



UNITED STATES DEPARTMENT OF THE TREASURY
FEDERAL INFORMATION TECHNOLOGY ACQUISITION REFORM ACT (FITARA)
COMMON BASELINE IMPLEMENTATION PLAN

1. TREASURY MISSION AND FITARA PURPOSE	2
1.1. <i>PURPOSE OF THE FITARA COMMON BASELINE IMPLEMENTATION PLAN</i>	2
1.2. <i>INTRODUCTION</i>	2
1.3. <i>DEPARTMENT STRUCTURE</i>	3
1.4. <i>SCOPE</i>	3
2. SENIOR AGENCY OFFICIALS' ROLES AND RESPONSIBILITIES	3
3. CIO ASSIGNMENT PLAN	7
4. GOVERNANCE STRUCTURES	7
5. COMMON BASELINE	9
5.1. <i>BUDGET FORMULATION AND PLANNING</i>	9
5.2. <i>ACQUISITION AND EXECUTION</i>	12
5.3. <i>ORGANIZATION AND WORKFORCE</i>	17
Attachment 1	22

UPDATED: March 18, 2016

1. TREASURY MISSION AND FITARA PURPOSE

Treasury's mission is to maintain a strong economy and create economic and job opportunities by promoting conditions that enable economic growth and stability at home and abroad; strengthen national security by combating threats and protecting the integrity of the financial system; and manage the U.S. government's finances and resources effectively. Treasury is comprised of the Headquarters (Departmental Offices) and bureaus of wide-ranging size, with varying technology needs and complexities.

Throughout its rich history, Treasury's core mission has not changed. Today, with approximately 100,000 employees in its ranks, Treasury remains the steward of the U.S. economy — taking in revenue, meeting financial obligations, and, when appropriate, borrowing and investing public funds. Treasury is a leader in safeguarding and growing the nation's economy.

1.1. PURPOSE OF THE FITARA COMMON BASELINE IMPLEMENTATION PLAN

Information technology is essential to the Treasury Department's success. The Federal IT Acquisition Reform Act (FITARA) was enacted on December 19, 2014, and outlines specific requirements related to Federal IT.

OMB issued the Management and Oversight of Federal IT memoranda (M-15-14) to provide specific guidance on the implementation of this act across the federal sector, including the establishment of a Common Baseline that all agencies must achieve. This document represents the Common Baseline Implementation Plan for the Department of the Treasury. It describes current practices and policies that support the baseline requirements, as well as the necessary new activities that were substantially implemented by December 31, 2015. This plan explains the role and responsibilities, and governance bodies and structures that are at the core of the department's FITARA compliance and that institutionalize the CIO's and other CXOs' direct engagement in:

- Budget Formulation and Planning,
- Acquisition and Execution, and
- Organization and Workforce.

1.2. INTRODUCTION

FITARA provides Treasury leadership the opportunity to document and strengthen practices that are supportive of FITARA and sustainable within Treasury's culture. A guiding principle of FITARA's implementation at Treasury has been to utilize established and proven processes rather than to create redundancies that would be inefficient to maintain and unlikely to last over time. IT is at the core of our operations and IT Acquisition is more than a discrete set of tasks and is not performed in isolation at Treasury. Treasury manages IT across the Department in a collaborative way that leverages coordinated action on commodity technology areas such as finance and budget, procurement, and human capital management, while largely delegating mission specific decision making on IT to the bureaus. This approach allows Treasury to take advantage

of the economies of scale in common areas while leveraging bureau expertise when making specific mission and strategy information technology and information rights management (IT/IRM) decisions.

1.3. DEPARTMENT STRUCTURE

Treasury is organized into the Departmental Offices (DO), seven bureaus, and three inspectors general. The operating bureaus are: Alcohol Tobacco Tax and Trade Bureau (TTB), Bureau of Engraving and Printing (BEP), Bureau of the Fiscal Service (BFS), Financial Crimes Enforcement Network (FinCEN), Internal Revenue Service (IRS), Office of the Comptroller of the Currency (OCC), and the United States Mint.

The Departmental Offices are primarily responsible for policy formulation, while the bureaus are the operating units of the organization. However, a handful of operational functions are housed within DO. They include: Community Development Financial Institution Fund (CDFI), Office of Financial Research (OFR), Office of Foreign Assets Control (OFAC), Office of Intelligence and Analysis (OIA), Office of Technical Assistance (OTA), Small Business Lending Fund (SBLF), State Small Business Credit Initiative (SSBCI), and Treasury Executive Office of Asset Forfeiture (TEOAF).

1.4. SCOPE

Treasury's FITARA Common Baseline Implementation Plan applies to all of the Treasury Department but shall not be construed to interfere with or impede the authorities or independence of the Department's inspectors general or the Office of the Comptroller of the Currency.

2. SENIOR AGENCY OFFICIALS' ROLES AND RESPONSIBILITIES

Treasury has taken a multi-stakeholder approach to FITARA and formed a cross-disciplinary team to oversee its planning and implementation, including senior executives from Information Technology, Acquisitions, Human Resources, and Budget—under the leadership of the Assistant Secretary for Management. This team ensures that the right decision makers have visibility and accountability in IT Acquisitions. The leadership team includes the following:

2.1. DEPUTY SECRETARY

The Treasury Deputy Secretary is responsible for a broad range of substantive and organizational issues, including serving as Chief Operating Officer of the department. The Deputy Secretary also focuses on the macroeconomic impact of student loan borrowing and cyber security, as well as drivers that bolster and sustain U.S. and global economic growth and recovery.

