Chief Information Officer (CIO) Delegation of Authority, February 1, 2017- IHM

Governance

- The Operating Division CIO must ensure that all entrusted decision-makers for contracts and agreements adhere to the approved Operating Division **governance requirements and policies.**
- The Operating Division CIO shall **maintain an information technology governance structure** to ensure that information technology is **well managed through select, control, and evaluate processes** and shall seek the HHS CIO approval for changes to the Operating Division IT Governance plan.
- The Operating Division decision-maker, prior to materially altering the IT budget, acquisition strategy, and investment lifecycle, must notify and ensure that the HHS CIO and Operating Division CIO meet FITARA **requirements to be a "full participant" in the governance process.**



Linking Category Management with CPIC and FITARA

- In 2017, OIT introduced the new IHS IT Agency Procurement Request (APR) form and the Approved Equipment List (AEL) SharePoint site to optimize IT spending and comply with FITARA regulations.
- **Category management** is an approach to leverage the **economy scale purchasing power to lower IT costs**, eliminate redundancies, increase efficiency, and **deliver more value and savings** from the government's acquisition programs.
- **FITARA** and the OMB's category management initiative directs agencies to **buy and manage common IT commodities**, such as commercial software, in a more coordinated way.

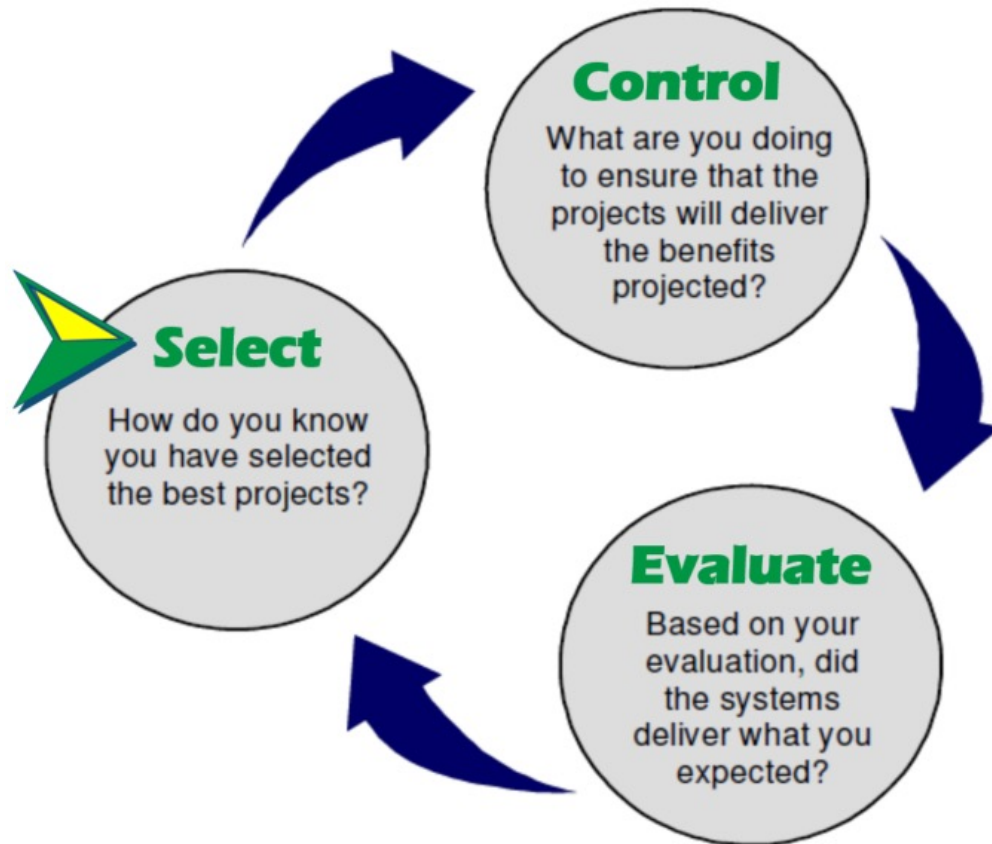


IT Budget – Capital Planning Data Value

- The Agency IT Portfolio Summary data forms the bedrock of communication within the Agency and OMB on Agency-wide IT initiatives, priorities, and resource allocation.
- This data enables the Agency to manage their portfolios, identify opportunities for reducing cost duplication, and optimize operational.



