



**Office of the Chief Information Officer
Office of the Assistant Secretary for Resources and Technology
Department of Health and Human Services**

**HHS OCIO Policy for
Information Technology (IT)
Enterprise Performance Life Cycle (EPLC)**

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1. Purpose

This Policy serves as the authority for performing Enterprise Performance Life Cycle (EPLC) requirements, objectives, responsibilities, and standards for managing information technology (IT) projects.

Specifically, this Policy establishes EPLC as an IT Project Management requirement at HHS and incorporates EPLC as a fundamental partner to HHS Capital Planning and Investment Control (CPIC), HHS Enterprise Architecture, and investment portfolio management oversight.

This Policy is first issuance.

2. Background

A key to successful IT management is a solid project management methodology that incorporates best government and commercial practices through a consistent and repeatable process, and provides a standard structure for planning, managing and overseeing IT projects over their entire life cycle. The HHS EPLC provides that methodology for HHS.

EPLC establishes a project management and accountability environment where HHS IT projects achieve consistently successful outcomes that maximize alignment with Department-wide and individual OPDIV goals and objectives. Implementation of the EPLC methodology allows HHS to improve the quality of project planning and execution, reducing overall project risk.

EPLC enables HHS to approach the management of IT projects from an enterprise perspective that facilitates smooth interfaces among HHS IT investments and with HHS partners. These investments and their interfaces must be adequately established through robust enterprise architecture. Adherence to recognized IT standards, as well as to Section 508, security and privacy requirements is essential to this goal. With this enterprise-wide approach to project management, there is an emphasis by the Department on demonstrating measurable results for each of its IT investments and to better justify actions taken as IT projects are being developed.

3. Scope

This Policy applies to all Department Operating Divisions (OPDIVs), Staff Divisions (STAFFDIVs) including the Office of the Secretary and Office of the Inspector General, and organizations conducting business for and on behalf of the Department through contractual relationships. Agency officials shall apply this Policy to all Federal employees, contractor personnel, interns, and other non-government employees. All organizations collecting or maintaining information or using or operating information systems on behalf of the Department are also subject to the stipulations of this Policy. This Department Policy will be implemented as

appropriate in applicable HHS Acquisition Regulation (HHSAR) rules that are promulgated on this subject.

This Policy also applies to all HHS IT Projects throughout their entire lifecycle, regardless of funding source, whether owned and operated by HHS or operated on behalf of HHS. This Policy shall be applied in conjunction with the HHS Enterprise Architecture Policy, the Capital Planning and Investment Control (CPIC) Policy, and, the HHS Earned Value Management Policy.

This Policy does not supersede any other applicable law or higher level agency directive, or existing labor management agreement in effect as of the effective date of this Policy.

OPDIVs/STAFFDIVs shall use this Policy or may create a more restrictive policy, but not one that is less restrictive, less comprehensive or less compliant with this Department Policy.

4. Policy

The HHS EPLC provides a Department-wide standard information technology (IT) project management methodology for ensuring that HHS IT projects achieve consistently successful outcomes. Those outcomes will maximize alignment with business needs and meet approved cost, schedule and performance milestones.

The HHS CIO has established the following HHS EPLC Policy:

4.1 Authorization

HHS shall establish, through the EPLC methodology, a consistent and repeatable process for managing HHS IT projects that encompasses the following:

- A standard approach for planning, managing and governing each IT project over its entire life cycle.
- Ten standard life cycle phases with associated deliverables.
- Exit criteria that define the minimum criteria that must be met before advancing to the next life cycle phase.
- Stage gate reviews, under IT governance jurisdiction, that formally review project progress against exit criteria prior to advancing to the next life cycle phase.

4.2 Objectives

All IT projects shall:

- Use a life cycle approach to project management in order to establish project-level accountability and transparency.
- Follow clearly established requirements to meet cost, schedule, and performance baselines.