2.2. ASSISTANT SECRETARY FOR MANAGEMENT (ASM)

The Treasury ASM is the principal advisor to the Secretary and Deputy Secretary for the financial, budgetary, and management matters of the Treasury Department. The ASM also serves as the department's Performance Improvement Officer (PIO) and Chief Acquisition Officer (CAO).

2.3. DEPUTY ASSISTANT SECRETARY FOR INFORMATION SYSTEMS (DAS-IS) AND CHIEF INFORMATION OFFICER (CIO)

The Treasury DAS-IS and CIO (here after referred to as CIO) manages the Department's Information Technology portfolio as well as the governance structure the Department has in place, working with the bureaus, to ensure sound IT decision-making and delivery. The Treasury DAS-IS and CIO is accountable for meeting the IT/IRM needs of the Departmental Offices, and actively oversees Bureau IT/IRM activities, with special attention to advancing enterprise-wide objectives. Responsibility for IT/IRM management is shared among the Treasury DAS-IS and CIO and Bureau-level CIOs, who focus on the unique mission and needs of their individual organizations. Accountability ultimately rests at the Department level. Since the Treasury mission is broad and its IT portfolio complex, Treasury's governance and oversight model allows for robust governance practices and collaborative mechanisms to facilitate the Treasury CIO's significant involvement in technology-related budget, acquisition, and workforce matters.

2.4. COMPONENT LEVEL CIO

The component (bureau and office) CIOs report to their respective management structures within their individual organizations.

2.5. CHIEF ACQUISITION OFFICER (CAO)

The Treasury CAO is accountable for the overall program management and acquisition investments of IT acquisitions. The CAO is further accountable for the development of an acquisition career management program to ensure that there is a skilled professional acquisition workforce capable of executing and managing IT-centric acquisitions. The CAO delegates the policy and oversight aspects of IT acquisitions, along with the Acquisition Career Management (ACM) function, to the Senior Procurement Executive (SPE). Operational aspects of IT procurement are delegated to the bureau leadership by the SPE to the Heads of Contracting Activities (HCAs) who are responsible for ensuring IT procurements under their purview comply with applicable laws, regulations, guidance, and procedures.

2.6. SENIOR PROCUREMENT EXECUTIVE (SPE)

The Treasury SPE is responsible for establishing department wide policy regarding the acquisition of IT products and services, and ensuring that appropriate controls are in place for operational aspects of IT procurement via delegated procurement authority to the HCAs and Bureau Chief Procurement Officers (BCPOs), who ensure that IT procurements comply with applicable laws, regulations, guidance, and procedures. The SPE collaborates with the CIO to issue FITARA-based policy related to the acquisition of IT products and services. The SPE, in collaboration with the CIO, assesses Spend under Management (SUM) to ensure that IT product and service investments are made consistently and applicable acquisition vehicles are leveraged appropriately. The SPE is responsible for establishing Department wide policy regarding the use of Category Management and has established mandatory use policies for Government-wide acquisition vehicles. The SPE is further responsible to conduct an assessment of existing IT services contracts to ensure that Department and Bureau acquisition vehicles are not duplicative of existing Government-wide vehicles and appropriate strategies are developed to off-ramp to Government-wide vehicles in compliance with the Office of Management and Budget, Office of Federal Procurement Policy (OFPP) direction.

2.7. CHIEF HUMAN CAPITAL OFFICER (CHCO)

The Treasury CHCO is responsible for policy and oversight of department-wide human capital regulatory compliance, planning, development, and management. The Treasury CHCO collaborates with the Treasury SPE on compliance with OFPP requirements relating to effective management of the Treasury acquisition workforce. In addition, the Treasury CHCO works closely with the Treasury CIO and other management officers to address workforce planning, development, and management, with specific attention to mission-critical occupations in federal management communities. In addition to collaborating with other CXOs and management officials at the Treasury headquarters level, the CHCO chairs the Department's Human Capital Advisory Council (HCAC).

2.8. DEPUTY ASSISTANT SECRETARY FOR MANAGEMENT AND BUDGET (DASMB)

The Treasury Management and Budget Office, overseen by the DASMB, is responsible for strategic planning, budget formulation, budget execution, organizational performance and program evaluation. As the principal deputy to the ASM, the DASMB's responsibilities include overseeing the implementation of the Government Performance and Results Act Modernization Act of 2010 (GPRAMA) and FITARA. The DASMB is charged to ensure that Treasury's annual performance supports the Department's strategic plan and to advocate execution of the budget efficiently and effectively toward the achievement of optimal performance levels across all Treasury bureaus.

2.9. TREASURY BUDGET DIRECTOR

The Treasury Budget Director oversees the Office of Performance Budgeting (OPB), which prepares and coordinates with CXOs the annual budget submission for the Department to OMB, works with OMB on the Department's portion of the President's Budget and is responsible for budget execution oversight for the Department. This responsibility includes making recommendations to Departmental Offices and bureaus on budget priorities and strategies.

2.10. CHIEF RISK OFFICER (CRO)

The Treasury CRO position, established in FY 2015, leads the Office of Risk Management and the Treasury Risk Program, including the Risk Committee. The Chief Risk Officer participates in all quarterly performance reviews and annual budget review sessions.

3. CIO ASSIGNMENT PLAN

The Treasury Department has adopted procedures that meet the requirements of the FITARA Common Baseline in a manner tailored to the high volume and complex type of work necessary to meet our mission. These procedures provide for the CIO's direct involvement in all major acquisitions (greater than \$10 million), inclusive of IT, and CPIC major investments. In addition, the CIO Assignment Plan contains a framework approved by the CIO with clear rules on the procedures by which decisions are made on IT matters for which the CIO has indirect involvement. This framework indicates where the CIO plans to delegate to other agency officials and defines evidence that the CIO will retain accountability in these areas. In all matters, the CIO remains responsible and accountable for CIO decisions required by the Common Baseline. The assignment plan will continue to be updated as roles and responsibilities evolve, and Treasury's governance continues to mature.

