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Acquisition Management  
Modernization Plan:  
Segment Architecture Overview and  
Implementation Plan  
(Decision Paper 3)

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February 8, 2008

## Revision History

<b>Date</b>	<b>Version</b>	<b>Summary</b>
1/31/2008	1.0	Initial version of Segment Architecture Overview (Decision Paper 3)
2/08/2008	1.1	Incorporating comments and feedback from IPT

## Agency Sign-off

Integrated Program Team (IPT) members listed in the following IPT section of this document concur with the findings and decisions made herein.

The following HUD executives concur with the findings and decisions made herein, as indicated by their dated signatures below.

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## Executive Summary

Commencing in August 2007, an Integrated Program Team (IPT) was established to develop an *Acquisition Management Modernization Plan* to define, implement, and integrate a single, common, end-to-end acquisition management solution. HUD's standard modernization planning process creates a bridge between the Department's strategic goals and objectives and tactical solution implementation, creating work products to support three key business decisions:

- **Decision 1:** Do opportunities exist to improve business operations and information management?
- **Decision 2:** Is there a clear link between modernization opportunities and meaningful performance gains?
- **Decision 3:** Can performance gains be achieved within a reasonable time frame and budget?

This document, *Acquisition Management Modernization Plan: Segment Architecture Overview and Implementation Plan (Decision Paper 3)*, captures and summarizes findings from the modernization planning process up to the third decision point. During a facilitated working session in January 2008, the Acquisition Management IPT reviewed and validated a logical sequencing plan (implementation plan) for acquisition management modernization, incorporating business and technical solutions to fulfill priority modernization opportunities. Modernization performance indicators, including baseline and target performance measures, were validated and linked to key implementation milestones, providing a simple modernization roadmap to achieve target performance improvements. Finally, total cost of ownership (TCO) was estimated for a single, integrated acquisition management solution. IPT meeting minutes are provided in Appendix A.

Completion of the acquisition management modernization planning process from Decision Point 1 to Decision Point 3 confirms that priority business modernization opportunities can be fulfilled to achieve measurable performance improvements within a reasonable time frame and estimated budget.

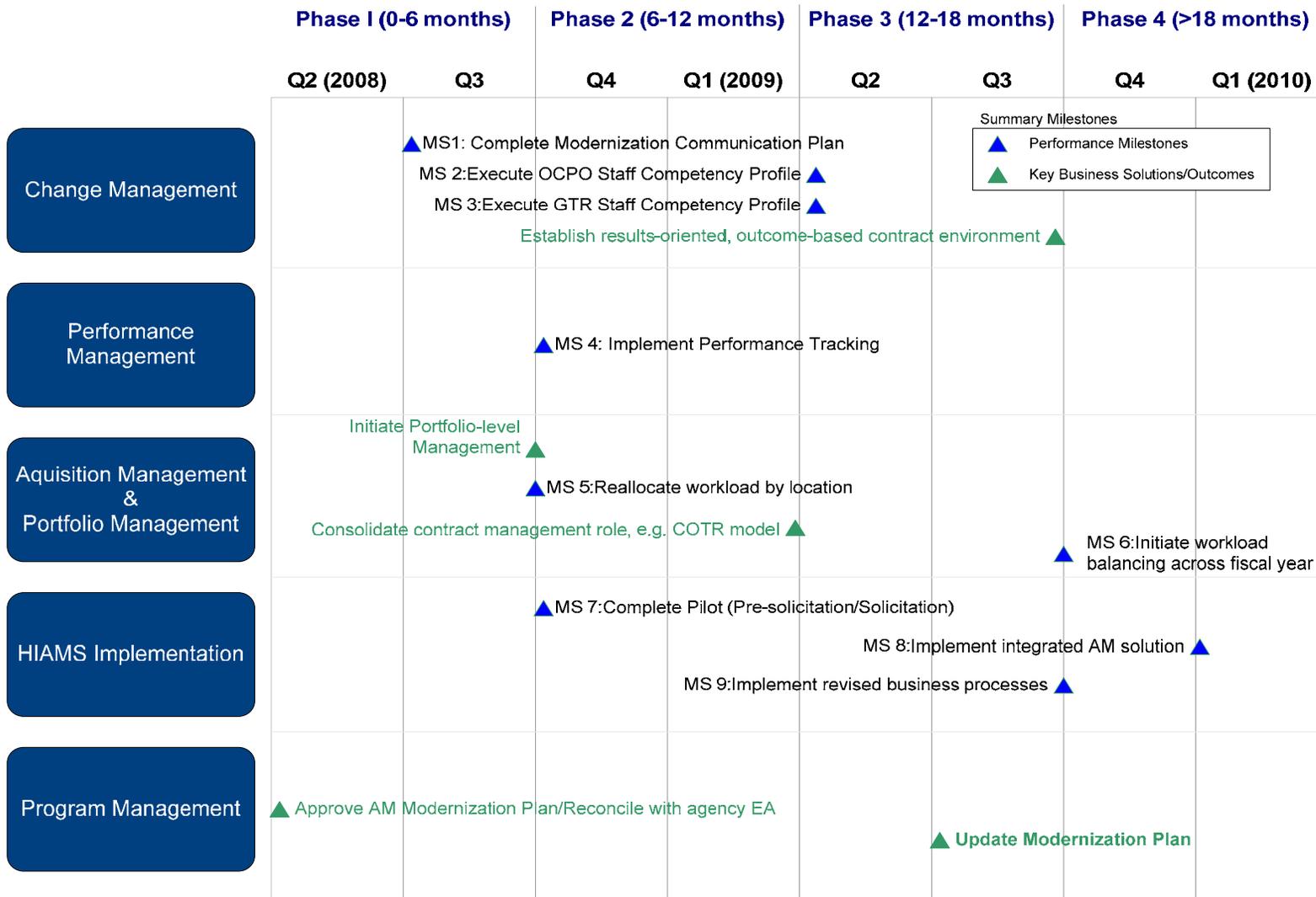
### Acquisition Management Business Modernization Implementation Plan

The implementation plan (illustrated below) describes an incremental rollout strategy addressing business modernization priorities, while preserving the integrity of a single, end-to-end acquisition management solution.

Modernization tasks, activities, and milestones are organized into the following implementation plan categories:

- **Change Management:** Stakeholder communications and education enabling acquisition management modernization and migration to a results-oriented, outcome-based contracting environment. *Change management tasks and activities are critical to all other elements of the implementation plan.*
- **Performance Management:** Definition and execution of performance monitoring and reporting, demonstrating progress toward target performance goals.
- **Acquisition and Portfolio Management:** Practice area definition and implementation activities to initiate portfolio-level acquisition management, including creation of new organization roles and responsibilities to improve process accountability and customer service, e.g., Federal COTR model.
- **Solution Implementation:** Product selection and implementation activities coupled with priority business process re-engineering activities to achieve a single integrated acquisition management solution. A pilot project will be executed in the Office of Housing to re-engineer pre-solicitation/solicitation processes, focusing on requests for contract services (RCS),
- **Program/Project Management:** Overarching management activities, including modernization planning and risk management.

SUMMARY IMPLEMENTATION PLAN



## Performance Indicators and Milestones

Modernization performance indicators are defined to show progress from baseline or current operations to the target environment. Performance milestones are included in the modernization implementation plan and integrated with HUD's enterprise-wide EA Transition Strategy and IT Master Schedule. Individual performance milestones and indicators (summarized below) are measured through cyclical monitoring and reporting mechanisms to demonstrate progress against the acquisition management modernization plan.

Performance Milestone	Principal Performance Indicator(s)
MS1: Complete <i>Modernization Communication Plan</i>	Staff attrition/turnover rate; customer satisfaction
MS2: Execute OCPO staff competency profile	OCPO acquisition management job skills
MS3: Execute GTR staff competency profile	Program acquisition management job skills
MS4: Implement performance tracking	All modernization performance indicators
MS5: Reallocate workload by location	Staff attrition/turnover rate
MS6: Initiate workload balancing across fiscal year	Customer satisfaction
MS7: Complete Pilot (Pre-solicitation/Solicitation)	Average cost per action; number of participants
MS8: Implement integrated AM solution	Average cost per action
MS9: Implement revised business processes	Average cost per action; number of participants

## Target Total Cost of Ownership (TCO)

Solution acquisition and implementation costs were estimated for commercial-off-the-shelf (COTS) products to determine the anticipated total cost of ownership (TCO) for an integrated acquisition management solution. TCO estimates and other elements of the modernization plan will be applied to update HUD's Integrated Acquisition Management Solution (HIAMS) business case, as well as to petition program area executive staff and other stakeholders for resources to support acquisition management modernization.

Estimated Total Cost of Ownership		
Line Item	Target Estimate	Range of Estimates
Product Acquisition	\$2.45M	\$1.6 to \$7.1M
Solution Integration	\$1.60M	\$0.75 to \$2.80M
HUD Labor	\$0.87M	\$0.6 to \$1.6M
<b>Total</b>	<b>\$4.92M</b>	<b>\$2.95 to \$11.5M</b>
Annual Costs		
Maintenance	\$0.35M	\$0.16 to \$0.75M
HUD Support Labor	\$0.74M	\$0.26 to \$1.14M

## Strategic Alignment

The Acquisition Management Modernization Plan is developed, implemented, and maintained in the context of HUD's agency enterprise architecture and relevant cross-agency initiatives. Whenever possible, reusable assets reflecting department-wide standards and government-wide standards are applied to achieve performance goals, fulfill business and technical requirements, and increase interoperability and data sharing.

Developing and maintaining the acquisition management modernization plan is a continuous, iterative process. Annual updates to the modernization plan will be re-aligned with the agency enterprise architecture and cross-agency initiatives to identify and fulfill new opportunities for agency and government-wide collaboration and reuse.

# Acquisition Management Modernization Plan

## Background

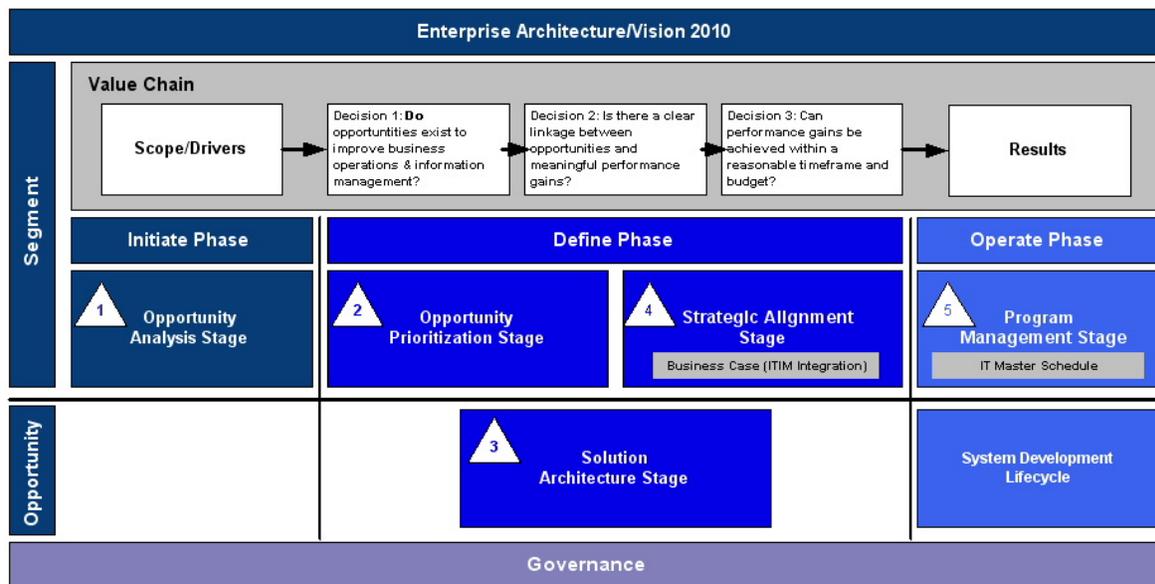
Acquisition management is a cross-cutting support function within HUD. Business and support offices rely on contract support to achieve strategic goals and objectives and to execute the agency mission. HUD's existing acquisition management environment is fragmented from both a system and process perspective, characterized by manual, duplicative business processes and dual procurement systems, providing limited interoperability with the Department's financial management systems.

Commencing in August 2007, an Integrated Program Team (IPT) was established to develop an *Acquisition Management Modernization Plan* to define, implement, and integrate a single, common, end-to-end acquisition management solution.

## Modernization Planning Process Overview

HUD's standard modernization planning process creates a bridge between the Department's strategic goals and objectives and tactical solution implementation. Business modernization plans are developed in three phases—*initiate*, *define*, and *operate*—aligned with a simple, results-driven value chain process. The following figure provides an overview of the modernization planning value chain and each phase in the modernization planning process.

**BUSINESS AND IT MODERNIZATION DEVELOPMENT PROCESS**



Each phase of the planning process comprises one or more stages and is designed to create a series of work products to support business planning and investment decisions. Architecture work products are developed to the level of detail required to enhance decision-making and to generate measurable results in a reasonable time. The following table describes each phase of the business and IT modernization development process.

#### BUSINESS AND IT MODERNIZATION DEVELOPMENT PROCESS

Business and IT Modernization Development Process		
Phase	Stage	Summary Description
Initiate	1. Opportunity Analysis	Defines the business and IT modernization planning scope and change drivers (business needs). Applies change drivers to define a list of candidate opportunities to improve business operations and information management.
Define	2. Opportunity Prioritization	Applies evaluation criteria to prioritize and select specific opportunities to improve business operations and information management and generate results.
	3. Solution Architecture	Develops a detailed architecture for priority opportunities. Architecture is developed to a sufficient level of detail (breadth and depth) to achieve target performance improvements.
	4. Strategic Alignment	Verifies that opportunities can be achieved in a reasonable time frame, with available resources, and in compliance with the enterprise vision. Brings together a solution architecture to define a single business area-level planning and transition strategy (implementation plan).
Operate	5. Program Management	Defines an executable program management plan, comprising multiple individual projects, to achieve performance improvement goals.

Work products developed during each phase of the modernization planning process are driven by information requirements to fulfill each element of the value chain and support three decision points:

- **Decision 1:** Do opportunities exist to improve business operations and information management?
- **Decision 2:** Is there a clear link between modernization opportunities and meaningful performance gains?
- **Decision 3:** Can performance gains be achieved within a reasonable time frame and budget?

## About this Document

This document captures and summarizes findings from the modernization planning process from Decision Point 1 to Decision Point 3. Following this introductory section, the *Modernization Plan Overview* reviews *major* IPT findings and decisions from prior elements of the modernization planning process, including priority modernization opportunities, modernization vision/target conceptual architecture, and business and technical acquisition management solutions. *Decision Paper 1 (October 2007)* and *Decision Paper 2 (January 2008)* provide a complete description of findings and recommendations from the initial stages of the business modernization planning process.

The *Strategic Alignment Analysis* section positions the business modernization plan in the context of HUD's agency enterprise architecture and cross-agency initiatives. Relationships are defined between the modernization plan and HUD's enterprise-wide performance architecture (including a detailed description of modernization performance indicators), business architecture, data architecture, services architecture, and technology architecture. In addition, relationships with the Integrated Acquisition Environment (IAE) cross-agency initiative and opportunities to reuse common or shared agency assets are described.

Finally, the *Implementation Plan/Program Management Plan* section describes implementation tasks, activities, and milestones to achieve target performance improvements over 18 to 24 months. Implementation tasks and activities are organized into implementation categories and ordered by fiscal year quarter and phase (6-month time period). Important elements of the implementation plan are performance milestones (key implementation milestones linked to measurable performance improvements) and other implementation milestones tied to priority business and technical solutions. The implementation plan also addresses relationships to internal and external modernization initiatives; workforce capabilities to execute the business modernization plan; the availability of funding to achieve performance goals within the planned time period; and, program and project risk management, risk assessment, and risk mitigation.

# Modernization Plan Overview

## Modernization Opportunities and Drivers

During the initial stages of the modernization planning process, modernization opportunities were identified and evaluated against prioritization criteria, including the anticipated impact on customer service, the impact on agency mission performance, and the estimated time to achieve measurable performance improvements. Based on this evaluation, priority opportunities were identified, supporting strategic acquisition planning (forecasting), pre-solicitation planning, solicitation preparation, and proposal evaluation and award. Other priority opportunities were identified to improve process accountability, process compliance, information access and reporting, and integration with HUD's financial management systems.