Phases of the CPIC Process



Select

Has the agency selected the best project?

Control

Will the project deliver the benefits projected?

Evaluate

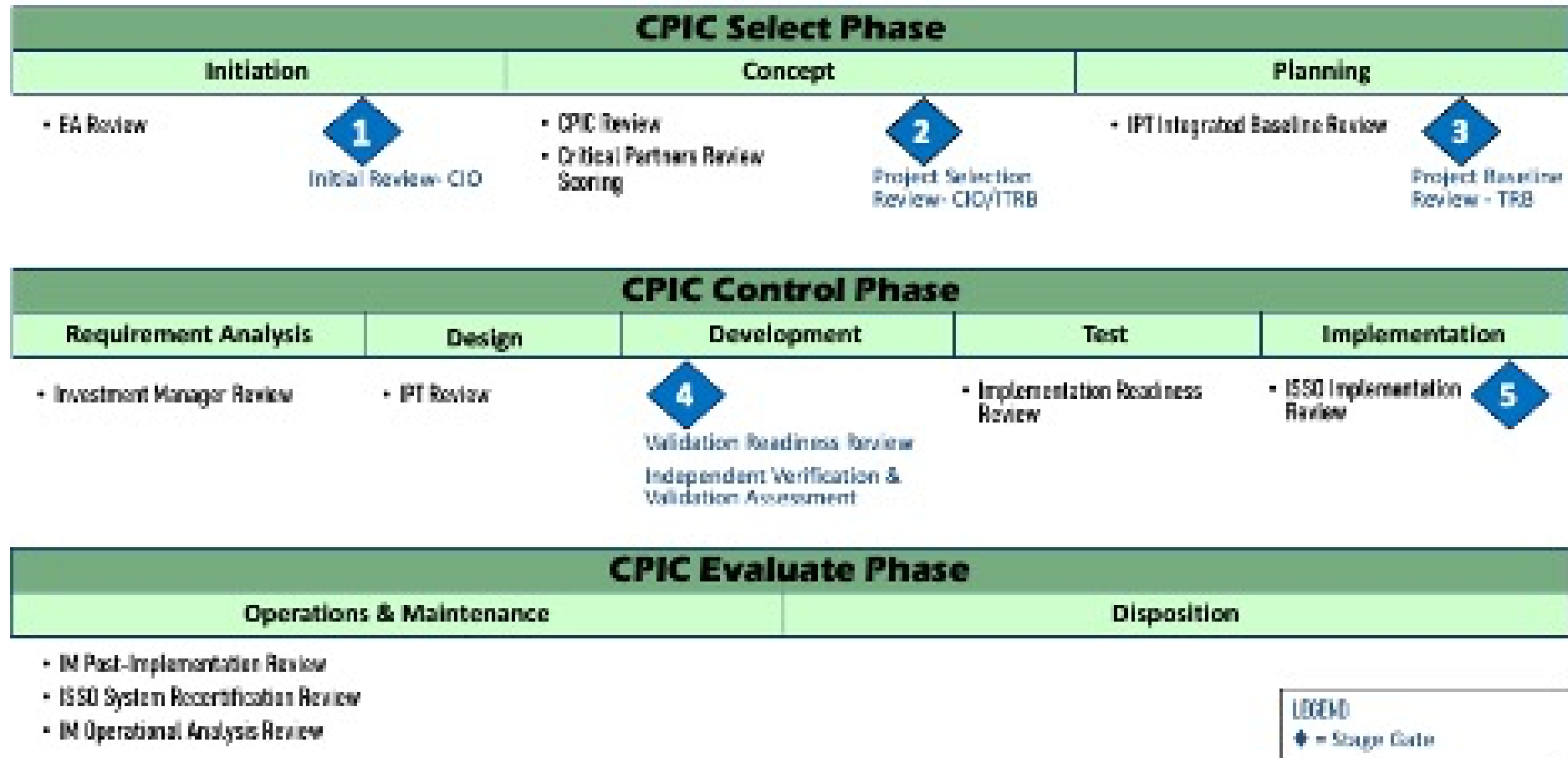
Did the project meet the expectations?