Please see Attachment 1 for the CIO Assignment Plan (February 2016).

4. GOVERNANCE STRUCTURES

The following are the core structures by which the Treasury Department ensures the alignment of information technology funding and support with people and processes to meet the department's strategic goals.

4.1. Treasury CIO Council

The Treasury CIO Council is the single IT/IRM governance body chaired by the CIO and made up of component level CIOs. The council meets on a monthly basis and establishes, oversees, and reviews the entire Treasury IT/IRM portfolio with a special emphasis on shared and enterprise-wide services, commodity IT, and cyber security. The Treasury CIO Council includes various sub-committees such as the Cyber Security Sub-Council and the CPIC Working Group.

4.2. Capital Planning and Investment Control (CPIC) Program

Through the Treasury IT/IRM CPIC program the Department has a Government Accountability Office (GAO) and Office of Management and Budget (OMB) recognized best practice approach to efficient and effective review of its IT/IRM investments. Each component reports execution data to the CIO monthly, including project status on major IT/IRM investments and operational metrics on systems in use. The CIO then reviews all investments with month-to-month performance issues in project execution and conducts a detailed program review (TechStat) on selected investments. Treasury uses this framework to ensure consistent practices and further policy and process development in a continuous improvement approach.

4.3. TechStat

A TechStat is a face-to-face, evidence-based review of an IT investment. Treasury requires that a TechStat review be held at the Treasury component level for any investment that exhibits cost, schedule, or operational metric variance of 10 percent or greater. The Treasury CIO hosts a TechStat for an investment in any instance where cost, schedule, or operational metric variance equals or exceeds 30 percent. TechStat reviews result in a formal action plan to address investment underperformance.

4.4. Treasury Acquisition Council (TAC)

The TAC is a monthly meeting conducted with the Department-level CXOs and with Bureau Chief Procurement Officers (BCPOs). These sessions address ProcureStat metrics, small business goals, and leveraged spend. Additionally, the meetings are an arena for the CXO and BCPO communities to discuss planned and ongoing Treasury enterprise-wide acquisitions as well as government-wide OMB-sponsored initiatives that will impact bureau contract execution.

4.5. Major Acquisition Program (MAP) Reviews

The SPE, in collaboration with the CIO, conducts MAP Reviews on a quarterly basis, meeting monthly when necessary. These reviews ensure sound acquisition strategies and elimination of duplicative contract actions. Invitees to the reviews include the CIO, legal counsel, small business office, the program owner, and other key stakeholders. While all participants have an opportunity to influence the acquisition strategy, the CIO or delegate, in particular, has an opportunity to marry the strategies for IT related projects to the CPIC and QPR discussions.

MAP Reviews are conducted of:

- any acquisition valued at greater than \$10 million,
- any acquisition supporting OMB major CPIC IT investments,
- any IT contract regardless of value with a period of performance greater than five years, and
- any other action the SPE or CIO determine to be critical or high-visibility.

4.6. Quarterly Performance Reviews (QPR)

Treasury's organizational performance reviews, referred to as Quarterly Performance Reviews (QPRs), provide a regular forum for open dialogue and coordination between Department and bureau and office leadership, bringing together different perspectives to set and align priorities, identify and solve problems, review agency performance goals, and drive results. The cycle integrates statutory requirements to conduct quarterly performance reviews of agency goals and a Strategic Objective Annual Review (SOAR), which analyzes cross-cutting performance. The QPR sessions focus on management goals, priority projects, and Treasury-wide and government-wide strategic goals. These meetings are designed to drive accountability, align expectations and resources, set priorities, understand budget requirements, and encourage data-driven decision-making. QPRs are a critical part of the Department's budget formulation process.

4.7. Human Capital Advisory Council (HCAC) HR Stat Sessions

The HCAC conducts bi-monthly HR Stat Sessions to track operational performance and progress in achieving human capital strategic goals. The HCAC membership includes Bureau-level leaders in four main areas: Human Resources (HR); Equal Employment Opportunity (EEO) and Inclusive Diversity; Learning and Development; and HR IT. The HR IT sub-group includes bureau representatives who advise on and help oversee Treasury's HR shared services, data stewardship, data analytics, HR systems and tools, and similar programs. The HR IT group has primary responsibility for implementation of Treasury Human Capital Strategic Goal 5, "Pursue Continuous Improvement: Create a 21st Century approach to human capital management in government."

5. COMMON BASELINE

5.1. BUDGET FORMULATION AND PLANNING

A. Visibility of IT resource plans and decisions to CIO.

As part of the annual budget submission to OMB and Congress the Treasury IT Capital Plan indicates what Treasury plans to spend by project and is approved by both the budget and CIO offices. This document is developed through the CPIC process run by the CIO in close coordination with the budget office. In practice, as documented in the Treasury Management and Budget Office annual Budget Guidance, the CIO and Department Budget Officer issue joint instructions regarding the level of detail with which IT resource levels are described.

B. CIO role in pre-budget submission for programs that include IT and overall portfolio.

The CIO participates in the quarterly performance review budget stat sessions devoted to budget formulation and planning for each office and bureau. These sessions are the primary venues for vetting component budget requests with the

Assistant Secretary for Management. The requests provide an overview of projects and initiatives that include IT resources as well as more traditional IT projects. The QPRs also include specific information on IT investments.

Discussions regarding IT related spending are informed by the CPIC process. The CIO also approves the budget submission documents through the clearance process prior to submission to OMB and Congress. As noted above, these budget submissions include dedicated capital exhibits. Similarly, the CIO is consulted on the OMB passback prior to the Secretary's appeal.