Specifically, HUD's *Acquisition Management Modernization Plan* addresses the following *priority* modernization opportunities:

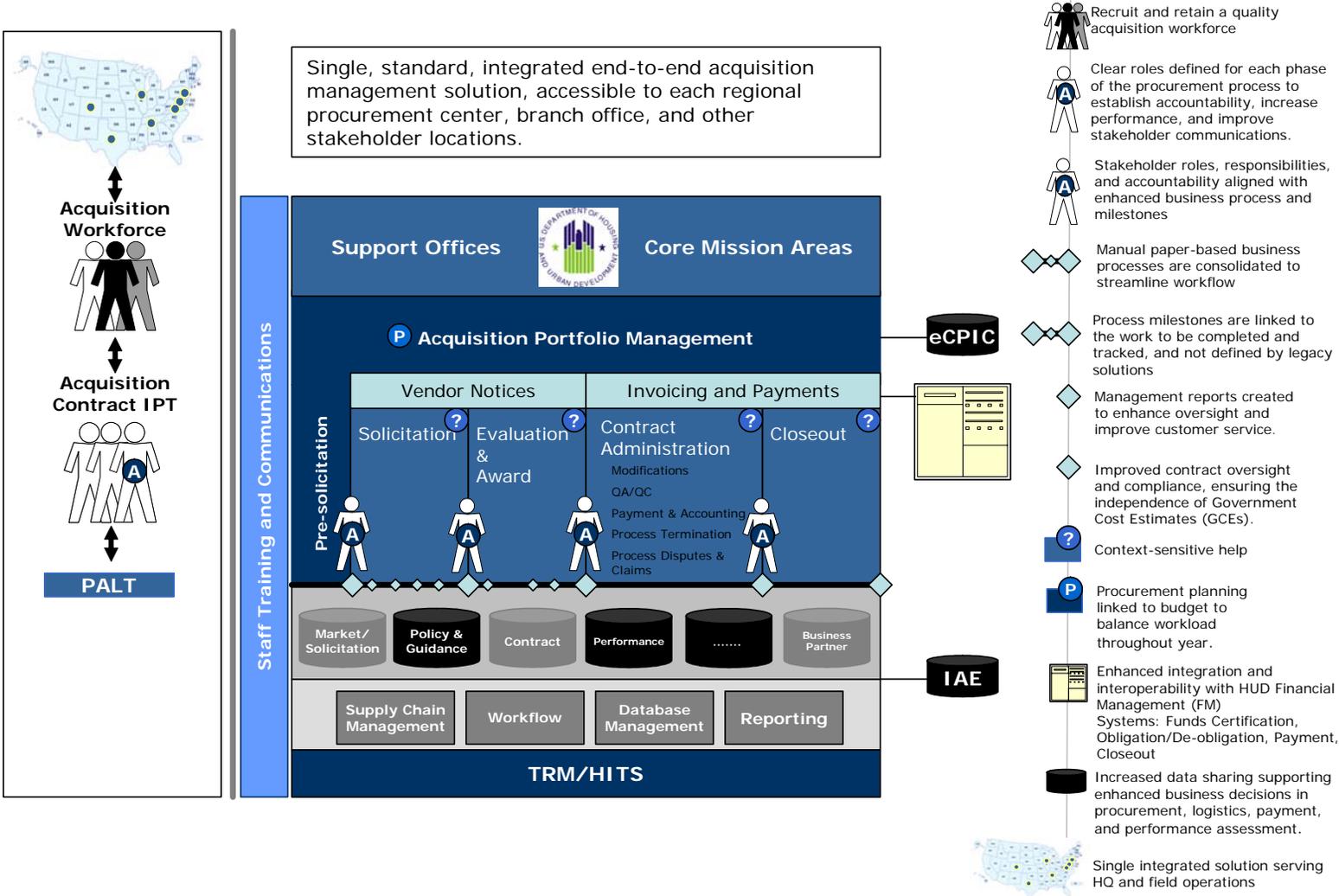
- Develop a single automated procurement process from forecast to contract closeout, increasing process throughput and reducing errors.
- Consolidate manual, paper-based business processes to simplify procurement processes and streamline workflow.
- Align the acquisition management solution design with enhanced business processes, performance monitoring, and stakeholder accountability to enhance customer service and improve management oversight.
- Link procurement planning and budget authorizations to balance the workload throughout the fiscal year.
- Define clear roles and ownership for each phase of the procurement process to establish accountability, increase performance, and improve stakeholder communications.
- Improve contract oversight and compliance, ensuring the independence of Government Cost Estimates (GCEs).
- Increase data sharing supporting enhanced business decisions in procurement, logistics, payment, and performance assessment.
- Provide clear, simple-to-use management reports to enhance process oversight and improve customer service.
- Enhance integration and interoperability with HUD Financial Management (FM) systems to reduce the time to pay and avoid unnecessary contract payments.
- Recruit and retain a quality acquisition workforce, reducing staff turnover and improving customer service.

Modernization priorities are addressed by target segment-level and solution-level architecture compliant with HUD's agency enterprise architecture and Federal IT Policy, including relevant cross-agency initiatives and government-wide information technology initiatives. The target architecture does not describe a single system; alternatively, it describes a series of integrated solution components (business processes, data, applications, services, technology and staff) to fulfill priority modernization opportunities.

## Modernization Vision/Conceptual Architecture

The target concept of operations (CONOPS) shown in Figure 1 provides a simple illustrative overview of future state acquisition management operations. Designed to build consensus within the IPT on the vision for acquisition management operations, the target CONOPS is not intended to be a detailed architectural rendering. The target CONOPS illustrates major operational elements and the relationships between elements, including annotations describing business and technical solutions to address acquisition management modernization opportunities and fulfill business and functional requirements.

FIGURE 1: MODERNIZATION VISION/CONCEPTUAL ARCHITECTURE (TARGET CONOPS)



## Acquisition Management Solutions

The target CONOPS or conceptual architecture reflects the primary operational principle that HUD will design, develop, and implement a single, standard, integrated end-to-end acquisition management solution, accessible to each regional procurement center, branch office, and other acquisition management stakeholder locations. This design principle ensures that business processes, data assets, services, technology, and training supporting acquisition management are common to all locations and are uniformly available to all stakeholders, irrespective of their location. A single, standard, end-to-end acquisition management solution supporting business process and policy requirements will increase the consistency of acquisition management operations from location to location and will improve data collection, supporting process performance measurement, monitoring, and reporting.

Consideration of solution alternatives was divided into two parts—1) business solutions, and 2) technical solutions. Tasks, activities, and milestones to implement business solutions and technical solutions are represented in the business modernization implementation plan.

### Business Solutions

Business solutions are non-technical approaches to fulfill business and functional requirements and improve the efficiency and/or effectiveness of acquisition management operations, including (but not limited to) enhanced business processes (business process re-engineering), resource re-allocation, staff role consolidation, and improved staff training and guidance. Table 1 provides a list of priority business solutions defined by the IPT with a summary description of the relevant business or functional requirement for each solution.

**TABLE 1: ACQUISITION MANAGEMENT BUSINESS SOLUTIONS**

<b>Business Solution</b>	<b>Business and/or Functional Requirement</b>
Redesign business processes associated with pre-solicitation, solicitation, evaluation and award, and modification phases.	Reduce cost of contract award actions and improve service delivery time.
Implement portfolio-level acquisition planning and management.	Reduce total number of contract actions and balance workload across fiscal year planning period.
Re-focus staff resources on largest customers and most important contract actions.	Improve flexibility in deploying resources on the most important assignments.
Consolidate contract management roles, e.g., move to Federal COTR model.	Create a single point of accountability for contract management.
Establish standard model and procedures for delegation of authority for specific contract actions.	Reduce the number of people involved in procurement cycles.
Train OCPO and program personnel to maintain required skill levels.	Reduce staff turnover and attrition rates. Improve training and guidance on contract type options.
Decouple award of contracts from fiscal cycle (revise stakeholder guidance; improve tracking and guidance against procurement plans).	Balance workload and contract awards throughout the year.
Move to a results-oriented contract environment (outcome-based) – apply modular contracting to combine advantages of fixed-price and cost-type approaches.	Exploit the appropriate contract type to achieve mission goals.
Move OCPO operations to the field, when appropriate.	Reduce staff turnover and attrition rates (based upon the high level of competition for qualified government procurement professionals in the national capital area).

Several business solutions defined by the IPT represent opportunities to improve the efficiency and effectiveness of business operations by leveraging and/or reallocating existing business resources, e.g., staff members, business processes, and business investments.

### Technical Solutions

Acquisition management IPT members evaluated alternative technical approaches to fulfill business and functional requirements. Alternative technical approaches include commercial-off-the-shelf (COTS) products; government-off-the-shelf (GOTS) products, and repurposing existing technical solutions.

The evaluation of alternative technical approaches generated the following information inputs:

- HUD will issue a Request for Information (RFI) to evaluate commercial acquisition management products relative to detailed functional requirements. Functional requirements are described in Appendix B.
- A commercial-off-the-shelf (COTS) product will be selected and implemented to provide a single, integrated acquisition management solution to fulfill HUD's business and technical requirements.
- A near-term pilot project will be executed in the Office of Housing to re-engineer the pre-solicitation/solicitation stages of the procurement process, focusing on requests for contract services (RCS). The pilot project also includes repurposing existing applications and technologies to support business process requirements. Lessons learned from the pilot project will be captured and applied to support implementation of a single, end-to-end acquisition management solution using a COTS product.

Acquisition and implementation costs were estimated for commercial-off-the-shelf products to determine the anticipated total cost of ownership for the acquisition management solution. Total cost of ownership is summarized in Table 2.

**TABLE 2: ESTIMATED TOTAL COST OF OWNERSHIP**

Estimated Total Cost of Ownership		
Line Item	Estimate	Summary Description
Acquisition	\$2.45M	\$1.6 to \$7.1M
Integration	\$1.60M	\$0.75 to \$2.80M
HUD Labor	\$0.87M	\$0.6 to \$1.6M
<b>Total</b>	<b>\$4.92M</b>	<b>\$2.95 to \$11.5M</b>
Annual Costs		
Maintenance	\$0.35M	\$0.16 to \$0.75M
HUD Support Labor	\$0.74M	\$0.26 to \$1.14M

Detailed TCO information and a breakdown of estimated costs are provided in Appendix C.

## Strategic Alignment Analysis

The *Acquisition Management Modernization Plan* is developed, implemented, and maintained in the context of HUD's agency enterprise architecture and relevant cross-agency initiatives. Whenever possible, reusable assets reflecting department-wide standards and government-wide standards are applied to achieve performance goals, fulfill business and technical requirements, and increase interoperability and data sharing. Relationships between the modernization plan and other relevant modernization initiatives (agency initiatives or cross-agency initiatives) establish a series of dependencies between acquisition management modernization milestones (events) and other modernization milestones at HUD or government-wide.

The following sections align the acquisition management modernization plan with individual elements or layers of HUD's enterprise architecture, including performance architecture, business architecture, data architecture, services (application) architecture, and technical architecture. In addition, the modernization plan is aligned with relevant cross-agency initiatives defined by the Federal Transition Framework (FTF).

Developing and maintaining the acquisition management modernization plan is a continuous, iterative process. Individual iterations of the modernization plan will be re-aligned with the agency enterprise architecture and cross-agency initiatives to identify opportunities for collaboration and reuse.

### Performance

HUD's enterprise-wide performance architecture organizes and describes performance indicators for business modernization initiatives. Performance architecture is a key element of HUD's enterprise architecture framework linking business performance indicators to strategic goals and objectives, modernization initiatives and investments, and the agency EA Transition Strategy and IT Master Schedule. HUD's performance architecture is aligned with the Federal Enterprise Architecture (FEA) PRM, applying a standard framework to describe performance indicators for measurement areas associated with strategic business outcomes.

During the modernization process, the IPT identified performance indicators linked to key implementation milestones (performance milestones). Performance indicators were defined to show progress from the baseline or current environment to the target environment.

The IPT established baseline and target metrics for each performance indicator. Performance metrics are monitored and analyzed through cyclical monitoring and reporting mechanisms. Corrective actions are defined and implemented, as necessary, to achieve target performance measures. Table 3 provides a summary of acquisition management performance indicators, performance milestones, and target or expected outcomes.

HUD's acquisition management modernization vision comprises multiple integrated business solutions and technical solutions to achieve target performance improvements. Consequently, multiple performance milestones directly or indirectly contribute to modernization performance indicators. Performance milestones are included in the business modernization implementation plan and will be integrated with HUD's EA Transition Strategy and IT Master Schedule. Detailed performance indicator descriptions, using HUD's standard performance architecture template, are provided in Appendix D.

**TABLE 3: ACQUISITION MANAGEMENT PERFORMANCE INDICATORS**

<b>Performance Indicator</b>	<b>Performance Milestones</b>	<b>Expected Outcomes</b>
Average cost per action (Award, Modification, Closeout) by contract type	<ul style="list-style-type: none"> <li>• Communicate Modernization Plan (staff and stakeholders)</li> <li>• Implement Performance Tracking</li> <li>• Complete pre-solicitation/solicitation (pilot)</li> <li>• Implement integrated acquisition management solution</li> <li>• Implement redesigned business processes</li> </ul>	<ul style="list-style-type: none"> <li>• Improve pre-solicitation, solicitation, and award planning and execution</li> <li>• Reduce contract modifications</li> </ul>
Average time to complete PALT milestones measured against target	<ul style="list-style-type: none"> <li>• Implement Performance Tracking</li> <li>• Reallocate workload by location</li> <li>• Initiate workload balancing across fiscal year</li> <li>• Complete pre-solicitation/solicitation (pilot)</li> <li>• Implement integrated AM solution</li> <li>• Implement redesigned business processes</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce time to deliver contract services</li> <li>• Improve staff accountability</li> <li>• Initiate contract portfolio management</li> </ul>
Award to modification ratio based on a 3-year average of awards and modifications	<ul style="list-style-type: none"> <li>• Implement Performance Tracking</li> <li>• Complete pre-solicitation/solicitation (pilot)</li> <li>• Implement integrated acquisition management solution</li> <li>• Implement redesigned business processes</li> </ul>	<ul style="list-style-type: none"> <li>• Improve pre-solicitation, solicitation, and award planning and execution</li> <li>• Reduce contract modifications</li> </ul>
Average customer satisfaction measured by survey  Scale 1 to 5 where 1 is the lowest score and 5 is the highest score	<ul style="list-style-type: none"> <li>• Communicate Modernization Plan (staff and stakeholders)</li> <li>• Execute CPO competency profile</li> <li>• Execute GTR competency profile</li> <li>• Implement integrated acquisition management solution</li> <li>• Implement redesigned business processes</li> </ul>	<ul style="list-style-type: none"> <li>• Improve customer service</li> </ul>
GS-1102 attrition or staff turnover rate	<ul style="list-style-type: none"> <li>• Reallocate workload by location</li> <li>• Complete pre-solicitation/solicitation (pilot)</li> <li>• Implement integrated acquisition management solution</li> <li>• Implement redesigned business processes</li> </ul>	<ul style="list-style-type: none"> <li>• Retain and attract top quality GS-1102 staff</li> </ul>
Quarterly obligations (count and dollar amount) as measured against plan	<ul style="list-style-type: none"> <li>• Communicate Modernization Plan (staff and stakeholders)</li> <li>• Execute CPO competency profile</li> <li>• Execute GTR competency profile</li> <li>• Implement Performance Tracking</li> <li>• Initiate workload balancing across fiscal year</li> <li>• Complete pre-solicitation/solicitation (pilot)</li> </ul>	<ul style="list-style-type: none"> <li>• Improve pre-solicitation, solicitation, and award planning and execution</li> <li>• Improve workload balancing</li> <li>• Improve accountability</li> <li>• Initiate contract portfolio management</li> </ul>

**TABLE 3: ACQUISITION MANAGEMENT PERFORMANCE INDICATORS (continued)**

<b>Performance Indicator</b>	<b>Performance Milestones</b>	<b>Expected Outcomes</b>
Procurement job skill	<ul style="list-style-type: none"> <li>• Communicate Modernization Plan (staff and stakeholders)</li> <li>• Implement Performance Tracking</li> <li>• Execute CPO competency profile</li> </ul>	<ul style="list-style-type: none"> <li>• Improve skill and competency level of OCPO staff</li> </ul>
Program job skills	<ul style="list-style-type: none"> <li>• Communicate Modernization Plan (staff and stakeholders)</li> <li>• Execute GTR competency profile</li> <li>• Implement Performance Tracking</li> </ul>	<ul style="list-style-type: none"> <li>• Improve skill and competency level of program GTR staff</li> </ul>
Number of HPS/SPS users (Indicates number of participants in the acquisition management process)	<ul style="list-style-type: none"> <li>• Communicate Modernization Plan (staff and stakeholders)</li> <li>• Implement Performance Tracking</li> <li>• Reallocate workload by location</li> <li>• Initiate workload balancing across fiscal year</li> <li>• Complete pre-solicitation/solicitation (pilot)</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce the number of personnel involved in an acquisition management lifecycle</li> </ul>
Count of IG findings, including: PIV Contract Admin SPS/HPS	<ul style="list-style-type: none"> <li>• Communicate Modernization Plan (staff and stakeholders)</li> <li>• Implement Performance Tracking</li> <li>• Reallocate workload by location</li> <li>• Initiate workload balancing across fiscal year</li> <li>• Complete pre-solicitation/solicitation (pilot)</li> <li>• Implement integrated AM solution</li> <li>• Implement redesigned business processes</li> </ul>	<ul style="list-style-type: none"> <li>• Improve overall acquisition management performance</li> <li>• Improve customer service</li> <li>• Address IG findings through execution of the acquisition management modernization plan</li> <li>• Reduce the number of future IG findings</li> </ul>

## Business

HUD's Business Reference Model (BRM) provides a department-wide taxonomy for understanding HUD's business operations. At the highest level of the taxonomy, HUD's BRM comprises four primary business areas outlined below:

- **Services for Citizens:** Mission areas delivering services to, and on behalf of, American citizens.
- **Mode of Delivery:** Mechanisms HUD's mission areas use to deliver goods and services.
- **Support Delivery of Services:** Critical policy, programmatic, and managerial activities supporting HUD's operations.
- **Management of Government Resources:** Back office support activities enabling HUD to operate effectively.