Stage-Gates

- CPIC is responsible for coordinating and monitoring stage gate reviews, and ensuring they are conducted at the threshold of every EPLC phase.
- EPLC identifies 10 possible stage gates, the adoption of which are tailored according to the project.
- PMs will be responsible for achieving project activity deadlines in alignment with the stage gate schedule.
- Formal EPLC stage gate reviews occur at each phase of the development lifecycle and periodically throughout O&M activities.



EPLC Integration into CPIC Process



What is a Business Needs Statement (BNS) and a Business Case (BC)?

BUSINESS NEEDS STATEMENT	BUSINESS CASE
<p>A written request to the IHS CIO for approval to expend IT funds to create a business case that justifies the development of an IT system. It is the first step in initiating a project!</p> <ul style="list-style-type: none">• Explanation of the business need.• The business sponsor's expectations.• Brief description of the proposed project's purpose, goals, and scope.• Description of whether it is <i>new work</i> or improves an existing system.• Dependencies on other processes or systems.• New resources (money, staff, contracts, etc.) requirements.• Estimated costs.• Risks and other issues.	<p>Expands on the BNS by refining costs and identifying specific architecture, security, acquisition, and risk management requirements after the market research of the IT project. It accompanies an Alternative of Analysis (AoA).</p> <ul style="list-style-type: none">• Clarify how the solution will address the need.• Contract Officer Representative certification.• Experienced collaborators.• Proposed spending and funding source details.• Support any federal initiatives.• DME high-level milestones.• O&M high-level milestones.• Performance measures.• Description of alternatives (quantitative/qualitative benefits and costs.)

Completing a Business Needs Statement

- It is the first step in initiating a project—a written request to the IHS CIO for approval to expend IT funds to create a business case that justifies the development of an IT system.
- Provides sufficient information to determine if the project is a maintenance action or development, modernization or enhancement.
- Provides information for the Enterprise Architect to assure that the project likely will conform to the Agency Enterprise Architecture.
- Should not require detailed research nor require a large amount of time to prepare.
- ***The Business Case (BC) will present a more complete, detailed justification.***



CPIC at IHS

Information Technology Investment Review Board (ITIRB)

- Chair: IHS Chief Information Officer (CIO)
- Information Systems Advisory Committee (ISAC), Tribal Co-chair
- Information Systems Advisory Committee (ISAC), IHS Co-chair
- National Indian Health Board (NIHB), Member
- Tribal Self-Governance Advisory Committee, Member
- National Council of Urban Indian Health, Board Member
- National Council of Executive Officers (NCEO), Member
- National Clinical Councils, Member
- Office of Environmental Health, Representative
- CIO (Outside Agency OPDIV)
- Chief Medical Officer (CMO)
- Chief Financial Officer (CFO)
- Office of Public Health (OPH) Director
- Office of Management Support (OMS) Director