The processes described here are documented in Budget Policy Guidance and the Quarterly Performance Review Charter.

C. CIO role in planning program management.

The CIO is included in the internal planning process that informs how Treasury uses its IT resources to achieve its objectives. At a strategic level, the CIO and SPE participate in the organizational performance reviews led by the Deputy Secretary (Chief Operating Officer) and Assistant Secretary for Management (Performance Improvement Officer).

In 2015, this process included specific engagement on cyber security. Effective in FY 2016, the review also includes a specific focus on high risk acquisitions and FITARA compliance. The QPR sessions enable an overall discussion regarding the alignment of organizational resources to organizational priorities, with a focus on projects that are often reliant on IT support.

In addition, the CIO runs the agency-wide quarterly review process that is documented through Treasury's CPIC process. This program calls bureau IT investment processes to feed up to the department-wide level CPIC program. The CIO formally delegated IT/IRM program management processes to component CIOs on February 1, 2016.

On a more tactical level, the CIO established a LCM process creating end-to-end processes including intake, reviews, approvals, and reporting for each program management step.

D. CIO reviews and approves Major IT investment portion of budget request.

The processes that institutionalize meaningful CIO involvement with and visibility into budget formulation and planning are described in A, B, and C, above. We rely on these processes to support the affirmations required in this section.

Beginning with the FY 2017 budget submission to OMB the ASM and CIO jointly affirm that the CIO had a significant role in reviewing planned IT support for major program objectives and significant increases and decreases in IT resources; and there will be an affirmation that the IT Portfolio (formerly Exhibit 53) includes appropriate estimates of all IT resources included in the budget request.

Similarly, the CIO approved the information technology portions of Treasury’s FY 2017 passback appeal through the Departmental clearance process prior to submission to OMB.

Budget Formulation and Planning Milestones

DATE	MILESTONE
December 31, 2015	Treasury formalized guidance that documents the existing process in which the CIO and Department Budget Officer issue joint instructions stating the level of detail with which IT resource levels are described as a part of the CPIC process
	This milestone is complete and addressed in Budget Policy Guidance 16-01 promulgated on December 21, 2015.
	Beginning with the FY 2017 OMB budget submission the ASM and CIO jointly affirmed that the CIO had a significant role in reviewing planned IT support for major program objectives and significant increases and decreases in IT resources
	This milestone for the FY 2017 submission is complete
	The CIO formally delegated IT/IRM program management processes to component CIOs as reflected in the assignment plan and post these policies publicly and share them with OMB through the IDC
Q2 FY 2016	QPRs shall include specific slides relating to high risk acquisitions and FITARA

5.2. ACQUISITION AND EXECUTION

E. Ongoing CIO engagement with program managers.

Treasury guidance requires component CIOs and program managers to regularly report project and operational performance (including risk information) through the Department's CPIC program. All data is self-reported by component CIOs. The Departmental CIO desk officers provide a summary review of this information. Component organizations will begin to attest to the accuracy of this data in FY 2016.

All major IT investments are aligned to strategic objectives through OMB's existing IT Business Case submission. Treasury regularly submits project and operational performance information, as directed in OMB guidance, for inclusion in the public facing Federal IT Dashboard.

The CIO is revising existing planning and execution guidance to include:

- Explicit references to modification, pausing and/or termination of activities, projects, and investments through the TechSTAT process (this requirement was addressed in updates to the Treasury CPIC guide sections 4 and 5 on December 29, 2016),
- Specific requirements for coordination of annual planning activities with budget activities, and
- Additional emphasis on risks as an element of IT portfolio monthly reporting.

F. Visibility of IT planned expenditure reporting to CIO.

The SPE, in cooperation with the CIO, conducts Major Acquisition Program (MAP) Reviews. MAP Reviews are conducted on a quarterly basis, meeting monthly when necessary depending on criticality. Reviews ensure sound acquisition strategies and elimination of duplicative contract actions.

Invitees to the reviews include the CIO, legal counsel, small business office, the program owner, and other key stakeholders. While all participants have an opportunity to influence the acquisition strategy, the CIO or delegate, in particular, has an opportunity to marry the strategies for IT related projects to the CPIC and QPR discussions.

In addition, IT investment and execution reviews are being conducted in a three phased approach:

- phase one, Departmental Offices (FY 2015);
- phase two, 57 major IT investments across the enterprise (FY 2016); and
- phase three, all IT/IRM acquisitions across the enterprise (FY 2017)

In FY 2015, the SPE and CIO successfully reviewed and completed phase one: 620 IT Acquisitions (\$219 million) of the Departmental Offices IT acquisitions.

In the second quarter of 2016, the CIO and SPE will implement an acquisition planning tool (eg: SharePoint) to track all planned acquisitions from identification of the need through post-award reviews. This tool will provide for visibility into all major IT investment related acquisitions in Treasury's portfolio. This tool will also provide visibility into the all stages/phases throughout the IT acquisitions lifecycle.

Also in the second quarter of 2016, the SPE and CIO will develop guidelines for quarterly component notification to the Treasury SPE and CIO of all planned and executed acquisitions below the MAP threshold.

G. CIO defines IT processes and policies

The Department sets Treasury-wide policy for Cyber Security, Identity Management, Acquisition, IT capital planning, portfolio management, and LCM. Currently, the component CIOs define the development processes, milestones, review gates, and the overall policies for all project management, enterprise architecture, and reporting for IT resources. The CIO formally delegated IT/IRM program management processes to component CIOs on February 1, 2016.