*The Acquisition Management Modernization Plan is aligned with the Management of Government Resources Business Area and the Supply Chain Management Business Function (described below). HUD's BRM adopts Federal Enterprise Architecture Lines of Business (LOBs) and sub-functions for Management of Government Resources without modification.*

## Supply Chain Management Business Function

Supply chain management allows HUD to effectively manage the acquisition lifecycle for physical goods and contracted services supporting the agency mission. Sub-functions include:

- **Goods Acquisition:** Procurement of physical goods, products, and capital assets to be used by the Federal government.
- **Inventory Control:** Tracking information related to procured assets and resources with regard to quantity, quality, and location.
- **Logistics Management:** Planning and tracking of personnel and their resources in relation to their availability and location.
- **Services Acquisition:** Oversight and/or management of contractors and service providers from the private sector.

## Data

Acquisition management data architecture will be developed in accordance with guidance published in HUD's *Data Segment Architecture Methodology*. The Office of the Chief Information Officer (OCIO) offers data management support and expertise to program areas as a business modernization planning service. All data support efforts are aligned with HUD's enterprise data management practice (EDM) and data steward program, and resulting work products will be aligned with HUD's enterprise data architecture.

Data requirements definition and other support services are included in the business modernization implementation plan. Support services are initiated with baseline data maturity assessments followed by tasks to develop data requirements supporting COTS product selection and system implementation.

## Services

HUD's SRM is a taxonomy and framework for identifying, organizing, and classifying applications and services based on the type of functionality they provide. HUD's SRM is based on the Federal Enterprise Architecture (FEA) SRM, reflecting the FEA taxonomy and encompassing a subset of FEA SRM components required to support HUD's business.

Table 4 outlines *principal* service domains, service types, and service components supporting acquisition management functional requirements. Acquisition management functional requirements are documented in Appendix B.

TABLE 4: MAPPING TO SERVICE COMPONENT REFERENCE MODEL

Acquisition Management		
Service Domain	Service Type	Service Components
Customer Services	Customer Relationship Management	Customer Feedback; Surveys
Process Automation Services	Tracking and Workflow	Process Tracking
Business Management Services	Supply Chain Management	Procurement; Sourcing Management
Digital Asset Services	Document Management	Document Imaging; Document Referencing, Document Review and Approval
Business Analytical Services	Business Intelligence	Decision Support and Planning
	Reporting	Ad-hoc Reports; Standardized Reports
Back Office Services	Data Management	Data Warehouse; Data Exchange
	Human Capital/Workforce Management	Skills Management; Team/Org. Management; Workforce Acquisition/Optimization
Support Services	Communication	Community Management

## Technology

HUD develops and maintains the agency technology architecture at the enterprise level. The Technical Reference Model (TRM) and Standards Profile provide guidance to support the acquisition, development, integration, deployment, and operation of information systems and infrastructure at HUD, increasing enterprise interoperability, asset reuse, and information sharing. TRM development and maintenance activities include the definition of a standard TRM taxonomy (domain, category and product), data quality and integrity checks, and product classification using product status codes – *target future*, *target current*, *maintain*, *obsolete*, and *pilot*. Status codes provide information on the planned operation and/or disposition of each product and identify baseline (current) and target products. For more information on HUD's TRM and Standards Profile, visit: <http://www.hud.gov/offices/cio/sdm/devlife/def/trm/trmmainpage.cfm>.

HUD's TRM is fully aligned with the FEA TRM. In accordance with HUD's EA Governance Structure, the TRM and Standards Profile are reviewed and approved by the Configuration Change Management Board (CCMB) and implemented through the HITS Management Review Board (HMRB). *All technologies acquired and implemented to support the Acquisition Management Modernization Plan and functional requirements described in Appendix B will be aligned with target current or target future standards defined by the agency TRM and Standards Profile.*

## Cross-agency Initiatives

HUD's *Acquisition Management Modernization Plan* is aligned with the Integrated Acquisition Environment (IAE) cross-agency initiative sponsored by the General Services Administration (GSA). IAE seeks to achieve the following set of requirements<sup>1</sup>:

- **Integrated Business Process:** Create a simpler, common, integrated business process for buyers and sellers that promotes competition, transparency, and integrity.
- **Modernize Infrastructure:** Apply a unified approach to obtain modern tools to leverage investment costs for business-related processes.
- **Promote Data Sharing:** Increase data sharing to enable better business decisions in procurement, logistic, payment, and performance assessment.

At present, HUD provides information to the Federal Procurement Data System–Next Generation (FPDS-NG) and the Central Contractor Registration (CCR) elements of IAE.

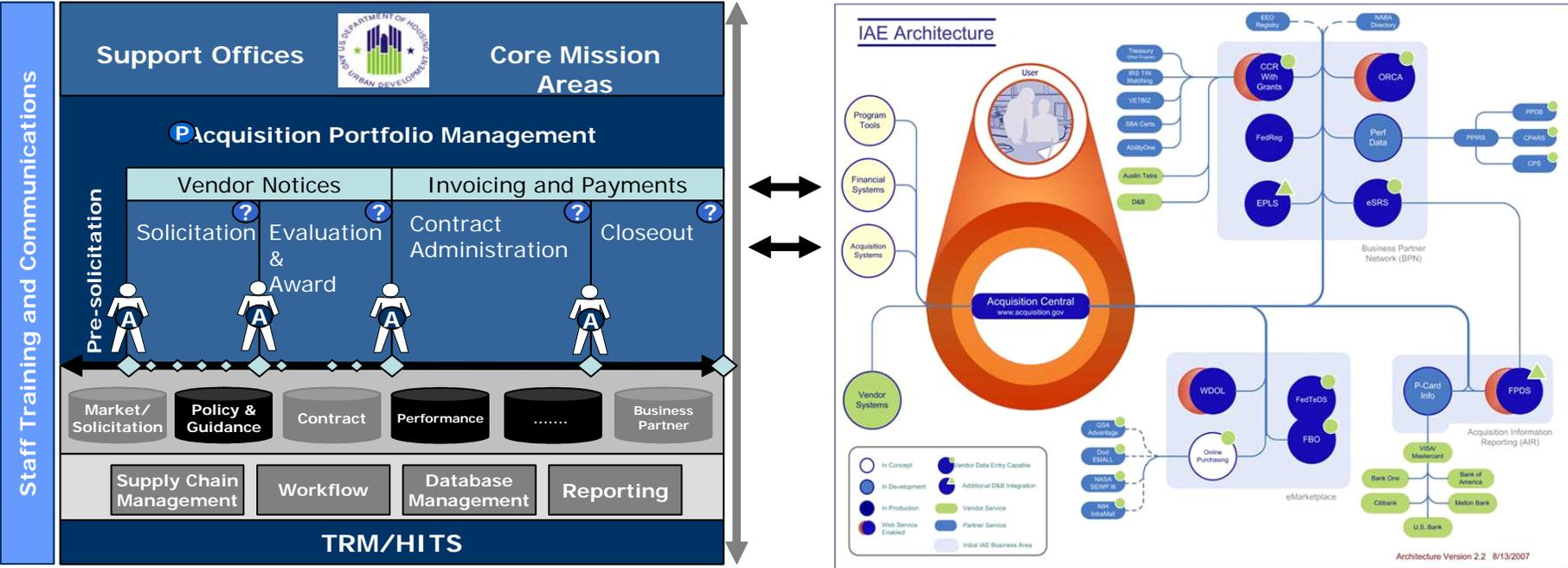
Executive departments and agencies are responsible for collecting and reporting procurement data to FPDS-NG as required by Federal Acquisition Regulations (FARs). The Government uses the reported data to measure and assess the impact of Federal procurement on the nation's economy; the extent to which awards are made to businesses in the various socio-economic categories; the impact of full and open competition on the acquisition process; and, other procurement policy purposes. FPDS-NG contains data that the Federal Government uses to create recurring and special reports to the President, Congress, Government Accountability Office (GAO), Federal executive agencies, and the general public. *It is extremely important that data contained in FPDS-NG is accurate, complete, and submitted in a timely manner.*

Central Contractor Registration (CCR) is the primary registrant database for the U.S. Federal Government. CCR collects, validates, stores, and disseminates data in support of agency acquisition missions. Figure 2 illustrates the relationship between the target acquisition management conceptual architecture and the Integrated Acquisition Environment.

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<sup>1</sup> *Federal Transition Framework (FTF) Catalog: Integrated Acquisition Environment (IAE)*

FIGURE 2: INTEGRATED ACQUISITION ENVIRONMENT ARCHITECTURE (IAE)



## Summary Reuse Plan

The acquisition management modernization implementation plan seeks to maximize reuse of current business and information management resources to fulfill stakeholder requirements and achieve target performance improvements. During modernization planning working sessions, IPT members considered current staff resources, business processes, and HUD technology investments relative to modernization opportunities and business and functional requirements. The following sub-sections describe IPT findings in each area.

### Staff Resources

In response to increasing workforce attrition and turnover resulting from increased competition for acquisition personnel (GS 1102) in the Washington, D.C. area, the IPT recommends reallocating contract management workload to field offices and utilizing existing acquisition management staff in field locations to support contract management and customer service requirements. The acquisition management implementation plan includes tasks, milestones, and associated performance measures to reallocate and measure the impact of workload reallocation. Workload reallocation will apply acquisition portfolio management practice areas to determine the reallocation of workload by location.

### Business Processes

Existing high-level business process milestones and Procurement Acquisition Lead Time (PALT) milestones are representative of HUD's contract workflow and can be reused as part of the target operating environment. Business processes, workflows, and utilities supporting high-level process milestones will be re-engineered to fulfill modernization opportunities and achieve target performance improvements, e.g., re-engineer pre-solicitation and solicitation phases of the procurement process.

### Services and Technology

Existing technologies can be repurposed to execute a pilot project in the Office of Housing. The planned pilot project supports the pre-solicitation and solicitation phases of the procurement process, allowing the evaluation and verification of near-term to medium-term performance improvements. MS SharePoint, MS InfoPath, and MS Office Outlook can be reused and configured to support workflow management. In addition, HUD's enterprise Technical Reference Model (TRM) indicated that Handysoft's Bizflow suite is a candidate workflow management technology. The pilot project team will determine which product or grouping of products will be repurposed to support pilot project requirements.

## Implementation Plan/Program Management Plan

The modernization planning process culminates in the definition of a roadmap to design, develop, and implement a single, end-to-end acquisition management solution. Business and technical solutions are implemented and integrated using a single, logical implementation plan.

The implementation plan describes an incremental rollout strategy addressing modernization priorities while maintaining the integrity of a single, end-to-end solution to support each element of the procurement process. Modernization tasks and activities are described, linking key modernization milestones to performance indicators, including baseline and target performance metrics.

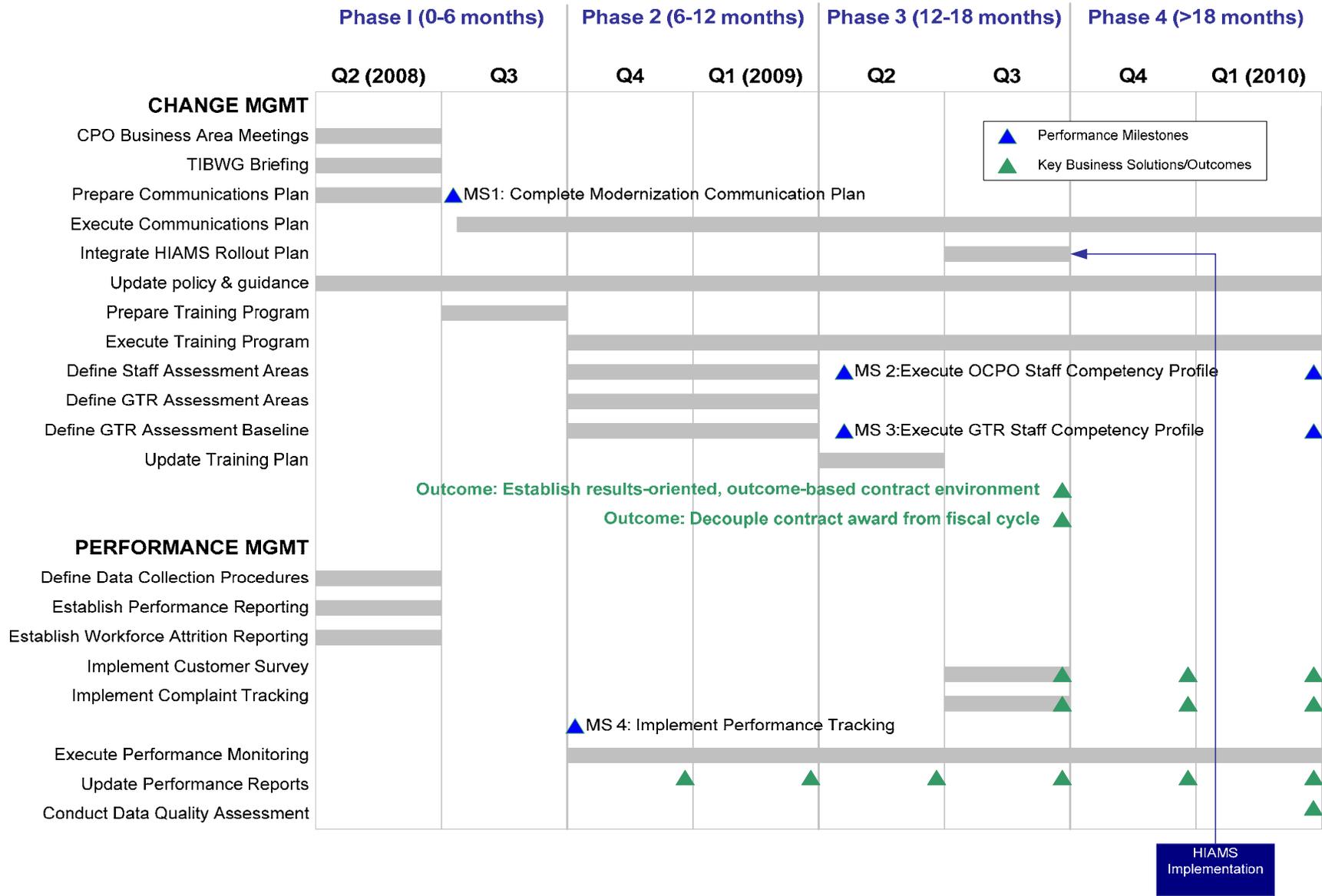
Modernization tasks, activities, and milestones are organized into implementation plan categories, described below:

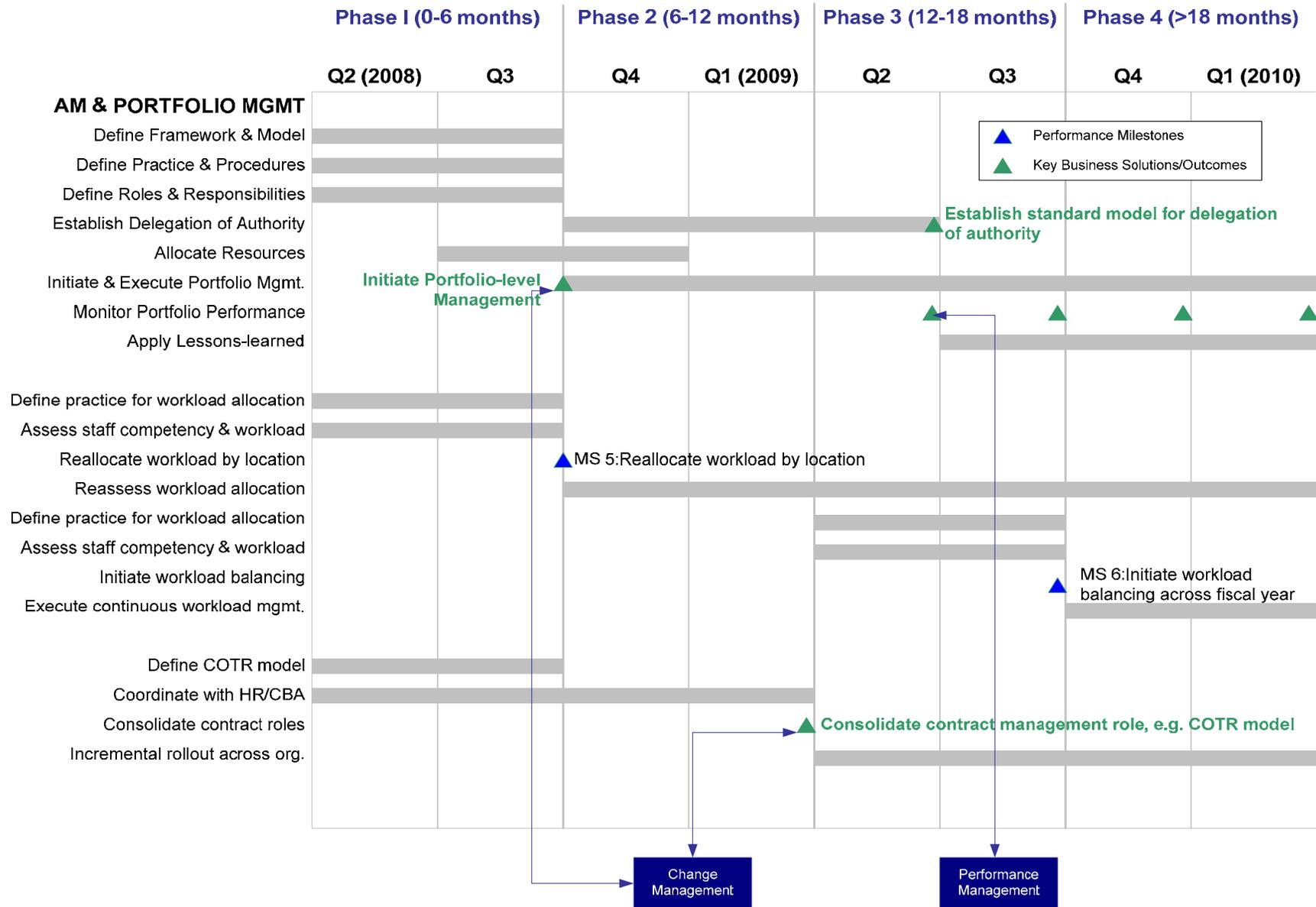
- **Change Management:** Stakeholder communications and education enabling acquisition management modernization and migration to a results-oriented, outcome-based contracting environment. Effective implementation of business and technical solutions requires a culture change across acquisition management stakeholders. *Consequently, change management tasks and activities are critical to all other elements of the implementation plan.*
- **Performance Management:** Definition and execution of performance monitoring and reporting, demonstrating progress toward target performance measures for key modernization performance indicators.
- **Acquisition and Portfolio Management:** Practice definition and implementation activities resulting in migration to portfolio-level acquisition management and creation of new organization roles and responsibilities to improve process accountability and customer service, e.g., Federal COTR model.
- **HIAMS Implementation:** Product selection and implementation activities coupled with priority business process re-engineering activities, to achieve a single, integrated acquisition management solution. Solution implementation applies lessons-learned from an initial pilot project in the Office of Housing.
- **Program/Project Management:** Overarching strategic activities, including modernization planning and risk management.

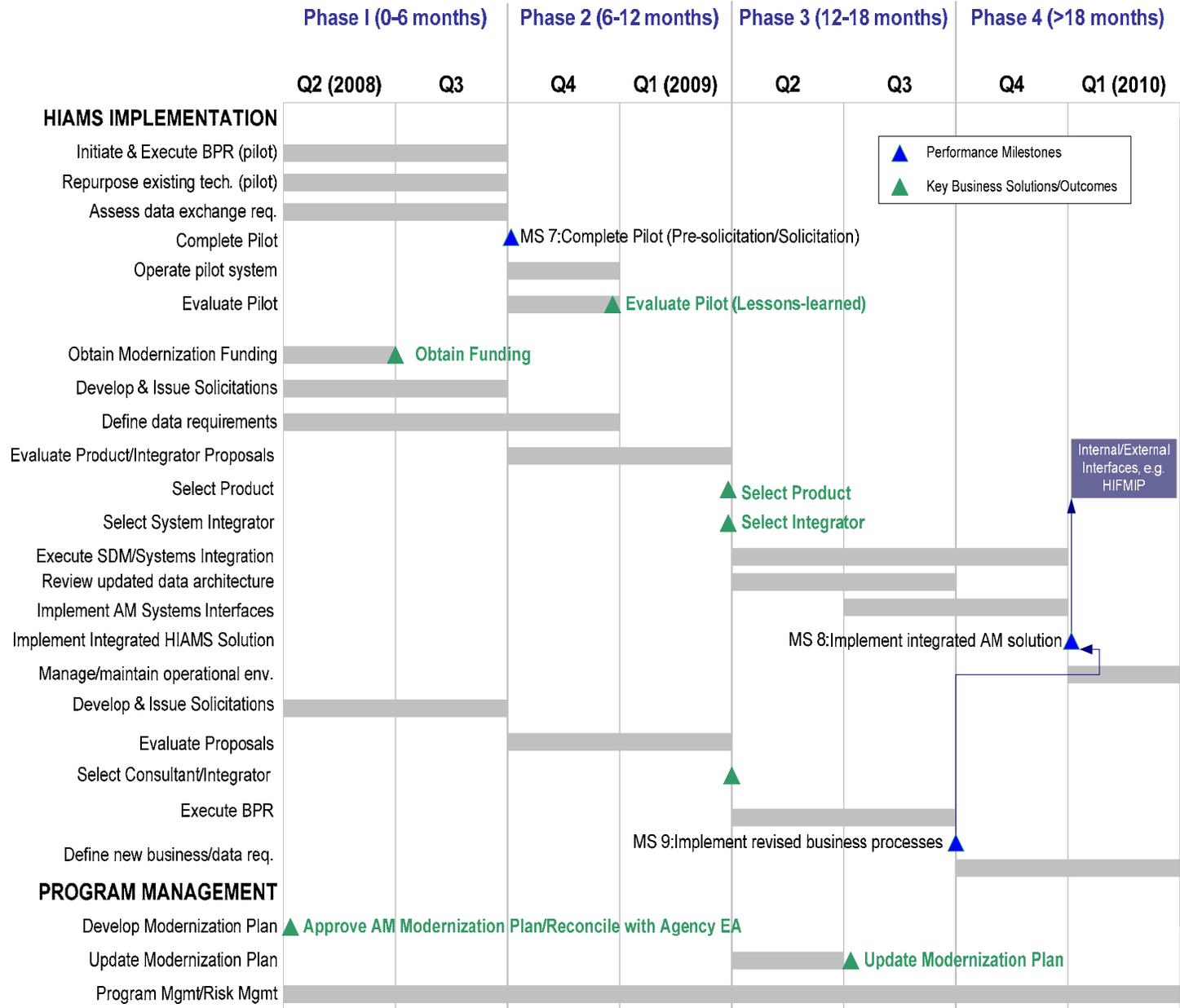
The implementation plan outlined in Figure 3 illustrates the logical sequencing of modernization activities and events approved by the IPT. Individual tasks, activities, and milestones are positioned by quarter, creating four major implementation phases—Phase 1 (0 to 6 months), Phase 2 (6 to 12 months), Phase 3 (12 to 18 months) and Phase IV (>18 months). For planning purposes, implementation phases commence at completion of the initial modernization plan (Q2 2008) through implementation of a single, integrated, acquisition management solution and re-engineered business processes at the beginning of FY 2010. *Note: Modernization planning is a continuous process supporting the allocation of resources to operate and maintain the target environment and will continue beyond the time period shown in the current version of the implementation plan.*

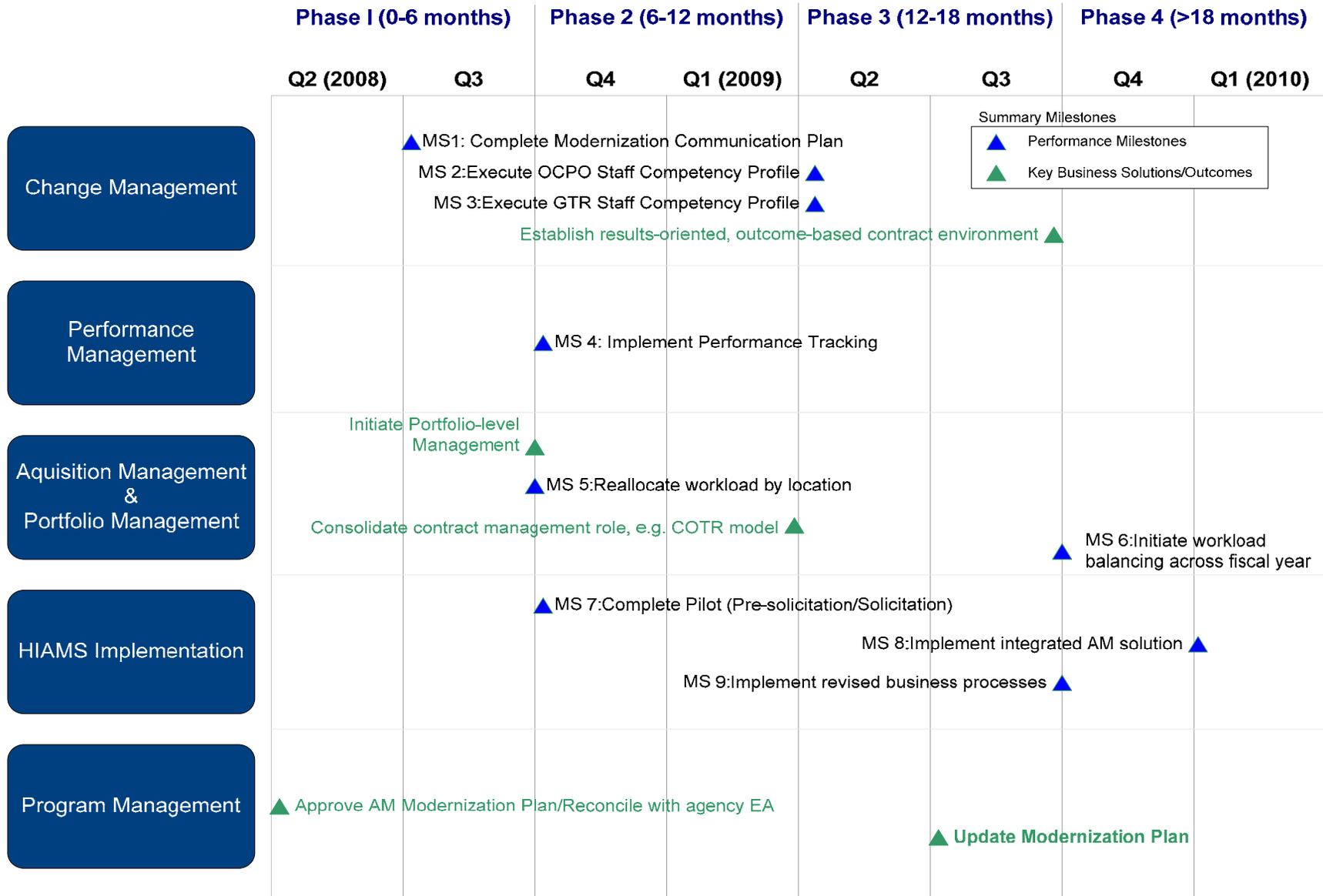
Summary elements from the implementation plan, including performance milestones and major internal and external dependencies, will be incorporated into HUD's IT Master Schedule to monitor and track progress against the implementation plan and to demonstrate performance improvements.

FIGURE 3: IMPLEMENTATION PLAN









## Implementation Plan: Modernization Dependencies

Implementation tasks and activities documented in the plan do not occur in isolation. Dependencies exist between individual elements of the acquisition management modernization plan and other enterprise modernization initiatives and cross-agency initiatives, e.g., Integrated Acquisition Environment (IAE). The implementation plan illustrates key touch-points (dependencies) between elements of the acquisition management modernization plan and other internal and external initiatives.

The acquisition management IPT identified integration with HUD's Integrated Financial Management Improvement Project (HFMIIP) as a priority modernization opportunity. HUD's future state financial management environment comprises a Shared Service Center (SSC) providing application hosting services for Federal financial management (FM) and core accounting services. Financial management modernization will create an Integrated Core Financial System (ICFS) with a single, standard financial management infrastructure supporting HUD's program and support offices. The target financial management environment applies standard applications, services, and technologies to ensure accountability; support resource control; and produce accurate, consistent, timely, and useful financial information to support HUD's mission.

HUD's acquisition management solution will integrate with the target financial management environment to meet the following key requirements:

- Enhance integration and interoperability with HUD Financial Management (FM) systems
- Implement electronic invoicing and associated workflow
- Enhance integrated workflow processes supporting contract administration
- Ensure timely invoice payments and reduce payment penalties.

Acquisition management and financial management integration should ensure that acquisition management and financial management information is captured once and is available to all stakeholders with appropriate access authorization. Interfaces between acquisition management and financial management systems will be developed and implemented in accordance with the key financial management implementation milestone(s) described in Table 5.

**TABLE 5: KEY HIFMIP IMPLEMENTATION MILESTONES**

<b>HUD Integrated Financial Management Improvement Project (HIFMIP)</b>	
<b>Milestone Description</b>	<b>Target Date</b>
Implement Integrated Core Financial System (ICFS) Shared Service Center (SSC) to replace HUDCAPS and PAS to provide HUD with integrated financial management services.	Q2/2010
Implement financial management data warehouse to provide HUD with integrated financial management services.	Q1/2012
Integrate program and financial subsidiary systems with ICFS to provide HUD with integrated financial management services.	Q2/2012

## Workforce Capabilities Analysis

HUD's current workforce is qualified to implement the target architecture and execute the business modernization implementation plan with proposed levels of training. Workforce capabilities analysis investigated new or revised requirements to be supported during implementation of the business modernization plan and found requisite qualifications to be similar to current workforce requirements for education, technical skills, and work experience.

Specific findings and recommendations are provided for the following workforce capability areas:

- Skill levels/capabilities
- Training requirements
- Management competence
- Solution flexibility
- Technical support.

### Skill Levels/Capabilities

Business modernization recommendations include optimizing current processes and resource allocation to support procurement policy, regulations, and guidelines currently supported by HUD's acquisition management workforce. Implementation of a single, integrated, end-to-end acquisition management solution will be executed by the system vendor and/or integration contractors, placing no additional requirements for technical capabilities on the current workforce.

Workforce skill levels and capabilities for specific modernization requirements are outlined below:

- **Business Process Operation:** Skill levels required for the new business process will be comparable to existing skill levels. New requirements exist for staff training/retraining in new or revised business processes, but all current personnel will be capable of completing training and executing revised business processes.
- **Solution/System Operation:** The automated acquisition management solution will be designed to be operated by persons with basic, but not sophisticated, computer skills, typical of general office automation solutions. Automated system operation will require basic training in operation of specific functions of the COTS solution. All current personnel should be able to complete required training and operate the automated system successfully.
- **Solution Implementation:** Initial implementation, configuration, and customization of the automated acquisition management solution will require specialized skills provided by the system integration contractor and COTS vendor through the acquisition procurement contract(s).
- **Technical Support:** This category includes support personnel with specialized skills in automated system management, database administration, network management, and other skill areas. These capabilities will be met through outsourcing to one or more technical contractors.

### Training Requirements

All current acquisition management personnel, including program procurement personnel, will require training in two areas:

- Understanding and operation of the reengineered, end-to-end procurement process, including new or revised roles and responsibilities and enhanced process accountability
- Operation of the automated acquisition management system supporting the procurement process.

In addition to reengineered business processes, the GTR and GTM roles may be consolidated into a new role based upon the Federal COTR model. All personnel serving in this role and supervising or managing personnel in this role will require training.

Training requirements resulting from business process reengineering and solution implementation will be such that all current personnel should be capable of completing the training and performing their assigned roles effectively. Similarly, personnel will be able to adapt to consolidated acquisition management roles, supported by training and improved access to guidance. The COTR role is well defined in the Federal government with guidance and best practices available for adoption by HUD.