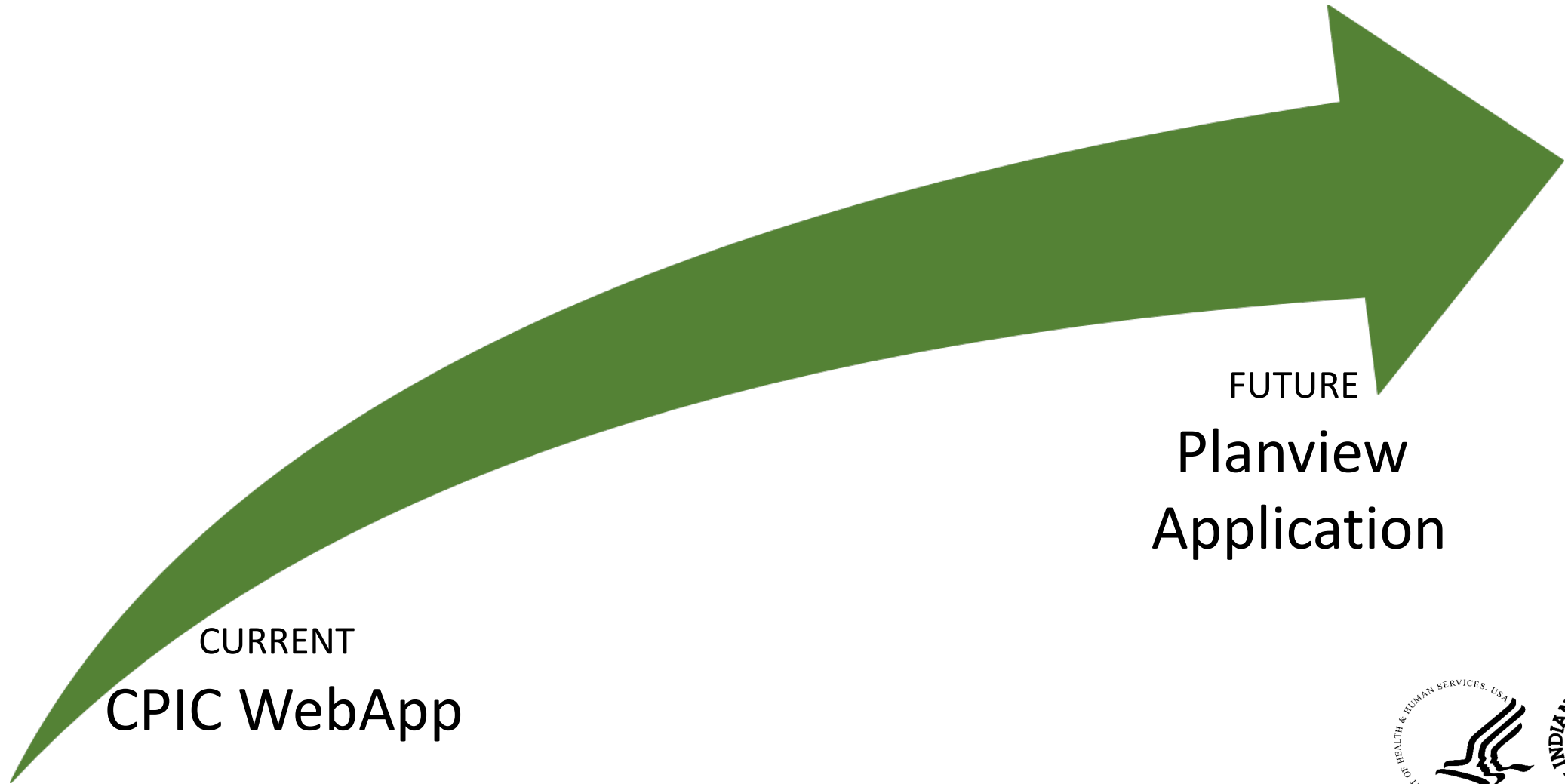


Guiding Principles

- Improve CIO's visibility into IT portfolios and enable FITARA.
- Improve technology planning and budget process integration.
- Improve the Agency's ability to respond to changing conditions— mission, business, and technology.