Treasury has recently completed two efforts:

- 1) assessed the present status of its IT policies and processes through a Quick Look Assessment (QLA) that has been applied across a number of government agencies; and,
- 2) developed a Governance Framework and LCM process.

H. CIO role and other CXO participation with CIO on program governance boards.

The CIO participates on several governance boards, including as chair of the Treasury CIO Council and co-chair of the DO Investment Review Board (IRB) which establishes and reviews mission specific IT/IRM programs for the Departmental Offices. The CIO also participates in the QPRs of all Treasury bureaus and offices. Additionally, the CIO participates in the following Department-level CXO boards and councils: HR/IT Council; Treasury Acquisition Council; CFO Council and the Federal CIO Council led by the Federal CIO.

I. Shared acquisition and procurement responsibilities.

In addition to the quarterly CPIC process and MAP reviews, the SPE issues mandatory use policy for government-wide vehicles as appropriate. In FY 2016, the SPE formalized the process for implementing Category Management and Strategic Sourcing initiatives; in this process, any Treasury-wide acquisition vehicle requires SPE approval to avoid duplication of efforts already available on a government-wide basis.

The SPE included use of mandatory contract vehicles in BCPO FY 2016 CXO commitments.

The SPE, in collaboration with the CIO is consolidating and standardizing the following requirements across the enterprise by the fourth quarter of FY 2016:

- Adobe Licenses
- Microsoft Licenses
- Wireless Device Services
- Managed Print Services (MPS)
- Mobile Device Management (MDM)

While OCIO and OPE are working with Treasury bureaus/offices to achieve these mandatory use Treasury-wide use contract vehicles in FY16, the joint OPE/OCIO policies to standardize related licenses and services will continue into FY17.

The SPE and CIO are partnering through the FAC-P/PM program to ensure that Treasury has skilled program and project managers who are critical to ensuring well defined requirements and performance standards, and who are capable of managing contractor activities to ensure the intended outcomes are achieved. The SPE issued draft FAC-P/PM policy across the Department in June 2015. The CIO provided an implementation plan on February 16, 2016.

Additionally, in the second quarter of FY 2016 the SPE, in collaboration with the CIO, will communicate guidelines for consistent use of Product Service Codes (PSCs) that align with six IT Categories. Finally, by the second quarter of FY 2016 the CIO will assign a category manager for each of the 6 IT categories for the Department and request related component level category management POCs.

The majority of the Treasury IT Portfolio is currently managed within components. While some components have established formal cost estimation guidelines, in the third quarter of FY16, the SPE, in collaboration with the CIO, will establish formal cost estimation guidelines at the Department level.

J. CIO role in recommending modification, termination, or pause of IT projects or initiatives.

The Department fully complies with OMB's PortfolioStat, TechStat, and CyberStat reviews. OMB has supported Treasury's governance of IT/IRM. GAO and OIG have reviewed the Department's governance framework with no major findings.

Component CIOs and program managers self-report project and operational performance through the existing Departmental CPIC procedures and Federal IT Dashboard. The CIO has implemented a rigorous CPIC process for reviewing project and operational performance on a monthly basis. This process fully meets the OMB guidance and identifies investments, projects, activities and acquisitions that are at risk and drives the TechStat process for a more detailed review at both

the Department and component levels. This process requires specific outcomes that are tailored to the particular situation. Incorporated in the approach is the ability to modify, terminate, or pause these investments, projects, or activities.

K. CIO review and approval of acquisition strategy and acquisition plan.

The SPE is responsible for ensuring contract actions that contain IT are consistent with CIO approved acquisition strategies and plans. The MAP Reviews provide the CIO insight into the acquisition strategy and plan for each Major Acquisition. The SPE issues mandatory use policy for Government-wide vehicles that requires SPE approval. In FY 2015, the CIO initiated and maintained an IT Acquisitions List for Departmental Offices.

L. CIO approval of reprogramming.

Effective with the last budget year (FY 2015), the CIO approves the movement of IT resources that requires congressional notification. Specifically, the CIO approves reprogrammings, 50% balance requests, and the annual operating plans that are sent to Congress. The CIO’s approval is required for all budget items, except in cases where no IT resources are involved (e.g. plans for our international assistance programs (150s)). The CIO’s approval is obtained through the Departmental clearance process and documented in Budget Policy Guidance.

Acquisition and Budget Execution Milestones

DATE	MILESTONE
December 31, 2015	<p>The CIO revised existing guidance that describes current planning and execution practices to include:</p> <ul style="list-style-type: none"> • Explicit references to modification, pausing and/or termination of activities, projects, and investments through the TechSTAT process (this deliverable was complete as of updates to Treasury CPIC Guide sections 2 and 3 on December 29, 2015.) • Incorporating specific requirements for coordination of annual planning activities with budget activities (this deliverable was complete as of promulgation of Budget Policy Guidance 16-01 on December 21, 2015.) • Add additional emphasis on risks as an element of IT portfolio monthly reporting
	<p>The CIO formally delegated IT/IRM program management processes to component CIOs as reflected in the assignment plan and post these policies publicly and share them with OMB through the IDC</p>
	<p>This deliverable is complete. On February 1, 2016, the CIO</p>

	distributed Treasury-wide a Memorandum “Assignment of IT/IRM Responsibilities”.
	The CIO notified OMB of governance board participation via Treasury’s IDC submission on December 23, 2015.
	The CIO provided an implementation plan for the FAC-P/PM policy.
Q2 FY 2016	The SPE and CIO issued joint policy for FY 2016, addressing the MAP reviews, and implementing post-award MAP Reviews to ensure compliance with cost, schedule and performance contract parameters.
	In addition to self-reporting project and operational performance through the existing Departmental CPIC procedures and Federal IT Dashboard, component CIOs and program managers will begin to attest to the accuracy of this data in FY 2016.
	CIO and SPE are currently testing and will implement an acquisition planning tool) to track all planned acquisitions from identification of the need through post-award reviews.
	The SPE and CIO will communicate guidelines for consistent use of Product Service Codes (PSCs) that align with six IT Categories.
	The SPE and CIO will establish formal cost estimation guidelines at the Department level.
Q3	CIO will assign a category manager for each of the 6 IT categories for the Department and request related component level category management POCs
Q4	IT investment and execution reviews of 57 major IT investments across the enterprise
	The TAC and Treasury CIO Council will conduct a joint review of acquisition strategy, policy and processes
FY 2017	IT investment and execution reviews of all IT/IRM acquisitions across the enterprise