## Management Competence

HUD executive staff, program/project managers, and business and technical subject matter experts (SMEs) have participated in developing the business modernization plan and have the management skills necessary to transition to the new operational environment. Management staff has a clear understanding of the processes and technologies involved in both the current environment and target environment and the approach to achieve target performance improvements.

Revised business processes, new or revised staff roles and responsibilities, and enhanced business automation will reduce demands on management staff and will facilitate the execution of management responsibilities. Business process reengineering and implementation of an automated acquisition management solution will necessitate changes in the management of the overall procurement process and the individual components of the procurement process. In general, modernization will enhance business process management and oversight by providing useful performance-based information in easily understood formats, helping to streamline process execution and remove bottlenecks and points of vulnerability that impose additional management demands in the current environment. Similarly, clear workflow definition and enhanced process accountability will also improve management operations.

## Solution Flexibility

Functional requirements for the acquisition management COTS product specify that the solution must incorporate adequate flexibility to accommodate and support any portions of existing HUD processes and new business processes. Requirements will be met by the COTS product as delivered, with normal product configuration and customization. The COTS product must be flexible enough to accommodate end-user operation at the skill level of the existing acquisition management workforce without extensive training, recognizing that the necessary technical services for solution implementation and support will be outsourced.

## Outsourcing Technical Services

Implementation activities requiring specialized technical skills, including the installation, configuration, customization, integration, deployment, and administration of the automated solution, will be outsourced to the COTS vendor, system integrator, or other contractors. The only requirement for HUD staff in this area will be procurement and administration of technical support services.

## Funding Strategy

The IPT defined a multi-tiered/multi-year funding strategy to augment modernization resources currently available from the HIAMS business case. Each level of funding strategy is described below.

- **CPO Executive Communications:** In partnership with HUD's CIO, the CPO will communicate the modernization strategy directly to the CFO, HUD Deputy Secretary, and HUD Assistant Secretaries. Executive-level communications will outline modernization benefits, the modernization strategy, and the projected total cost of ownership. The CPO will solicit business area partnership for acquisition management modernization funding.
- **OCPO Management Communications:** In parallel with CPO communications, OCPO directors and managers will conduct modernization plan orientation meetings with business area directors and managers. Business area managers and directors will be asked to participate in acquisition management modernization and the implementation of acquisition management business and technical solutions. The IPT considers

OCPO communications as critical components of the buy-in process facilitating modernization funding.

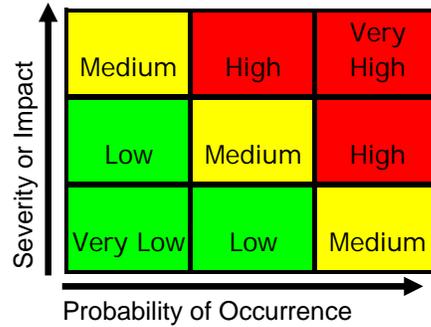
- **Reprogram Funds:** Petition program areas to reprogram technical assistance funds and OCIO working capital to support acquisition management modernization objectives.
- **Develop an IT Investment Business Case:** Incorporate relevant elements of the modernization plan into an IT investment business case. If possible, the acquisition management modernization plan will be incorporated into a “major” investment for one or more business services, aligned with enterprise segments defined by the agency enterprise architecture.
- **Present Modernization Plan to TIBWG/TIBEC:** HUD’s Technology Investment Board (TIB) reviews and approves IT investments and the use of working capital funds. OCPO management will present the modernization plan to the TIB Working Group (TIBWG) and the TIB Executive Committee (TIBEC).

## Program Management

### Risk Management

Risk assessments are an important element of the Acquisition Management/Program Management process. They are closely associated with status and performance monitoring. The IPT has adopted a risk management approach to identify and mitigate project risks early in the project, assisting in the control of project schedule, budget, and performance.

The risk management protocol includes a formal process for anticipating, ranking, and mitigating project risks. It is designed both to minimize program risk and to assure receipt of high quality, on-time deliverables throughout the modernization process. The risk management protocol involves six steps as depicted below:



**FIGURE 4: RISK ANALYSIS MATRIX**

1. **Identification** – Management staff cyclically review changes in resources and operating environments to identify risks before they become problems.
2. **Analyze and Assign Risk** – Business, technical, cost, and project risks are analyzed and ranked. Risk ranking is assigned by determining the probability of a negative event as measured against the expected severity of that event and its potential impact on modernization.
3. **Prioritization** – Management staff prioritizes the risks in order to focus risk mitigation actions on highest priority risks.
4. **Contingency Planning** – Management staff establishes contingency plans reflecting specific mitigating actions for each identified risk. These contingency plans are used to update project plans as needed.
5. **Mitigation** – Management staff assigns resources to execute the defined contingency plans and implement the mitigation strategy.
6. **Monitoring** – Each month, management staff executes the six-step process described. Performance and risk monitoring activities risk and mitigating actions are reassessed and corrective actions are implemented.



**FIGURE 5: RISK MANAGEMENT CYCLE**

The IPT identified, analyzed, and assigned risk to the following project elements. Mitigating actions for each risk are incorporated into the implementation plan. The following table is used for tracking and managing cyclical risk monitoring. Three sequential periods of risk ranking – last, current, and next – are provided to demonstrate the current and expected impact of mitigating actions. Once a risk has been mitigated to “level green,” it is removed from the cyclical report.

## Acquisition Management Risk Management Report

<b>Business Risks</b>				
<b><i>IG not satisfied with solution</i></b>		Medium Last	Medium Current	Low Next
Mitigating Actions	<ul style="list-style-type: none"> <li>• Develop and maintain modernization plan</li> <li>• Execute modernization plan and demonstrate near-term deliverables and success</li> <li>• Implement performance tracking</li> <li>• Execute Competency Profiles and corrective actions</li> </ul>			
<b><i>Budget constraints, cuts, and lack of funding</i></b>		High Last	High Current	Medium Next
Mitigating Actions	<ul style="list-style-type: none"> <li>• Conduct CPO meetings with Business Areas and other stakeholders</li> <li>• Obtain cross-business-area investment</li> </ul>			
<b><i>Resistance to change/Management buy in</i></b>		Medium Last	Medium Current	Low Next
Mitigating Actions	<ul style="list-style-type: none"> <li>• Develop a business-driven plan of action (Modernization Plan)</li> <li>• Execute cyclical communications to staff and management</li> <li>• Initiate BPR (Pilot)</li> <li>• Execute cyclical training</li> <li>• Report on pilot lessons learned</li> </ul>			
<b><i>Lack customer (Business Area) buy-in</i></b>		Medium Last	Medium Current	Low Next
Mitigating Actions	<ul style="list-style-type: none"> <li>• Conduct CPO meetings with Business Areas and other stakeholders</li> <li>• Obtain cross business area investment</li> <li>• Report on pilot lessons learned</li> </ul>			
<b><i>Change in administration priorities (election 2008)</i></b>		Medium Last	Medium Current	Low Next
Mitigating Actions	<ul style="list-style-type: none"> <li>• Establish a business-driven plan of action (Modernization Plan)</li> <li>• Demonstrate early success from the Acquisition Management Pilot</li> <li>• Obtain business area investment</li> </ul>			
<b><i>Lack of Executive support</i></b>		High Last	High Current	Medium Next
Mitigating Actions	<ul style="list-style-type: none"> <li>• Conduct CPO meetings with Business Areas and other stakeholders</li> <li>• Execute funding strategy</li> <li>• Present TIBWG/TIBEC Briefing</li> <li>• Report on pilot lessons learned</li> </ul>			

<b>Project Risks</b>				
<b><i>Elongated project schedule/Solution takes too long</i></b>		High Last	High Current	Medium Next
Mitigating Actions	<ul style="list-style-type: none"> <li>Establish a business-driven plan of action (Modernization Plan)</li> <li>Execute a modernization plan and demonstrate near-term deliverables and success</li> </ul>			
<b><i>Lack of staff resources</i></b>		Medium Last	Medium Current	Low Next
Mitigating Actions	<ul style="list-style-type: none"> <li>Execute relocation of resources plan</li> <li>Out-source acquisition management solution implementation</li> <li>Execute competency profile plan and training</li> </ul>			
<b><i>Changes in scope or requirements</i></b>		Medium Last	Medium Current	Low Next
Mitigating Actions	<ul style="list-style-type: none"> <li>Define a flexible implementation approach reflecting integrated technical and business solutions rather than a single, monolithic solution</li> </ul>			
<b><i>Technology constraints</i></b>		Medium Last	Medium Current	Low Next
Mitigating Actions	<ul style="list-style-type: none"> <li>Evaluate COTS products in light of HIAMS requirements</li> <li>Establish written HIAMS requirements</li> <li>Require implementation follows HUD standard target architecture</li> </ul>			

#### Modernization Plan Maintenance

The acquisition management IPT will remain in place to support solution implementation and stakeholder communications. In accordance with the IPT charter, new members will be assigned to meet new or revised drivers and requirements.

As part of implementation management, the IPT will formally update the *Acquisition Management Modernization Plan* on an annual basis. Version 1.0 of the modernization plan, documentation, and supporting materials will be used as a baseline for future planning. The IPT will direct revisions to Decision Papers 1, 2, and 3, and will refresh the modernization plan to articulate changes in the strategy, document corrective actions, and capture new opportunities for performance improvement.

## Appendices

Appendix A: IPT Working Session IV Meeting Minutes

Appendix B: Functional Requirements

Appendix C: Total Cost of Ownership (Technical)

Appendix D: Performance Indicators

# Appendix A: IPT Working Session IV Meeting Minutes



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Acquisition Management  
Modernization Plan:  
Working Session IV  
Meeting Minutes

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January 10, 2008

## Revision History

Date	Version	Summary
1/15/2008	1.0	Acquisition Management Working Session IV Meeting Minutes

## Acquisition Management Integrated Program Team (IPT) Attendees

- Nancy Royce, [nancy.j.royce@hud.gov](mailto:nancy.j.royce@hud.gov) 303-672-5254
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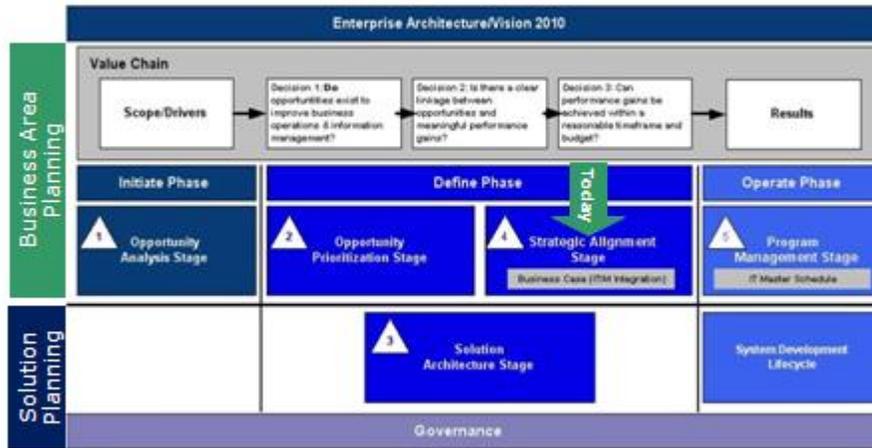
# Table of Contents

# 1 Opening Remarks

Session facilitators presented a modernization planning process overview and orientation, including a description of content provided in Decision Paper 2 & 3 and the working session agenda. The following charts were presented during the opening remarks:

# 2

## Process Overview



# 3

## Modernization Plan



## **Decision Paper 2 (January 2008)**

- Vision (What?)**
  - **Baseline CONOPS**
  - **Baseline TCO**
  - **Target CONOPS**
  - **Functional Requirements**
- Performance Indicators (Why?)**
- Solution Alternatives (How?)**
- Implementation Plan (When?)**

## **Decision Paper 3 (February 2008)**

- Implementation Plan/Program Management Plan**
- Strategic Alignment**
- Reuse Plan**
- Workforce Capability Analysis**
- Funding Strategy**

No questions or comments were provided during this agenda item. The complete working session agenda is reflected in the major heading titles below.

## 2 Functional requirements

The IPT reviewed the definition of portfolio management outlined below:

### **Portfolio Management Requirements** # 7

- **Strategic allocation of resources across initiatives or actions**
  - **Assessing initiatives/actions**
  - **Checking for relationship to the business strategy**
  - **Allocating resources**
  - **Managing groups of resources not individual resources**
  - **Providing control and oversight**
  - **Monitoring and tracking performance**

Based on the general portfolio management requirements provided, the IPT generated additional functional requirements to be included in Decision Paper 3. OCPO portfolio management actions are intended to provide a planned and managed portfolio that yields more effective use of resources. Specific portfolio management requirements defined by the IPT are listed below.

- The system will have the ability to categorize or group the portfolio by the type of service that HUD is procuring (e.g. Advertising, IT Support)
- The system will have the ability to categorize or group the portfolio by the type of customer the OCPO serves
- HIAMS will be able to provide reports used to manage the portfolio by selected categories or groups
- HIAMS functionality will facilitate enterprise level management of the procurement portfolio in coordination with HUD's Enterprise Architecture practice
- The HIAMS data will be structured in such a way to search and report on user defined categories and groups
- HIAMS will ensure data integrity of groups and categories entered into the system

### 3 Implementation Plan

The IPT reviewed and revised the implementation plan milestones provided below. Milestones and respective delivery dates will be used as a basis for completion of the business modernization implementation plan in Decision Paper 3.

	0-6 months (Q3 2008)	6-12 months (Q1 2009)	12-18 months (Q3 2009)	> 18 months
Performance Milestones	Communicate modernization priorities and objectives to staff and stakeholders – buy in	Update OCPO staff competency profile (annually)	Balance workload across fiscal year planning period (70% of new procurements plans will be submitted to OCPO by 3/31 of any given fiscal year should be revisited)	Implement Integrated Acquisition Management Solution
	Reallocate workload by location	Establish standard competency profile  Execute GTR competency profile in alignment with OCPO competency profiles		Implement redesigned business processes for pre-solicitation, solicitation evaluation and award, and modification phases.
	Initiate - Re-engineer pre-solicitation and solicitation phases (Pilot)	Evaluate Pilot and incorporate lessons learned into HIAMS requirements and other business processes		
	Develop performance tracking report(s)			
Business Solutions	Initiate portfolio-level acquisition planning and management (strategic sourcing). Define enterprise portfolio categories.	Re-focus staff resources on largest customers and most important contract actions. (Mandatory, critical business needs, etc.)	Consolidate contract management roles, e.g. move to Federal COTR model, review CPO assignment and acceptance process).	
		Initiate the consolidation contract management roles, e.g. move to Federal COTR model. (union coordination)	Establish standard model and procedures for delegation of authority for specific contract actions at an enterprise level. (predecessor: pilot and role consolidation)	
	Commence training of OCPO and program personnel to maintain required skill levels. (Predecessor to reallocate workload by location)		Decouple award of contracts from fiscal cycle (revise stakeholder guidance, improve tracking and guidance against procurement plans).	
	Move OCPO operations to field, when appropriate based on established rules.	Establish and communicate a HIAMS rollout plan	Move to a results-oriented contract environment (outcome-based) – apply modular contracting to combine advantages of fixed-price and un-priced approaches. (making a start to change culture)	

	0-6 months (Q3 2008)	6-12 months (Q1 2009)	12-18 months (Q3 2009)	> 18 months
Implementation Milestones	Obtain Funding	Product Selection	Execution of SDM/System Integration	
	Issue RFI	System Integrator Selection	Implement acquisition management system interfaces	
	Execute Pilot (BPR)	Revise Policy and Guidance		
	Repurpose existing technologies (Pilot)	Revise/implement customer satisfaction survey mechanism (quarterly)		
	Quarterly Performance Reporting	Revise/implement complaint tracking		
	Establish monthly attrition reporting	Repurpose AWTS – report on obligations versus plan		

The IPT agreed with the milestones and timeframes listed above.

## 4 Performance Metrics

The IPT reviewed and confirmed the following performance metrics. Measures will be used to monitor progress throughout Acquisition Management modernization. Additionally, performance metrics will become part of HUD's enterprise-level performance architecture and modernization plan.