Future of CPIC



CURRENT
CPIC WebApp

FUTURE
Planview
Application

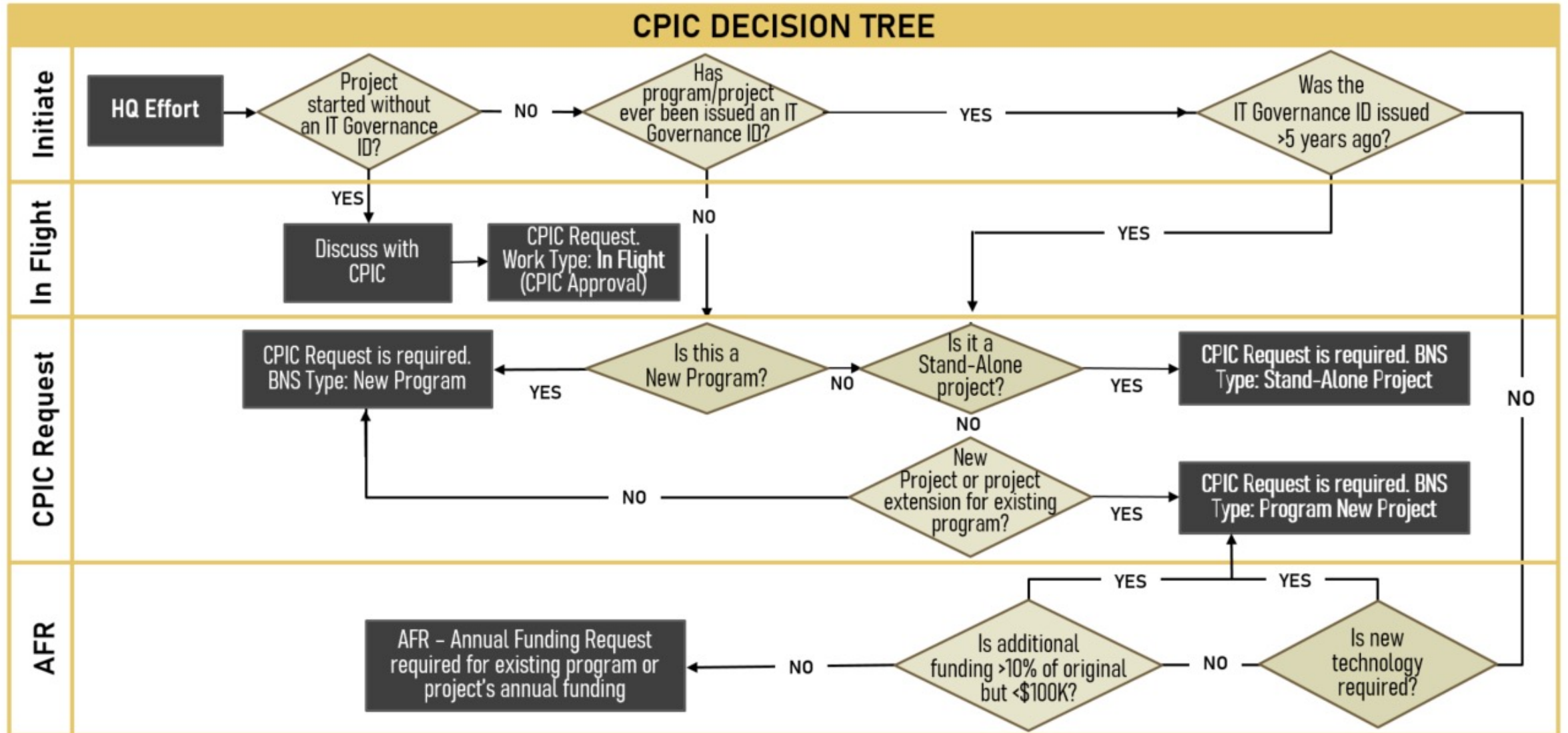


CPIC Process in Planview

- Planview is the enterprise business system implemented to manage all the IHS IT projects and investments, in accordance with approved governance policies.
- The latest enhancements of Planview reflect an improved and streamlined CPIC workflow, in alignment with the EPLC Framework, which balances the benefits, costs, risks, performance, and business priorities.
- Planview encompasses three key components:



The CPIC Process



CPIC Request

PROCESS	New Program	New Stand-Alone Project	New Project under Existing Program
Project is underway and has IT Governance ID >5 years old		✘	✘
Project is underway with IT Governance ID <5 years old; new tech and/or requires funding		✘	✘
Effort is a new Program	✘		
Effort is a new Stand-Alone Project		✘	
Effort is a new Project for an existing Program			✘
Effort is an extension of an existing Project for an existing Program			✘

Questions?

Contact Information

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Indian Health Service



Resources

CPIC Web Page/ihs.gov:

<https://www.ihs.gov/CPIC/>

CPIC Web Application:

<https://home.ihs.gov/cpicwebapp/>

Indian Health Manual, Part 8, Chapter 4 Capital Planning and Investment Control:

https://www.ihs.gov/ihm/index.cfm?module=dsp_ihm_pc_p8c4

HHS EPLC Framework Site:

<https://www.hhs.gov/ocio/eplc/index.html>