5.3. ORGANIZATION AND WORKFORCE

M. CIO approves bureau CIOs.

Treasury has developed and implemented processes whereby the Treasury CIO is involved in the recruitment of and approves new bureau CIO candidates and presents them for final approval by the Assistant Secretary for Management. The Deputy Secretary issued a policy memorandum titled “Promoting Managerial Effectiveness” on March 5, 2010, which provided that the ASM and Treasury CXOs (CIO, CFO, CAO/SPE, CHCO, and EEO/Diversity Officer) will review and approve final candidates for vacancies in corresponding bureau positions. To implement the Deputy Secretary’s policy memo, the CHCO published policy guidance under the Human Capital Issuance System (HCIS), titled “Departmental Oversight of Management Functions.”

This guidance specifies responsibilities of headquarters and bureau officials, and establishes procedures for bureaus to follow in applying for approval of new bureau CXOs (including bureau CIOs). Before announcing or filling any bureau CIO vacancy, the bureau head must notify the Treasury CIO and provide a recruitment strategy and plan, taking into account succession planning efforts. The plan must address certain elements, including the:

- proposed method(s) for filling (e.g., new appointment, promotion, reassignment),
- area of consideration (e.g., bureau-wide, Department-wide, all sources),
- length of open period for vacancy announcement,
- targeted outreach (e.g., through diverse professional networks),
- qualification requirements, and
- participants in selection process (e.g., make-up of rating panel, interviewers, etc.).

The Treasury CIO may request additional information, direct modifications, or concur with the recruitment strategy and plan as proposed.

Upon identifying a final candidate for a bureau CIO position, the bureau head must submit a request to the CHCO to obtain ASM approval. The request must include a memo from the bureau head that

- summarizes the duties and qualification requirements for the position,
- describes how the final candidate was identified (description of recruiting process, how selectee compared with other candidates, etc.), and
- provides a brief description of the candidate’s qualification (with resume attached).

The CHCO reviews and coordinates the request and obtains clearance from the CIO before transmitting to the ASM for action. The CIO may request additional information, consult with bureau officials, and/or interview one or more final candidates, as the CIO deems appropriate, before recommending or not

recommending the candidate. Upon CIO action, the CHCO forwards the request to the ASM. The ASM reserves the right to consult with the bureau head and/or interview one or more final candidates before making a final decision. Under the Treasury policy, the above procedures also apply to appointments of new bureau CFOs and senior officials for procurement, human resources, and EEO/diversity.

N. CIO role in ongoing bureau CIOs' evaluations.

Treasury has developed and implemented processes by which the Treasury CIO annually issues specific performance elements and goals to be included in bureau CIO performance plans, provides periodic performance reviews to bureau CIOs and their reporting seniors, and participates in the final annual appraisal process. The Deputy Secretary's policy memorandum titled "Promoting Managerial Effectiveness" (March 5, 2010), also prescribed that the ASM and Treasury CXOs will ensure that performance commitments of incumbents in bureau CXO positions are aligned with Department-wide strategic goals. The CHCO's implementation guidance, titled "Departmental Oversight of Management Functions", specifies responsibilities of headquarters and bureau officials relating to establishment of performance plans and appraisals of bureau CXOs' performance, including bureau CIOs.

At the beginning of each fiscal year and other times as appropriate, the ASM establishes Department-wide strategic goals and objectives to be incorporated into the performance plans of bureau CXOs. The ASM collects from each Treasury CXO (including the CIO) a set of standard commitments and goals for all corresponding bureau CXOs. As the performance year progresses, Treasury CXOs have multiple occasions to provide performance feedback to their bureau CXO counterparts and supervisors of bureau CXOs. In the case of the CIO, this includes monthly CIO Council meetings, Bureau Heads and Deputies Council meetings, Quarterly Performance Reviews, and other types of reviews. The guidance also provides that supervisors of bureau CXOs must consider input from the appropriate Treasury CXO prior to deriving and communicating initial summary ratings to their bureau CXOs.

As described above, all Treasury CXOs jointly establish annual sets of Treasury-wide critical elements and goals to be included in the performance plans of bureau CXO counterparts. In addition, the CHCO coordinates the overall process of incorporating Treasury-wide commitments in bureau CXO performance plans (both SES and non-SES) by distributing the standard text of agency-wide critical elements to be loaded into Treasury's electronic performance management systems and providing advice and consultation to bureau CXOs and their supervisors on how to implement the requirements.

O. Bureau IT Leadership Directory.

Treasury CHCO and CIO surveyed all bureau CIOs and human resources officers and published a dataset identifying all bureau officials with the title of CIO or duties of a CIO. The dataset was posted as a public dataset per IDC instructions by December 31, 2015. The posting is maintained by the CIO and will be updated as changes occur.

The CIO and CHCO collaborated in surveying the Bureau IT Leadership Directory.