Performance Indicator	Measurement Reporting Cycle	Method of collection	Responsible	Begin Collection	Baseline Measure	Target Measure
1. Average cost per action (Award, Modification, Closeout) by contract type	Annually	<p>Presently: Estimate Total cost of Ownership based on the factors and assumptions used on the Q1 2007 TCO. Estimate % of total effort used to deliver Awards, Modifications and Closeouts. Divided by the number of each summary contract action using system provided actions for the period of performance. Baseline established Q4 2007</p> <p>Planned: Establish cost accounting time charging by action. Establish system derived TCO based on cost accounts. Use system derived counts by action to provide automated executive average cost per action reporting</p>	OCPO – Office of Policy and Systems	Q4 2007	Awards \$ 5,158 Modifications \$ 3,142 Closeout \$ 168	Awards \$ 4,384 Modifications \$ 2,670 Closeout \$ 143
2. Average time to complete workflow steps as measured against target (sample measures follow) <ul style="list-style-type: none"> <li>o Time to deliver an award</li> <li>o Time to process</li> </ul>	Quarterly	<p>Planned:</p> <p>These measures are dependent upon the implementation of an automated workflow processing and</p>	OCPO – Office of Policy and Systems	Q4 2009	Full & Open 210 Days  8(a) Competition 210 Days  8(a) Single Source	Full & Open 189 Days  8(a) Competition 189 Days  8(a) Single Source

Performance Indicator	Measurement Reporting Cycle	Method of collection	Responsible	Begin Collection	Baseline Measure	Target Measure
deliverable acceptance in accordance with contract schedule <ul style="list-style-type: none"> <li>o Time to process invoices (Prompt Payment Act - 30 day rule, interest is accrued automatically on payments later than 30 days from invoice receipt/acceptance )</li> <li>o Timely submission of contractor performance evaluations</li> <li>o Time to closeout</li> </ul>		measurement system.  Baseline measures will be established using existing PALT timeframes. Automated workflow timing process evaluation will be used to establish target measures. OCPO policy will be revised and communicated to stakeholders regarding target measurement policy.  A requirement of the HIAMS system will be to provide automated executive process flow reporting relaying time to complete PALT steps.			60 Days GSA multi-award 120 days  Sole Source 125  Commercial Acq. Part 12 60  Commercial Acq. Part 12 75  TO Award Competitive(IDIQ) 45  TO Award Non-competitive (IDIQ/BPA) 30  Mod Unilateral 30  Mod Bi-Lateral 60	54 Days GSA multi-award 108 days  Sole Source 112  Commercial Acq. Part 12 54  Commercial Acq. Part 12 67  TO Award Competitive(IDIQ) 50  TO Award Non-competitive (IDIQ/BPA) 27  Mod Unilateral 27  Mod Bi-Lateral 54
3. Percent of actions that exceed target PALT thresholds	Quarterly	Planned:  These measures are dependent upon the implementation of an automated workflow processing and	OCPO – Office of Policy and Systems	Q4 2009		

Performance Indicator	Measurement Reporting Cycle	Method of collection	Responsible	Begin Collection	Baseline Measure	Target Measure
		<p>measurement system. This measure is related to the baselines established in performance indicator 2 above.</p> <p>Using initial system data the OCPO will review and revise PALT target thresholds for performance.</p> <p>A requirement of the HIAMS system will be to provide automated executive process flow reporting relaying percentage of actions exceeding PALT target thresholds.</p>				
<p>4. Award to Modification ratio based on a 3 year average of awards and modifications</p> <ul style="list-style-type: none"> <li>o NOTE: The present objective will be to reduce the number of incremental funding actions originating in HUD's Office of Administration and Single Family Housing</li> </ul>	<p>Annually</p>	<p>Presently: Produce HPS/SPS executive reporting broken down by OCPO client organization and summarized at the Department level. Baseline measures will be established as the initial system reports are produced. Target measures will be established upon the analysis of the baseline data.</p>	<p>OCPO – Office of Policy and Systems</p>	<p>Q3 2008</p>	<p>1:1.4</p>	<p>1:1.19</p>

Performance Indicator	Measurement Reporting Cycle	Method of collection	Responsible	Begin Collection	Baseline Measure	Target Measure
		<p>Planned: A HIAMS requirement will be to provide real-time Award to Modification executive reports similar to HPS/SPS reporting requirements.</p> <p>Note: to reduce the number of incremental funding actions..." may be limited since Congress controls the funds. HIAMS is expected to make the process more efficient but cannot deal with congressional funding appropriations.</p>				
<p>5. Total averages customer satisfaction as measured by survey</p> <p>Scale 1 to 5 where 1 is the lowest score and 5 is the highest score</p>	<p>Annually</p>	<p>Presently: Using HUD's online survey utilities solicit OCPO stakeholder feedback concerning performance in the following areas</p> <ul style="list-style-type: none"> <li>○ Number of delays and errors</li> <li>○ Accountability and role clarity</li> <li>○ Ease of</li> </ul>	<p>OCPO – Office of Customer Service and Personnel</p>	<p>Q3 2008</p>	<p>TBD</p>	<p>4</p>

Performance Indicator	Measurement Reporting Cycle	Method of collection	Responsible	Begin Collection	Baseline Measure	Target Measure
		<p>resolution</p> <ul style="list-style-type: none"> <li>o Time to delivery</li> </ul> <p>Baseline measures will be produced from the results from the initial survey. Target measures will be established upon completion of analysis of the initial survey.</p> <p>Planned: HIAMS should support web-based surveys.</p>				
6. Attrition or staff turnover rate (GS 1102)	Annually	<p>In collaboration with HUD Admin, collect and report on annual attrition rate by OCPO location and labor category.</p> <p>Baseline measures will be published from the Q2 2008 report. Target measures will be produced upon completion of Q2 2008 attrition report analysis.</p>	OCPO – Office of Customer Service and Personnel	Q2 2008	18% (2006)	10% (Average government rate 8%)
7. Quarterly obligations (count and amount) as measured against plan <ul style="list-style-type: none"> <li>o Must consider the type and duration of appropriated funds</li> </ul>	Quarterly	<p>Presently: Cyclical HPS/SPS executive report</p> <p>Baseline and Target measures are created</p>	OCPO – Office of Policy and Systems	Q2 2008	<ul style="list-style-type: none"> <li>• Note: baseline measures follow this table (see table below)</li> </ul>	

Performance Indicator	Measurement Reporting Cycle	Method of collection	Responsible	Begin Collection	Baseline Measure	Target Measure
		<p>annually as part of the OCPO Operations Management Plan.</p> <p>Planned: System requirement for the future executive reporting needs of HIAMS.</p>				
<p>8. Procurement job skill</p> <ul style="list-style-type: none"> <li>o Number of people completing skill gap training by competency area</li> </ul>	Annually	<p>Conduct an Annual OCPO staff skill gap evaluation "competency profile"</p> <p>Assess course completions and certifications using 1102s and Learning Management System reports.</p> <p>Baseline and Target measures are created annually as part of the OCPO Management Plan.</p> <p>Note: HUD OCPO is working to establish policy to join annual performance appraisals and career progression to actual results produced by staff</p>	OCPO – Office of Policy and Systems	Q1 2008	<p>Problem Solving - 0</p> <p>Self Management Initiative - 0</p> <p>Effective Analytical Skills - 0</p> <p>Defining Gov requirements - 0</p> <p>Effective Management of Gov Requirements - 0</p>	<p>Problem Solving - 31</p> <p>Self Management Initiative - 37</p> <p>Effective Analytical Skills - 31</p> <p>Defining Gov requirements - 29</p> <p>Effective Management of Gov Requirements - 33</p>
9. Program job skills	Annually	Conduct an Annual GTR	OCPO –	Q1 2009	0	50% (y1) 80

Performance Indicator	Measurement Reporting Cycle	Method of collection	Responsible	Begin Collection	Baseline Measure	Target Measure
<ul style="list-style-type: none"> <li>o Number of FAC-COTR certified GTRs</li> </ul>		<p>skill gap evaluation “competency profile” based on OCPO competency based trainings and certifications.</p> <p>Baseline and Target measures are created annually as part of the OCPO Management Plan.</p> <p>Revision: Simple count from ACMS (Acquisition Career Management System)</p>	Office of Policy and Systems			(y2)
10. Number of HPS/SPS users (Indicates number of participants in the Acquisition Management process)	Quarterly	<p>HPS/SPS user count</p> <p>No process to capture people who leave.</p>	OCPO – Office of Policy and Systems	Q2 2008	1617	800
11. Count of IG findings including <ul style="list-style-type: none"> <li>- PIV</li> <li>- Contract Admin</li> <li>- SPS/HPS</li> </ul>	Response to IG report issued	<p>Compare current quarter IG findings with last quarter’s IG findings. Report the number of repeat findings.</p> <p>The baseline measure reflects repeat IG findings as of Q1 2008.</p> <p>The target measure for</p>	OCPO – Audit Liaison Officer	Q1 2008	<p>PIV - 2</p> <p>Contract Admin - 6</p> <p>SPS/HPS - 15</p>	<p>PIV - 0</p> <p>Contract Admin - 0</p> <p>SPS/HPS – 0</p> <p>Repeat Findings – 0</p>

Performance Indicator	Measurement Reporting Cycle	Method of collection	Responsible	Begin Collection	Baseline Measure	Target Measure
		this indicator is zero. This measure indicates the elimination of repeat IG findings between any given Federal Fiscal Quarter.				

Baseline Obligations Table (referenced from Performance Indicator 7, Quarterly Obligations above)

	PLAN ACTIONS		CONTRACT ACTIONS		LINKED CONTRACT ACTIONS	
	Action Counts	Planned Obligation	Action Counts	Actual Obligation	Action Counts	Obligations Planned
Quarter 1	196	\$ 391,134,338.00	390	\$103,720,376.00	106	\$ 123,829,762.00
Quarter 2	166	\$ 242,820,492.00	737	\$ 99,848,597.00	226	\$ 82,283,399.00
Quarter 3	184	\$ 175,537,655.63	675	\$282,941,999.00	184	\$ 221,799,635.00
Quarter 4	388	\$ 511,231,046.49	1305	\$397,480,876.00	306	\$ 330,406,918.00

The IPT suggested that this table will require explanatory notes describing planned obligations, actual obligations and linked actions (obligations planned).

## 5 Funding Strategy & Target TCO

The IPT discussed multiple strategies to obtain funding supporting Acquisition Management modernization, including:

- Initiate Housing Pilot as proof of concept
- Reprogram funds
  - End of FY working capital
  - End of FY Program Technical Assistance
- Request initiative becomes a “major” investment and/or is aligned with a major modernization initiative (segment), supported by an A+ OMB 300 business case
- Increase visibility of program
- Present modernization plan to TIBWG / TIBEC
- Communications plan w/ Deputy Sec, major lines of business (Housing and PIH) and stakeholders

The following range of estimated target Total Cost of Ownership (TCO) was reviewed. Detailed estimates will be provided as part of Decision Paper 3. The estimated funding will not be required in a single fiscal year. Additionally, HUD may reach the lower end of “range” of estimates represented below by implementing the business solutions identified in Decision Paper’s 2 & 3..

<b>Line Item(s)</b>	<b>Estimate</b>	<b>Range</b>
<b>Acquisition</b>	<b>\$2.45M</b>	<b>\$1.6-\$7.1M</b>
<b>Integration</b>	<b>\$1.60M</b>	<b>\$0.75-\$2.80M</b>
<b>HUD Labor</b>	<b>\$0.87M</b>	<b>\$0.6-\$1.6M</b>
<b><u>Total</u></b>	<b><u>\$4.92M</u></b>	<b><u>\$2.95-\$11.5M</u></b>
<b>Annual Costs</b>		
<b>Maintenance</b>	<b>\$0.35M</b>	<b>\$0.16-\$0.75M</b>
<b>HUD Support Labor</b>	<b>\$0.74M</b>	<b>\$0.36-\$1.14M</b>

The IPT reviewed TCO in light of funding strategies and identified a shortfall in funding. The IPT noted that in order to acquire near-term funding, reprogramming will be required. The IPT expects all business areas to contribute to development funding, requiring coordination of requests for funding.

## Next Steps

IPT compile and submit comments on Decision Paper 2 by 1/18/08.

Develop and submit Decision Paper 3 in accordance with project plan.

## Appendix B: Functional Requirements

### Target Functional Requirements

A key element of the Target concept of operations (CONOPS) is development and implementation of a single, standard, integrated end-to-end acquisition management solution. The overarching functional requirements for this solution are to facilitate acquisition management business operations; automatically capture process events, progress, and status; and provide a flexible platform for maturing procurement practice at HUD.

The technical solution must provide user-controlled, out-of-the-box capabilities to customize workflows; generate management reports supporting procurement planning, performance monitoring, and workload balancing; and provide pre-configured Federal Acquisition Regulations (FAR)-related features and functions.

Analysis of the information and data sources listed below defined a set of functional requirements (or required features) for HUD's Integrated Acquisition Management System (HIAMS).

- Modernization drivers and priority criteria
- Prioritized opportunities for performance improvement defined in *Decision Paper I* (October 2007)
- Baseline and target CONOPS
- HPS/SPS/HIAMS business cases (OMB 300s)
- Baseline TCO findings
- IPT modernization meeting minutes and notes
- HPS and SPS user documentation
- Historical acquisition management industry data provided by IPT
- Research of available commercial-off-the-shelf (COTS) solutions and services and government-off-the-shelf (GOTS) solutions and services.

The Acquisition Management IPT will use functional requirements to support the evaluation of candidate technical solution alternatives and solutions, providing the basis for developing vendor solicitation packages.

Functional requirements provided in Appendix B are organized into three categories.

1. General Requirements: Requirements spanning the acquisition management process, including global functions and standards
2. System Interface Requirements: Requirements to interchange data with internal HUD systems and inter-agency initiatives
3. Acquisition Management Life Cycle Requirements: Requirements specific to a phase in the acquisition management process, e.g., solicitation, evaluation and award, and contract administration.

### General Requirements

HIAMS will deliver a single, standard, integrated end-to-end acquisition management solution, accessible to all regional procurement centers, branch offices, and other stakeholder locations. The solution will be Web-based and 508 compliant, facilitating acquisition portfolio management and day-to-day workflow and workload management. HIAMS will provide tools and utilities to:

- Develop a single automated procurement process from forecast to contract closeout, increasing process throughput and reducing errors

- Consolidate manual, paper-based business processes to simplify procurement processes and streamline workflow
- Align the acquisition management solution design with enhanced business processes, performance monitoring, and stakeholder accountability to enhance customer service and improve management oversight
- Link procurement planning and budget authorizations to balance workload throughout the fiscal year
- Define clear roles, workflow, and ownership for each phase of the procurement process to establish accountability, increase performance, and improve stakeholder communications
- Improve contract oversight and compliance, ensuring the independence of Government Cost Estimates (GCEs)
- Increase data sharing supporting enhanced business decisions in procurement, logistics, payment, and performance assessment
- Provide clear, simple-to-use management reports to enhance process oversight and improve customer service
- Enhance integration and interoperability with HUD Financial Management (FM) systems to reduce time to pay and avoid unnecessary contract payments.

HIAMS will incorporate legacy contracts, or those contracts established prior to solution implementation.

#### Compliance with Federal Standards and Regulations

HIAMS will comply with the following Federal and HUD Departmental standards and regulations:

- **508 Compliance.** HIAMS will produce a Web-based system meeting the requirements dictated by Section 508 of the U.S. General Services Administration's Office of Government-wide Policy. Section 508 requires that Federal agencies' electronic and information technology is accessible to people with disabilities.
- **HSPD12.** HIAMS will comply with policies and regulations dictated by Homeland Security Presidential Directive 12 (HSPD12). HSPD12 is Federal policy for a Common Identification Standard for Federal Employees and Contractors
- **FISMA Compliance.** HIAMS will be compliant with requirements of the Federal Information Security Act OMB Circular A-130 and the HUD Information Technology Security Policy 2400.25 Rev. 1. The Federal Information Security Management Act of 2002 ("FISMA", 44 U.S.C. § 3541, et seq.) is a United States federal law enacted in 2002 as Title III of the E-Government Act of 2002 (Pub.L. 107-347, 116 Stat. 2899). The Act is intended to bolster computer and network security within the Federal Government and affiliated parties (such as government contractors) by mandating annual security audits.
- **FISO Compliance.** HIAMS will meet the requirements of the Financial Systems Integration Office (FSIO) within the General Services Administration. The Financial Systems Integration Office (FSIO) within the General Services Administration was formerly known as the Joint Financial Management Improvement Program (JFMIP) staff office.

## Acquisition Management Portfolio Management

HIAMS will support business transformation to Acquisition Management Portfolio Management.

Acquisition Management Portfolio Management is defined as the strategic allocation of resources across initiatives or actions, including:

- Assessing initiatives/actions
- Checking for relationship to the business strategy
- Allocating resources
- Managing groups of resources not individual resources
- Providing control and oversight
- Monitoring and tracking performance

OCPO portfolio management actions are intended to provide a planned and managed portfolio yielding more efficient and effective use of resources. Specific portfolio management requirements are listed below.