- Monitor and react to variances from established baselines to reduce the risk of cost overruns, schedule delays, and scope “creep”.
- Improve production timelines, operational support, and the ability to re-use processes and products across multiple projects.

All Business Owners shall:

- Actively participate throughout the IT project life cycle to ensure the project remains targeted on high priority business needs.
- Improve the competitiveness of their IT projects in the budget process through improved performance management and alignment with the organization mission.

HHS shall:

- Establish a minimum set of core activities and deliverables for all IT projects.
- Provide project templates and tools to assist with project activities.
- Enable the enhancement of CPIC processes for IT investments through close coordination with EPLC processes.

4.3 Life Cycle Phases

HHS shall establish the following standard life cycle phases for projects at HHS:

- **Initiation** - Identify the business need, Rough Order of Magnitude (ROM) cost and schedule, and basic business and technical risks. The outcome of the Initiation Phase is the decision to invest in a full business case analysis and preliminary project management plan.
- **Concept** - Identify the high level business and functional requirements required to develop the full business case analysis and preliminary Project Management Plan for the proposed investment. The outcomes of the Concept Phase are selection to the IT investment portfolio; approval of initial project cost, schedule and performance baselines; and approval and issuance of a Project Charter.
- **Planning** - Complete development of the full Project Management Plan – and refinement of project cost, schedule and performance baselines as necessary. The outcomes of the Planning Phase are complete and adequate project planning and sufficient requirements determination to validate the planning and project baselines.
- **Requirements Analysis** - Develop detailed functional and non-functional requirements and the Work Breakdown Structure (WBS), and award contracts. The outcomes of the Requirements Analysis Phase are Business Owner approval of the requirements and award of required contracts.
- **Design** - Develop the Design Document. The outcomes of the Design Phase are completion of Business Product design and successful completion of Preliminary and Detailed Design Reviews.
- **Development** - Develop code and other deliverables required to build the Business Product and conduct an Independent Verification & Validation (IV&V) Assessment. The outcomes of the Development Phase are completion of all coding and associated documentation; user, operator and maintenance documentation, and test planning.

- **Test** - Thorough testing and audit of the Business Product's design, coding and documentation. The outcomes of the Test Phase are completed acceptance testing, development of the Implementation Plan and readiness for training and implementation.
- **Implementation** - Conduct user and operator training, determine readiness to implement, and execute the Implementation Plan, including any phased implementation. The outcomes of the Implementation Phase are successful establishment of full production capability and completion of the Post-Implementation Review.
- **Operations and Maintenance** – Operate and maintain the production system and conduct annual operational analyses. The outcome of the Operation and Maintenance Phase is the successful operation of the asset against current cost, schedule and performance benchmarks.
- **Disposition** - Retires the asset when operational analysis indicates that it is no longer cost-effective to operate the asset. The outcomes of the Disposition Phase are the deliberate and systematic decommissioning of the Business Product with appropriate consideration of data archiving and security, migration of data or functionality to new assets, and incorporation of lessons learned over the investment life cycle.

All projects shall conduct life cycle project planning and execution based on these EPLC phases, except as tailored (See Section 4.7, Tailoring).

4.4 IT Governance

All OPDIVs shall:

- Establish IT Governance processes that authorize the implementation and operation of the EPLC methodology for project management.
- Designate the appropriate authority level of IT Governance for each project using CPIC governance level guidelines in order to maintain project governance at the current level.

The designated IT Governance organization shall establish authority for each EPLC phase during the initial project approval process.

4.5 Deliverables

All projects shall develop deliverables by phase as identified in the EPLC Framework Overview Document and in accordance with requirements described in the EPLC Practices and Process Guides, except as tailored (See Section 4.7, Tailoring). Use of other EPLC artifacts such as templates and checklists is optional.

The IT governance organization may require/approve additional deliverables as appropriate.

4.6 Stage Gate Reviews

No IT project shall move to the next EPLC phase without satisfactorily producing the deliverables in the current phase and passing the stage gate review, except as tailored (See Section 4.7, Tailoring).