P. IT Workforce.

Treasury is working to develop plans and processes by which CIO and CHCO — and SPE where relevant — will develop a set of competency requirements for IT staff, including IT leadership positions, and develop and maintain a current workforce planning process to ensure the department can (a) anticipate and respond to changing mission requirements, (b) maintain workforce skills in a rapidly developing IT environment, and (c) recruit and retain the IT talent needed to accomplish the mission.

Treasury as a whole has not yet adopted a set of competency requirements for IT staff; however, the Internal Revenue Service (IRS) CIO staff has made significant progress in identifying a set of IT competencies. IRS employs over 80 percent of Treasury's IT (Series 2210) workforce; therefore, we believe the IRS project will provide a substantial foundation for assembling a Treasury-wide IT competency set.

Treasury has established a policy of adopting a Treasury-wide strategic workforce planning (WFP) model under Human Capital Issuance System (HCIS) 250, "Treasury Strategic Workforce Planning Program Policy" (TN-14-006, October 25, 2014). To carry out this enterprise-wide WFP endeavor, the CHCO established a network of WFP champions representing all bureaus and major offices. Having adapted a WFP tool obtained from the Department of the Interior, Treasury implemented a pilot program starting in 2013 to conduct WFP studies of mission-critical occupations (MCOs) on an enterprise-wide basis.

Treasury has deferred conducting a WFP study of the IT occupation pending a review of the IRS IT competency set and assessment tool. Treasury's WFP tool calls for managers to provide an estimate of the competency levels and gaps in their organizations. The ability to incorporate data-based competency assessments, as the IRS tool is designed to produce, would improve the utility of the WFP tool.

Next steps planned are as follows: When the IRS is able to produce initial IT competency assessments and gap analyses, the Treasury CHCO and IRS HRO

will review the results, in consultation with the Treasury and IRS CIOs. If the IRS IT competency set and assessment tool appear suitable for Treasury-wide adoption, the Treasury CHCO will coordinate the IRS-developed IT competency set across all Treasury bureaus, including both bureau HROs and bureau CIOs. This would produce a Treasury-wide set of IT competencies and enable assessments of the Treasury IT workforce. The Treasury CHCO and bureau HROs will also evaluate whether the IT competency assessment data can be readily incorporated into Treasury's existing WFP tool and whether other options for including competency data into a workforce planning tool may be available and preferable. Based on this evaluation, the Treasury CHCO will provide a recommendation to the Treasury CIO for a process and tools to conduct a competency-based WFP study of the Treasury IT workforce.

The timing of these steps is difficult to estimate. Each decision point depends on the outcome of the prior review and decision. Performing the competency assessments and participating in the WFP study require time commitments from both IT staff and managers, which must be coordinated with other demands on their time. In addition to the plans and processes described above, consistent with current OFPP policy, Treasury's CIO, CHCO, and CAO/SPE are collaborating on implementation of the FAC-P/PM IT Specialization to develop competencies for workforce members performing acquisition functions.

Q. CIO reports to agency head (or deputy/COO).

Treasury Order 102-10, "Designation of Chief Information Officer for the Department of the Treasury," dated January 13, 1999, specifies that the CIO shall have direct access to the Secretary with respect to responsibilities of the Department under chapter 35 of title 44, U.S.C., titled "Coordination of Federal Information Policy."

The component CIOs report to their separate management structures at their individual bureaus. The Treasury CIO Council, which is made up of these bureau CIOs and is chaired by the Treasury CIO, brings this group together as a single IT/IRM governance body. This body is responsible for selecting and overseeing all shared or enterprise-wide services.

Workforce Milestones

DATE	MILESTONE
December 31, 2015	Treasury has publically posted the IT Leadership Directory on treasury.gov/digitalstrategy
FY 2016 / FY 2017 (specific milestones TBD)	Treasury CHCO and IRS HRO will review results of IRS’s initial IT competency assessments and gap analyses, in consultation with the Treasury and IRS CIOs.
	Treasury CHCO will coordinate the IRS-developed IT competency set across all Treasury bureaus, to develop Treasury-wide set of IT competencies.
	Treasury CHCO and bureau HROs will evaluate whether the IT competency assessment data can be readily incorporated into Treasury’s existing WFP tool (or a different tool).
	Treasury CHCO will provide a recommendation to the Treasury CIO for a process and tools to conduct a competency-based WFP study of the Treasury IT (Series 2210) workforce.



Attachment 1:

Department of the Treasury CIO Assignment Plan

The following CIO Assignment Plan details decisions about certain IT resources included in the Common Baseline that the Treasury CIO plans to delegate to other agency officials as well as evidence that the Treasury CIO retains accountability in these areas.

On February 1, 2016, the CIO distributed Treasury-wide a Memorandum “Assignment of Information Technology Resources Management (IT/IRM) Responsibilities” delegating listed authorities to the CIO or equivalent lead official at each Treasury bureau, office or organization.

FITARA section	Assignment Plan	Evidence that the CIO retains accountability
<p>B</p> <p>CIO role in pre-budget submission for programs that include IT and overall portfolio</p>	<p>The Treasury CIO assigns responsibility for developing proposed IT planning, programming, and budgeting artifacts to Component (Bureau and Office) CIOs, who will coordinate with their respective leadership, including CXOs.</p> <p>The Treasury CIO shall assign to Component CIOs the responsibility for ensuring the accuracy of information reported to the Department.</p>	<p>The Treasury CIO will approve IT planning, programming, and budget artifacts before they are submitted to OMB. The Treasury CIO approves artifacts based on Component attestation of accuracy of reporting.</p> <p>OMB budget submissions will include information technology resource statements that affirm the CIO’s review and approval of IT investments in the budget request and changes to IT programs and resources.</p>