- HIAMS will have the ability to categorize or group the portfolio by the type of service being procured (e.g. Advertising, IT Support)
- HIAMS will have the ability to categorize or group the portfolio by the type of customer/stakeholder being served
- HIAMS will be able to provide reports used to manage the portfolio by selected categories or groups
- HIAMS functionality will facilitate enterprise level management of the procurement portfolio in coordination with HUD's Enterprise Architecture practice
- HIAMS data will be structured to support searching and reporting on user defined portfolio categories and groups
- HIAMS will ensure data integrity of groups and categories entered into the system

## Forms Generation and Support

HIAMS will automatically generate most common Federal forms and optional acquisition forms without requiring manual forms editing or formatting. HIAMS will support the creation and integration of new and modified standard forms.

- Forms will be generated from user-prompted data entry
- Forms routing will be integrated with HIAMS workflow and document routing features
- Forms will be system-validated prior to automated routing for review or approval
- Forms can be reviewed in real-time, routed electronically, and printed or saved to Adobe PDF
- Selected forms may be exported to MS Word or Excel for editing and customization
- Customized forms may be re-associated with a procurement and stored in a central document repository
- Data on forms is updated automatically when document data is changed
- Changes to Federal government forms required by FAR are incorporated as regular software releases
- Distribution lists complementing workflow and workload management can be defined for each form.

## Automated Workflow Support

HIAMS will deliver integrated, user-driven, and customizable automated workflow processing to include a minimum of the following features and functions.

- Administrative users will be able to establish standard document review and approval policies in pre-defined automated workflows.
- Pre-defined workflows can be assigned to user groups having the authority to access a workflow. Workflows may also be designated as public, allowing all users with HIAMS authorization to access them.
- Custom workflows can be created by authorized users for acquisitions requiring special, non-standard processes.
- Wizards or real-time job aids are provided to guide administrators through the process of selecting the appropriate review and approval routing for documents. Sequential and parallel routing or a combination of both forms of routing will be available.
- Automated document and form routing. A function that routes electronic copies of documents to all recipients specified on the document route list. Automatically prints a copy for selected recipients.
- Automated task list generation. Recipients of automated document and form routing are notified via email, and real-time personalized tasks are generated for recipients within a given workflow/approval chain.
- Automated workflow task lists and notifications provide recipients with an action status indicating the expected actions from the recipient (e.g., For Approval, For Review, Approved, Disapproved, Reviewed, and Completed).
- HIAMS will allow recipients to attach or associate supporting electronic documentation or links to a workflow.
- The HIAMS workflow will provide an audit trail of the review and approval process, including the capture of comments entered by reviewers and approvers. The routing history of documents can be analyzed on-line in real time.
- Reviewers and approvers can add additional reviewers/approvers as required to an existing route.
- HIAMS will support re-routing of disapproved documents. The systems will require the approver to enter comments when disapproving a document.
- The system will support automated escalation. Each task will be given suspense or expected time for completion. Tasks exceeding this time will be automatically forwarded to an end user's supervisor.
- An end user can designate a substitute reviewer/approver during absences or out-of-office situations.
- Documents are automatically validated prior to routing; only documents that pass validation may be routed for approval.
- Workflows will not be considered complete until all approvals have been obtained.
- In order to facilitate delegation of authority, approval thresholds can be established using the committed, obligated, or total amounts.

## Context Sensitive Help

At each stage of the HUD acquisition management lifecycle, users will be able to access system function, acquisition management process, and FAR-related context-sensitive help. HIAMS will allow updates and changes to context-sensitive help information without the aid of programmer analyst support.

Context-sensitive help is a type of on-line help that is obtained from a specific point in the state of the software, providing help for the situation that is associated with that state. Context-sensitive

help, as opposed to general on-line help or on-line manuals, doesn't need to be accessible for reading as a whole. Each topic will describe one state, situation, or feature.

## Reporting and Workload Management

HIAMS will support operational, executive, cyclical, and ad-hoc reporting. Reports will be available in tabular format and graphical dashboards. Ad Hoc reporting and Business Intelligence will allow end users flexibility in creating "on-demand" reports without the aid of programming and technical staff. Reports may be viewed on-line, automatically routed to email recipients, printed for delivery, or exported to Adobe PDF and MS Office files. Tabular reports may be exported to MS Excel. Access to HIAMS reports will be controlled by end-user role definitions that can be altered and monitored by an end-user security administration without programmer/analyst intervention. Reports will be integrated into HIAMS planning, workflow, document creation, and acquisition management features.

The HIAMS reporting capability will integrate with HUD's standard business intelligence (BI) reporting allowing integration of HIAMS reporting data with other HUD reporting data, including integration of data from Finance, HR learning management systems, and ACMS (Acquisition Career Management System). Real-time dashboard reporting will be available to report on business metrics, for example:

Real-time dashboard reporting will be available to report on business metrics, for example:

- Average cost per action (Award, Modification, Closeout) by contract type
- Average time to complete workflow steps as measured against target (sample measures follow)
  - Time to deliver an award
  - Time to process deliverable acceptance in accordance with contract schedule
  - Time to process a closeout action
  
- Alerts and notifications
  - Time to process invoices, notification support supporting the Prompt Payment Act
  - Timely submission of contractor performance evaluations
  
- Percent of actions that exceed target HUD PALT thresholds
- Award to Modification ratio
  - NOTE: The present objective will be to reduce the number of incremental funding actions originating in HUD's Office of Administration and Single Family Housing
  
- Customer satisfaction as measured by surveys and/or number of complaints
- Attrition or staff turnover rate
- Quarterly obligations as measured against plan
  - Must consider the type and duration of appropriated funds
  
- Procurement job skill
  - Number of course completions by job category
  - Number of certifications by job category and time to performance reviews
  
- Program job skills
- Annual skill gap evaluation and workforce readiness assessment
- Count of repeat IG findings, including Compliance with Federal, IT Financial, and Security requirements

## Administration, Security, and User Management

HIAMS configuration, administration, and user management will be defined and managed by a trained, authorized end-user administrator without the need for programmer/analyst intervention. HIAMS will support role-based user authentication. The HIAMS administrator will be able to define and manage user and group roles, access privileges, and authorities. The HIAMS administrator will be able to control site configurations, interface information, office information, teams, user profiles, credit cards, and data tables that populate drop-down lists, context sensitive help, and lookups that assist the user in searching for and entering information. The administrator will be able to establish thresholds for delegation of authority within a workflow.

HIAMS will allow the administrator to develop and implement department-defined and configurable fields available on a document level and line item level. Configurable fields can be designated to print on forms.

HIAMS will be able to be configured to define organizational parent/child relationships, allowing filed offices and branches to operate uniquely. Business rules defined at the parent level will be automatically propagated to children levels. Children levels will be allowed to define unique business rules at their level on an exception basis.

HIAMS will provide audit trails for both security and document workflow. Audit trails will provide information on authorized users, how long actions have taken, and the present state of a workflow process.

Authorized end users will be able to manage their personal profiles, establish collaboration teams, and manage alerts and notifications.

## Document Generation

HIAMS will facilitate acquisition document creation and publishing. Authorized procurement team members may create and maintain requisitions, micro-purchases, purchase requests, solicitations, amendments, awards, and modifications. HIAMS will support line item-level recommendations, standard clause issuance, and reuse of historical procurement language. It will assist procurement teams in document integrity, completeness, and quality. Team members will use "help wizards," clause libraries, and boilerplate templates to assist in the generation of standard procurement documents, including the generation of statements of work (SOWs), independent government cost estimates (IGCEs), justifications, form letters, and sources. Mandatory contract clauses will be automatically populated to documents and forms. Non-mandatory provisions and clauses may be edited or deleted. The system will facilitate the creation of SOW abstracts. HIAMS will allow the attachment of supporting documents to the SOW abstract and will allow users to search and reuse existing statement of work (SOW) information. Created documents will be associated to define standard automated workflows for review and approval.

Upon approval, HIAMS will allow documents to be posted and published to selected vendors and/or FedBizOps.

## Central Document and Data Repository

HIAMS will provide a flexible central repository for standard codes, data, and documents. The repository will be fully searchable and will contain all documents and data supporting the acquisition management lifecycle.

HIAMS will support the following document management features:

- Support for information or metadata describing documents (e.g., created by, document type, etc.)
- Mechanisms to organize documents into logical groups (e.g., by acquisition, by office, by contract type, etc.)
- Document check-out and check-in capabilities for review and/or editing by authorized users
- Document version control and history of each iterative check-out/check-in event
- Document routing in support of defined workflows. Routing supporting documents as part of a complete electronic folder for review, approval, and processing
- Ability to prevent access to documents based on user role definition and authorities.

The HIAMS central document and data repository will allow end users with administrative rights to manage codes and data used by HIAMS in day-to-day operations and to interface with required external systems. Data may include the following:

- Integrated contract clause library for use in the development of acquisition documentation, including templates and version control track clause updates while ensuring the integrity of documents
- Federal Acquisition Regulations (FAR) searchable library
- Product/Service codes, including NAICS codes and FCS and agency-specific product and service designations
- End-user assist data in support of deriving Government Cost Estimates
- Standard office addresses (e.g., ship to address, issuing office address, remit invoice to address)
- Accounting codes used in interfacing to a financial system and HIAMS reporting
- Data and codes used in interfacing to FedBizOpps and Past Performance Information Retrieval System
- Vendor data repository, including SF129 information, support for multiple addresses, DUNS, TIN, vendor performance per award, vendor product and service offerings indicated through use of product/service codes, and vendor EFT data.

#### Data Structure and Conversion from Legacy Systems

HIAMS software will be supported by an integrated, flexible, mature data structure. The data structure technology will be compliant with HUD's technical infrastructure in accordance with HUD's Technical Reference Model (TRM) standards. The data structure will facilitate ad-hoc reporting and system customizations.

HIAMS data structure will support conversion of active data from HUD's legacy acquisition management support systems, including HPS, SPS, and relevant data from AWTS and financial/accounting systems.

### System Interface Requirements

The following requirements describe HIAMS features to exchange information with systems outside the span of control of the HIAMS administrator. These include systems run by HUD and systems external to HUD. HIAMS will allow flexible addition, modification, and deletion of system interfaces and related data.

## Financial System Interfaces

Several Financial system interfaces occur at several points in the acquisition management lifecycle. HIAMS data exchanges will occur in real-time and will provide tight control of funds from commitment through invoice, payment, and closeout.

- Funds certification: Obtaining funding approval for a procurement request package
- Obligation: Award contract and obligate funds
- Funding status tracking: Tracks commitments and de-commitment, obligations and de-obligations, and calculates available funding remaining on a contract in real time
- Payment: Process invoice and receipt contract actions providing real-time available funds remaining
- Contract closeout: Conduct contract close out actions.

## Integrated Acquisition Environment

Central Contractor Registration (CCR) is the primary registrant database for the U.S. Federal Government. HIAMS will collect and report procurement data to FPDS-NG as required by Federal Acquisition Regulations (FAR). HIAMS will provide integrated reporting related to Contractor registration and performance ranking. HIAMS will support daily downloads of the Central Contractor Registration (CCR) database for updating HUD's vendor file with any relevant changes and will provide an interface with the Federal Procurement Data System—Next Generation (FPDS-NG) database.

## FedBizOpps

HIAMS will establish electronic FedBizOpps submissions using information on purchase requests, solicitations, and awards.

## Past Performance Information Retrieval System (PPIRS)

HIAMS will allow HUD GTM/GTRs to complete vendor past performance evaluations and provide data to Federal Government's Past Performance Information Retrieval System (PPIRS) electronically.

## Government Cost Estimates

HIAMS will import government cost estimates created from third party estimating tools. Imports will include both the estimate and the basis of estimate rationale. Imported data will be associated with the appropriate procurement action in HIAMS.

# Acquisition Management Life Cycle Requirements

The following requirements and HIAMS features are categorized by HUD's acquisition management life cycle. Requirements may span multiple life cycle phases but are listed within the primary process phase.

## Pre-solicitation

HIAMS will provide a secure, role-based, centralized collaborative workspace for the development of procurement plans and the identification and interaction of procurement Technical Evaluation Panels (TEPs) and Integrated Project Teams (IPTs). The system will facilitate procurement management, TEP and IPT interactions, and procurement planning by offering:

- Interactive utilities and reports to assess current procurement workload and contract portfolio prioritization.

- HIAMS will produce and support integrated real-time workload management reports integrated with HIAMS planning, workflow, and acquisition management features.
- TEP and/or IPT member role and authority assignment.
- Common working file storage structure, file sharing, and organization.
- Reporting on strategic goals and measures from individual procurement plans, providing the ability to identify procurement actions as "mission-critical" and track them on a "watch list" to ensure they execute on time.
- Electronic broadcast of notifications, communications, and alerts to selected working groups.
- Template-driven procurement plans and milestone assignment based on procurement type. Note: Milestones refer to points in time where expected work products are produced from a standard process supporting sequential and parallel activities. The procurement action lead time (PALT) may be defined for each milestone or acquisition event.
- Milestones may be user-defined or system-generated based on the needs of the plan. Each milestone within a plan will provide dates when specific actions will be completed.
- Interface with or provide utility to government cost estimates (GCEs) for both service-related and product-related procurements.
- Access to related historical government cost estimates (GCEs) and/or ability to import GCE and rationale from third party estimating tools.
- Identification and familiarization with resources available to IPTs and TEPs for the acquisition management life cycle.
- Tools to assist in the establishment of consistent and measurable government cost estimates (GCEs).
- Automated notifications to remind responsible parties and alert management of upcoming and missed milestones.
- Automated generation of acquisition management milestone status, time to complete, tracking, and responsible party will be available as a real-time reporting feature of the system.
- Completed and updated milestone plans may be manually updated by TEP members as tasks or may be automatically updated based on approvals or as milestone calendar events occur within HIAMS. Dual entry of status or statistical information will not be required.
- Significant system dates (e.g., solicitation issue date) can be used to automatically enter a milestone completion date when the activity is accomplished without requiring manual entry by the user.
- Milestone plans and group and individual workload may be reviewed in real-time by acquisition management.
- Review of Procurement Action Lead Time (PALT) history; suspend and/or reinstate the PALT clock and generate PALT time to complete reports in an executive dashboard or operational linear report.
- Plans will allow acquisition management to reassign resources and roles within a plan or workflow during the execution of a given milestone plan.
- The IPT lead may specify whether or not to recalculate future projected dates upon entry of a milestone completion date (e.g., indicate if the award date should be recalculated or if it must remain fixed).
- Notes can be attached to each step in the milestone plan to document activities.
- Information on funding sources, strategy, and forecasting.
- Historical reporting on workload, PALT completion time, and exceptions are available in real time.

## Solicitation

HIAMS will facilitate the creation, review, approval, and distribution of HUD solicitations by providing utilities to write, distribute, review, approve, and track individual procurement documents. It is noted that workflow/workload document management features previously described will be heavily called upon during the solicitation phase. These functional requirements will not be reiterated here.

HIAMS will support simplified acquisition and large contract procedures in accordance with Federal Acquisition Regulations (FAR). The system will support multiple forms of requisitions and solicitations. It will allow a single award or multiple awards from procurement action. HIAMS will incorporate legacy contracts, or those contracts established prior to the implementation of HIAMS. Legacy solicitations may be accessed for replication or historical purposes. Legacy contracts will be accessible by original contract number or HIAMS-assigned contract numbers. Awards can be limited to the estimated costs on the requisition.

HIAMS will require TEPs to define and enter contractor performance criteria, penalties, and/or incentives. These criteria will be used by HIAMS during contract administration and invoice payment and reporting cycles.

Commitment of funds will be established and interfaced to accounting systems during the solicitation phase.

As required in the General Requirements section, the system will support the creation and posting of award notices on FedBizOpps.

HIAMS will support the acceptance and communication of vendor questions and answers to solicitations and associated solicitation modification and re-publishing through FedBizOpps.

HIAMS will support the following award types listed alphabetically. It is noted that HUD does not presently execute procurements in all of the listed award types:

- Basic Order Agreement
- Blanket Purchase Agreement (Set-up and Call)
- Combination (applies to awards that use two or more pricing arrangements, fixed price or cost reimbursement):
  - Cost Plus Award Fee
  - Cost Plus Fixed Fee
  - Cost Plus Incentive
  - Cost Sharing
- Delivery/Task Order (against internal and external contracts)
- Fixed Price
- Fixed Price Award Fee
- Fixed Price Incentive
- Fixed Price Level of Effort
- Fixed Price Redetermination
- Fixed Price with Economic Price Adjustment
- Interagency Agreement (IAA) Cost No Fee
- Labor Hours
- Order Dependent (IDV allows pricing arrangement to be determined separately for each order)
- Purchase Card Orders
- Purchase Order (Priced and Un-priced)
- Time and Materials.