The Project Manager shall:

- Determine/certify that the project has produced all deliverables and met all requirements of the exit criteria in order to move to the next phase.
- Request the IT Governance organization arrange for and conduct the phase stage gate review.

The IT Governance organization shall:

- Conduct stage gate reviews that include formal reviews by the Business Owner, appropriate Critical Partners, and other stakeholders to determine if the project has met the phase exit criteria.
- Based on these reviews, exercise its decision authority to approve moving the project to the next phase, to conditionally approve moving to the next phase, or to discontinue the project.

The IT Governance organization may delegate stage gate reviews to the project manager, with the exception of four that may not be delegated:

- Investment Selection Review at the end of the Concept Phase
- Project Baseline Review at the end of the Planning Phase
- Preliminary Design Review during the Design Phase
- Operational Readiness Review during the Implementation Phase

4.7 Tailoring

The IT Governance organization may approve tailoring of projects as necessary to take into consideration specific circumstances such as project size, risk, or scope of influence.

The project manager shall submit a request for tailoring to the IT Governance organization that includes the justification for the tailoring and identifies the specific elements of the framework to be consolidated or supplemented, including the following:

- Consider options including waiving particular life cycle phases, activities, deliverables or reviews.
- Consider cost, risk, schedule, acquisition strategy, and development methodology in determining the tailoring strategy.
- Recognize that lower risk investments do not need as much documentation to maintain appropriate oversight and control.

Project managers may propose a tailoring plan to be captured in the Project Process Agreement that excludes any of the EPLC requirements, with the exception of the following fundamental elements:

- Identifying the business need.

- Documenting correct, clear and adequate functional and non-functional requirements.
- Following processes that ensure the system operation within the as-is and/or target enterprise architecture.
- Adequate testing of the IT solution.
- Appropriate operations and maintenance documentation.

4.8 Reporting and Monitoring

All project managers shall:

- Report to the IT Governance organization, missed milestones and/or variances in percentage of project cost, schedule, or performance outside HHS Policy for Earned Value Management.
- Develop Corrective Action Plans and/or Baseline Change Requests as appropriate.

IT Governance shall implement appropriate measures to monitor the implementation and operation of EPLC.

4.9 Audit

OPDIVs shall, when delegated responsibility, implement policies and procedures consistent with HHS Policy.

HHS or the OPDIVs/STAFFDIVs shall conduct periodic audits of EPLC activities for projects governed at the next lower organizational level in order to maintain assurance that projects are being managed according to the EPLC methodology.

HHS or the OPDIVs/STAFFDIVs have the right to require project reporting or to conduct investment reviews at any time.

5. Responsibilities

5.1 HHS Chief Information Officer (CIO)

The HHS CIO is responsible for ensuring that this Policy is implemented for all IT investments and projects across the Department.

5.2 HHS Capital Planning and Investment Control Officer

The HHS Capital Planning and Investment Control Officer ensures that the appropriate rigor for EPLC is fully integrated into Department processes, that required EPLC processes are implemented for IT development projects and programs and that the EPLC information is used effectively. The HHS Capital Planning and Investment Control Officer is responsible for requesting and receiving documentation from OPDIVs regarding compliance with this Policy.

The HHS Capital Planning and Investment Control Officer is responsible for Critical Partner reviews and facilitates resolution of issues that arise during the course of the investment.

5.3 OPDIV/STAFFDIV Chief Information Officers (CIOs)

The OPDIV/STAFFDIV CIOs oversee the development, implementation and management of OPDIV/STAFFDIV EPLC policy, procedures, and processes in accordance with HHS Policies and Guidance.

5.4 Business Owner

The Business Owner is responsible for the following:

- Identifying the business needs and performance measures to be satisfied by the project.
- Validating and endorsing the business process models and requirements documentation for their projects.
- Providing funding for the IT project.
- Establishing and approving changes to cost, schedule and performance goals.
- Participating in Stage Gate Reviews.
- Requesting tailoring.
- Validating that the IT project initially meets business requirements and continues to meet business requirements.
- Participating in user acceptance testing to validate system requirements are met.