FITARA section	Assignment Plan	Evidence that the CIO retains accountability
<p>C</p> <p>CIO role in planning program management</p>	<p>The Treasury CIO assigns responsibility for developing proposed IT planning, programming, and budgeting artifacts to Component (Bureau and Office) CIOs, who will coordinate with their respective leadership, including CXOs.</p> <p>The Treasury CIO shall assign to Component CIOs the responsibility for ensuring the accuracy of information reported to the Department.</p>	<p>The Treasury CIO will approve planning and project management artifacts before they are submitted to OMB or implemented. The Treasury CIO approves artifacts based on Component attestation of accuracy of reporting through the OCIO and Treasury-wide clearance processes.</p> <p>The Treasury CIO participates in the Deputy Secretary’s Quarterly Performance Review (QPR) process for all Department components.</p> <p>The Treasury CIO leads agency Quarterly and Monthly IT portfolio reviews as part of the CPIC process.</p> <p>The Treasury CIO Council meets on a monthly basis discussing a wide range of IT matters including planning and program management. Meeting records are documented on the Treasury CIO council intranet site.</p>
<p>D</p> <p>CIO reviews and approves major IT investment portion of budget request</p>	<p>The Treasury CIO assigns responsibility for developing proposed IT planning, programming, and budgeting artifacts to Component (Bureau and Office) CIOs, who will coordinate with their respective leadership, including CXOs.</p> <p>The Treasury CIO shall assign to Component CIOs the responsibility for ensuring the accuracy of information reported to the Department.</p>	<p>The Treasury CIO will approve planning, programming, and budget artifacts before they are submitted to OMB or implemented. The CIO approves artifacts based on bureau attestation of accuracy of all Department level reporting.</p>

FITARA section	Assignment Plan	Evidence that the CIO retains accountability
<p>E</p> <p>Ongoing CIO engagement with program managers</p>	<p>The Treasury CIO will assign responsibility for reporting capital planning and investment control (CPIC) information through the Treasury CPIC process to the IT Dashboard to Component CIOs. The Treasury CIO will assign responsibility for ensuring the accuracy of reported information as well as participating in regular portfolio and investment level reviews at the discretion of the Treasury CIO.</p>	<p>The Treasury CIO maintains accountability through the Treasury IT governance structure and CPIC process.</p>
<p>F</p> <p>Visibility of IT planned expenditure reporting to CIO.</p>	<p>Treasury CIO will assign responsibility to ensure complete and accurate IT planned expenditure reporting to the ACIOs and Component CIOs for all IT acquisitions except:</p> <ul style="list-style-type: none"> • Major Acquisitions (>\$10M), inclusive of IT. • Pending expenditures required for 57 CPIC Major Investments • Controversial or otherwise sensitive such that it warrants the attention of the SPE, BCPO, CIO or other executive stakeholders. 	<p>IT expenditure data will be reconciled quarterly with FPDS, Financial Systems and CPIC reporting.</p>
<p>G</p> <p>CIO defines IT processes and policies</p>	<p>The Treasury CIO assigns responsibility for defining development processes, milestones, review gates, and overall policies for project management and reporting for IT resources at the component level to component CIOs who should coordinate with their respective leadership and CXOs. These elements must remain in full compliance with Treasury development processes, milestones, review gates, and overall policies for project management and reporting for IT resources defined by the CIO.</p>	<p>The Treasury CIO issues department-wide guidance that defines development processes, milestones, review gates, and overall policies for project management and reporting for IT resources. Components must fully comply with this guidance when developing component level processes, milestones, review gates, and overall policies for project management and reporting for IT resources. OCIO posts Department-wide IT policies and processes to the Treasury intranet.</p>

FITARA section	Assignment Plan	Evidence that the CIO retains accountability
H CIO role on program governance boards	The Treasury CIO assigns responsibility for chairing and maintaining component level IT governance bodies to component CIOs. Each component will report regularly on its full IT governance structure.	Each component will report regularly to the Treasury CIO on its full IT governance structure.
I Shared acquisition and procurement responsibilities.	Treasury CIO will assign responsibility for the following to ACIOs and Component CIOs: <ul style="list-style-type: none"> • Designate IT Category Managers that will actively participate in Treasury IT Category Management responsibilities • Review and pre-approval of FAC P/PM and IT Core-Plus Specialization applications submitted for CIO approval • Review of acquisition & contracts sections in CPIC Business Cases including reporting when these sections are complete and accurate 	ACIOs and Component CIOs will provide evidence to the Treasury CIO that reviews have been completed and issues identified are being monitored & reported. Assignments were discussed and accountability communicated in a joint Treasury Acquisition Council and CIO Council meeting on Jan. 21, 2016
J CIO role in recommending modification, termination or pause of IT	The Treasury CIO establishes thresholds for mandatory agency and component level TechStat reviews as well as mandatory criteria for modification, termination, or pause of IT unless specifically exempted by the Treasury CIO. The Treasury CIO assigns responsibility for component level actions to component CIOs and assigns responsibility for auditing and ensuring the accuracy of all information reported to the Department for CIO.	The Treasury CIO establishes thresholds for mandatory agency and component level TechStat reviews as well as mandatory criteria for modification, termination, or pause of IT unless specifically exempted by the Treasury CIO.
K CIO review and approval of acquisition strategy and acquisition plan.	Treasury CIO will assign responsibility for the following to ACIOs and Component CIOs: Review of acquisition & contracts sections in CPIC Business Cases including reporting when these sections are complete and accurate with all pending expenditures required	The Treasury CIO maintains accountability by monitoring and reporting on the artifacts provided by ACIOs and Component CIOs attesting to the accuracy of reporting on completion of acquisition strategy reviews.