5.5 Project Manager

The Project Manager is responsible for the following:

- Ensuring that project staff and contractors comply with the requirements of this policy for day-to-day management of the project.
- Ensuring that all appropriate business stakeholders and technical experts are involved throughout the life cycle of an IT project.
- Proactively reporting missed project milestones and variances in percentage of project cost, schedule, and performance outside HHS Policy for Earned Value Management.
- Maintaining information on project status, control, performance, risk, corrective action and outlook.
- Planning and conducting phase activities and verifying that the set of deliverables for the phase is complete.
- Conducting formal Project Reviews at specified points in the life cycle.

5.6 Critical Partners

Critical Partners are functional managers in the areas of: Enterprise Architecture, Security, Acquisition Management, Finance, Budget, Human Resources, Section 508, CPIC, and Performance. The Critical Partners review progress of IT projects at specified Stage Gate

Reviews to ensure that the projects meet their respective requirements and provide recommendations and any issues identified to the IT Governance organization and the Business Owner.

5.7 IT Governance Organization

The IT Governance organization is responsible for ensuring that the investment is technically sound, follows established IT investment management practices, and meets the Business Owner's needs. The IT Governance organization conducts Stage Gate Reviews through Critical Partners and defined stakeholders and decides whether to require additional work to meet exit criteria or to approve advancement to the next phase.

6. Applicable Policies and Guidance

Information Resource Management

OMB Circular A-11, [Preparation, Submission and Execution of the Budget](#)

OMB Circular A-127, [Financial Management Systems](#)

OMB Circular A-130, [Management of Federal Information Resources](#)

[HHS Policy for Section 508 Electronic and Information Technology](#), January 2005

Enterprise Architecture

[HHS-OCIO Policy for Enterprise Architecture](#), August 7, 2008

Capital Planning and Investment Control

[HHS-OCIO Policy for IT Capital Planning and Investment Control](#), December 30, 2005

[HHS-OCIO CPIC Procedures](#), December 30, 2005

Earned Value Management

OMB Memorandum 05-23, [Improving Information Technology \(IT\) Project Planning and Execution](#), August 5, 2005

[HHS-OCIO Policy for IT Earned Value Management](#), December 30, 2005

[HHS-OCIO IT Earned Value Management Processes and Procedures](#), December 30, 2005

Acquisition

[HHS Acquisition Regulation](#), December 20, 2006

Security & Privacy

[HHS-OCIO Information Security Program Policy](#), December 15, 2004

HHS-OCIO Policy for Department-wide Information Security, September 24, 2007

Records Management

[HHS-OCIO Policy for Records Management](#), January 30, 2008

7. Information and Assistance

Please direct questions, comments, suggestions, or requests for further information to the Office of the Chief Information Officer, (202) 690-6162.

8. Effective Date/Implementation

The effective date of this Policy is the date the Policy is approved.

The HHS OPDIVs are responsible for preparing implementing documentation within 120 days of the effective date of this Policy and providing a copy to the HHS CIO.

This Policy will not be implemented in any recognized bargaining unit until the union has been provided notice of the proposed changes and given an opportunity to fully exercise its representational rights.

The HHS policies contained in this issuance shall be exercised in accordance with Public Law 93-638, the Indian Self-Determination and Education Assistance Act, as amended, and the Secretary's policy statement dated August 7, 1997, as amended, titled "Department Policy on Consultation with American Indian/Alaska Native Tribes and Indian Organizations." It is HHS policy to consult with Indian people to the greatest practicable extent and to the extent permitted by law before taking actions that affect these governments and people; to assess the impact of the Department's plans, IT investments and projects, programs and activities on tribal and other available resources; and to remove any procedural impediments to working directly with tribal governments or Indian people.

9. Approved

_____/s/_____
Michael W. Carleton
HHS Chief Information Officer

October 6, 2008
DATE