HIAMS will offer multiple requisition types, including standard requisition, interview style requisition, support for statement of work (SOW) or performance-based statement of need, and requisition for delivery orders, as well as zero dollar requisitions. Requisitions can be modified and approved at the line-item level, or the document level. The systems will track all procurement actions resulting from any given procurement action (e.g., solicitations, awards).

HIAMS will provide source vendor list management features; vendors in the source list do not have to reside in the HIAMS vendor database.

Vendors may register with the Department through a HIAMS-supported registry. Registered vendors may be screened for viability prior to being accepted to the HIAMS vendor database.

HIAMS will support multiple solicitation types, including Requests for Information, Requests for Quotes, and Requests for Proposals. HIAMS will provide automated invitations, bidder list management, and notification and solicitation calendar updates to bidders. Amendments and supporting documentation will automatically link to the original procurement action. HIAMS will provide change management and version control to track document changes, approvals, and PALT events. The system will allow the ability to input, track, and evaluate bids for unsolicited line items or alternate bid items, as well as no-bid responses. HIAMS will provide historical database and tracking information for associated bidder conferences.

#### Evaluation and Award

HIAMS will support the consolidation, evaluation, and reporting of evaluation and award activities. The systems will provide utilities to log, track, and associate award criteria to solicitations. HIAMS will provide real-time job aids, help wizards, and context-sensitive help to guide TEPs through a standard evaluation and award process. The evaluation and award process will be fully integrated into the document management, workflow, and workload features of the system.

HIAMS will provide real-time score cards, past performance, cost proposal best value analysis, and proposal evaluation processing to include OSDBU objective integration and Departmental small business objective linkage and reporting. The systems will allow evaluation factors and scorecards to be assigned a "weight" and/or "color."

TEP participants will be notified of assignments through the on-line task list and kept up to date with activity through automated notifications. The system will facilitate vendor notification.

Interfaces with accounting systems will allow automated obligation of funds upon award and the notification of acquisition management personnel.

The system will track post-award de-briefings with vendors and protests. Protest documents will be associated with the solicitation and awarded contract.

HIAMS will provide utility to assign and manage Government Furnished Property/Government Furnished Equipment (GFP/GFE). The system will require the assignment of GFP/GFE prior to completing the award.

#### Modifications

HIAMS will support award modification, contract modification, and amendments to support changes in contractor functional and delivery requirements, incremental funding, and the exercising of contract options. All features available in general, pre-solicitation, evaluation, and award will be available for modifications. All modifications will be linked to the original award. Modifications can be processed in sequence or in parallel. Modifications may be reviewed in real time by modification or in aggregate with all related modifications. Funding changes, de-obligations, and modifications will be automatically calculated and reported.

### Contract QA/QC, Administration, Disputes and Claims

HIAMS will provide utilities, features, and notifications to simplify and assure compliance in contract administration, performance evaluation, disputes and claims. HIAMS will provide utilities for supplier and customer relationship management, risk tracking, monitoring, and event management.

HIAMS will provide automated reminders and task action list updates for vendor performance review updates. The system will track delivery, quality, and performance against contract line item requirements. The system will support user-defined key performance indicators (KPIs) on a contract level to track specific metrics of performance. Acquisition management staff will receive system-generated notifications, alerts, and tasks that require users to respond to timed contract activities. HIAMS will support vendor score card and risk assessments. HIAMS will supply integration with contract project plans and deliverables.

### Payment and Accounting

HIAMS will supply payment and accounting utilities fully integrated with HUD financial management systems. The system will provide traceability and matching of commitment, obligation, received, accepted, invoiced, and paid funding data. The accounting and payment features will be integrated with workflow where each step is recorded and tracked and has the ability for escalation and reporting.

Invoices can be entered and maintained manually or through electronic funds transfer (EFT) electronic data interchange (EDI). If the invoice is related to a specific contract, the items on the invoice are automatically related to the corresponding contract items.

HIAMS will allow suppliers to provide and maintain EFT data directly through a secure Web-based portal. Suppliers may submit invoices through the portal. HIAMS will match invoice to delivery acceptance prior to payment authorization. HIAMS will support the issuance of partial payments in response to supplier partial delivery. Suppliers may check status of payments and issue disputes through the portal. Documents and images related to supplier delivery will be logged into the HIAMS central document repository and associated electronically with contract line item requirements, accounts payable, and payments. Using workflow features, invoices are routed through the Department for the necessary approvals. The HIAMS system will fully support Prompt Payment Act requirements. HIAMS will provide a records database of all invoices and payments. The system will capture detailed billing data for analysis to derive business intelligence about internal resource utilization and customer buying trends. The system automates project or contract-based payments.

HIAMS may optionally provide support for the use of government-issued purchase cards, including but not limited to the assignment, editing, reporting, and deletion of credit cards for use on micro-purchase awards. HIAMS administrators may establish and maintain P-Card limits. HIAMS will validate P-Card purchases against purchase card limits and interface directly with P-Card vendors. Financial systems reconciliation will be performed on a nightly basis. Reporting capabilities will support end-of-month reconciliation and import financial institution statements.

### Contract Closeout

HIAMS will fully support FAR-related contract closeout, planning, principles, and procedures. This feature includes but is not limited to financial reconciliation, administrative closeout, statute of limitations, and the return of GFP/GFE. Upon completion of contract closeout activities, closed contracts will be archived, and all HIAMS related data will become inactive. Users may export archived procurement documents for research purposes.

## Appendix C: Total Cost of Ownership (Technical)

### COTS Product Cost Estimation Methodology Overview

Candidate products were identified in the Technical Solutions Best of Breed evaluation task.

Pricing/Cost information was acquired for these products from available sources. GSA Schedules were determined to be the most reliable and appropriate sources for estimation. Other sources were used to augment and verify GSA Schedule information.

The pricing information varied across vendors based on their mix of modules, components, and pricing strategies. The differences were normalized to establish relative comparability.

Assumptions were established based on HUD requirements, environment, best practices, and other relevant factors.

The modules and components determined to be needed to meet HUD requirements were selected from the pricing information that included modules and components beyond those needed by HUD.

Integration estimates were established by identifying necessary tasks and services from COTS product implementation best practices. These included necessary installation, integration with related HUD and federal systems, migration of legacy data, and business process engineering activities. Estimates were made on the extent of services required for these activities based on the potential magnitude of implementation at HUD.

Cost estimates were made using the person/hours derived in the Total Cost of Ownership (TCO) Baseline Analysis and the averages of rates for the various job categories involved from the GSA schedules.

HUD labor costs were estimated in two categories—1) acquisition of the products and services, and 2) ongoing support for the system.

Required HUD participation was identified from HUD procurement requirements, and COTS product acquisition, implementation, and system support best practices. Estimates were made of the person/hours required for the various activities. Costs were estimated based on HUD personnel costs for the various labor categories involved.

#### Assumptions

If HUD decides to acquire a COTS procurement product, it will be acquired through the standard procurement process, including a thorough evaluation of actual capabilities offered and pricing.

All persons involved in the procurement process may become users of one or more modules of the COTS product, although not all users will require use of all modules.

The total number of COTS product users will be 1,500 to 2,000.

The selected COTS product will meet 80 percent or more of the HUD requirements “out-of-the-box” or with only standard configuration adjustment, i.e., without requiring customization.

The COTS product can be configured to incorporate use of standard HUD/Federal forms through configuration only, i.e., without need for customization.

As much as 20 percent of the HUD requirements may require customization.

The system will operate within the HUD enterprise IT infrastructure.

The COTS product will require integration/interface with existing HUD financial systems and the IAE cross-agency initiative.

HUD will perform reengineering of procurement business processes independent of the COTS product.

Installation, implementation, and configuration services for the deployment of the COTS product in HUD will be provided by the COTS vendor and/or a system integrator, or it will be bundled with COTS product acquisition.

Technical services will be required from the COTS vendor or third party for integration of the COTS product with the existing HUD and IAE components.

Existing data in legacy systems will be migrated into the COTS product for currently active procurements only (not historic records).

Operation of the Procurement COTS product will employ existing HUD PCs, communications, network, and other existing IT infrastructure to the greatest extent practical.

**TARGET TCO (PRODUCT AND INTEGRATION)**

<b>Line Item(s)</b>	<b>Estimate</b>	<b>Range</b>
Acquisition	\$2.45M	\$1.6 to \$7.1M
Integration	\$1.60M	\$0.75 to \$2.80M
HUD Labor	\$0.87M	\$0.6 to \$1.6M
Total	\$4.92M	\$2.95 to \$11.5M
<b>Annual Costs</b>		
Maintenance	\$0.35M	\$0.16 to \$0.75M
HUD Support Labor	\$0.74M	\$0.36 to \$1.14M

**COTS ACQUISITION COST ESTIMATES**

<b>Acquisition</b>		
Hardware	\$250,000	\$200,000 to \$700,000
Software	\$1,000,000	\$750,000 to \$3 million
Implementation/Configuration	\$500,000	\$250,000 to \$750,000
Customization	\$200,000	\$100,000 to \$800,000
Integration with HUD systems	\$150,000	\$100,000 to \$800,000
Project Management (vendor)	\$200,000	\$100,000 to \$400,000
Training	\$200,000	\$50,000 to \$500,000
Documentation	\$25,000	\$20,000 to \$200,000
<b>Subtotal</b>	<b>\$2,525,000</b>	<b>\$1,570,000 to \$7,150,000</b>
<b>Integration</b>		
Migrate Legacy Data	\$750,000	\$300,000 to \$1 million
Deployment	\$50,000	\$50,000 to \$500,000
Business Process Engineering	\$750,000	\$400,000 to \$1,200,000
Materials and Supplies	\$50,000	\$10,000 to \$100,000
<b>Subtotal</b>	<b>\$1,600,000</b>	<b>\$760,000 to \$2,800,000</b>
<b>Acquisition HUD Labor</b>		
Acquisition	\$200,000	\$150,000 to \$300,000
Contract Admin.	\$150,000	\$125,000 to \$400,000
Project Management	\$160,000	\$150,000 to \$300,000
HUD SME Participation	\$360,000	\$150,000 to \$500,000
<b>Subtotal</b>	<b>\$870,000</b>	<b>\$575,000 to \$1,500,000</b>
<b>TOTAL ACQUISITION</b>	<b>\$4,995,000</b>	<b>\$2,905,000 to \$11,450,000</b>

<b>Annual Maintenance</b>		
Hardware	\$50,000	\$40,000 to \$140,000
Software license	\$300,000	\$120,000 to \$600,000
<b>Total</b>	<b>\$350,000</b>	<b>\$160,000 to \$740,000</b>
<b>Annual HUD Support Labor</b>		
System Manager	\$100,000/yr	\$80,000 to \$160,000
DBA	\$125,000/yr	\$95,000 to \$200,000
Software Support	\$160,000/yr	\$80,000 to \$330,000
Help Desk	\$250,000/yr	\$50,000 to \$300,000
Training	\$100,000/yr	\$50,000 to \$150,000
<b>Total</b>	<b>\$735,000/yr</b>	<b>\$355,000 to \$1,140,000</b>

## Appendix D: Performance Indicators

Detailed performance indicator descriptions are provided linking performance indicators to performance milestones in the implementation plan. Performance details will be integrated with HUD's Enterprise Architecture Performance Reference Model, the OCIO's IT Master Schedule, the HUD Enterprise Modernization Plan, and IT Investment Management (ITIM) records. The data will be reused to align acquisition management plans with HUD's Annual Performance Plan and Management Plan objectives, and in the creation of OCPO's HIAMS business case (OMB Exhibit 300).

Performance indicator tables provide the following information.

### **Performance Measurement Identifier**

This element contains the identification code assigned to the performance measurement.

### **Performance Measurement (Indicator) Description**

Textual description of the performance measurement indicator also called performance indicator.

### **Measurement Method**

This element describes how the metric will be measured, including the measurement source.

### **Fiscal Year**

This element captures the Federal government financial operating year associated with the baseline metric, planned improvement, and target metric for the measurement indicator.

### **Baseline Metric**

This element describes current or starting level of performance for the measurement indicator.

### **Planned Improvement**

This element represents the expected performance improvement gain for the measurement indicator.

### **Target Metric**

This element describes the ending level of performance that is expected at a given time.

### **Target Metric Due Date**

This element identifies the date when the indicator should be evaluated to determine if the target metric has been met.

### **Strategic Goal(s)**

This element links the performance measure to one or more HUD strategic goals, which are outlined in the HUD *Strategic Plan*. The following goal best fits Acquisition Management Modernization.

Strategic Goal E, Embrace High Standards of Ethics, Management, and Accountability

### **Strategic Objective(s)**

This element links the performance measure to one or more of HUD's strategic objectives, which are outlined in the HUD *Strategic Plan* and *Annual Performance Plan*. The following objectives best fit Acquisition Management Modernization.

E1. Strategically manage HUD's human capital to increase employee satisfaction and improve HUD performance.

E2. Improve HUD's management and internal controls to ensure program compliance and resolve audit issues.

E3. Improve accountability, service delivery, and customer service of HUD and its partners.

E4. Capitalize on modernized technology to improve the delivery of HUD's core business functions.

### **Measurement Area**

The content for this column is pre-defined by the FEA PRM taxonomy. It is the highest level of the taxonomy.

### **Measurement Grouping**

The content for this column is pre-defined by the FEA PRM taxonomy. The grouping options are different depending on the measurement area selected.

### **Measurement Category**

The content for this element is pre-defined by the FEA PRM taxonomy. The category options are different depending on the measurement grouping selected.

### **IT Master Schedule Milestone Identifier**

This element contains the milestone identification code assigned to the performance measurement.

### **IT Master Schedule Milestone(s)**

This element contains a description of the project plan milestone(s) that is/are related to the achievement of the target metric.

### **EA Performance Category**

The content for this element is pre-defined by the FEA Program EA Assessment Framework. The EA performance category articulates how the milestone will improve agency performance. The following are the pre-defined options for this element:

- Cost savings
- Cost avoidance
- Improved services to citizens
- Improved mission performance
- Improved management and use of information, including greater dissemination, reduced collection burden on the public, and greater information sharing and collaboration
- Technology consolidation and standardization.

### **Milestone Planned Completion Date**

This element identifies the date the milestone is scheduled to be completed.

### **Associated Initiative**

This element identifies the initiative associated to the milestone.

Each table provides a detailed description of each performance measure, including defining how and when the performance measures will be captured and used to show improvement in the performance area indicated by the measure.

<b>Performance Measurement Identifier:</b> ACQ-HIAMS-PM-01				
<b>Performance Measurement Description:</b>				
Average cost per action (Award, Modification, Closeout) by contract type				
<b>Measurement Method:</b>				
Presently: Estimate Total Cost of Ownership based on the factors and assumptions used on the Q1 2007 TCO. Estimate total effort used to deliver awards, modifications, and closeouts divided by the number of each summary contract action using system-provided actions for the period of performance. Baseline established Q4 2007.				
Planned: Establish cost accounting time charging by action. Establish system-derived TCO based on cost accounts. Use system-derived counts by action to provide automated executive average cost per action reporting.				
Fiscal Year	Baseline Metric	Planned Improvement	Target Metric	Target Metric Due Date
2007	Awards \$ 5,158	Improve pre-solicitation, solicitation, and award planning and execution	Awards \$ 4,384	Q4 2010
	Modifications \$ 3,142	Reduce the contract modifications initiated to correct functional contract requirements missed during planning	Modifications \$ 2,670	
	Closeout \$ 168		Closeout \$ 143	
Strategic Goal(s)		Strategic Objective(s)		
Strategic Goal E: Embrace High Standards of Ethics, Management, and Accountability		E2. Improve HUD's management and internal controls to ensure program compliance and resolve audit issues.		
<b>Measurement Area:</b> Mission and Business Results				
<b>Measurement Category:</b> Controls and Oversight				
<b>Measurement Grouping:</b> Program Monitoring				
IT Master Schedule Milestone Identifier	IT Master Schedule Milestone(s)	EA Performance Category	Milestone Planned Completion Date	Associated Initiative
ACQ-M-001	Communicate Modernization Plan (staff and stakeholders)	Improved management and use of information	Q3 2008	
ACQ-M-004	Implement Performance Tracking		Q4 2008	
ACQ-M-007	Complete pre-solicitation/solicitation (pilot)		Q4 2008	
ACQ-M-008	Implement integrated Acquisition Management solution	Technology consolidation and standardization	Q1 2010	
ACQ-M-009	Implement redesigned business processes	Improved management and use of information	Q4 2009	

<b>Performance Measurement Identifier:</b> ACQ-HIAMS-PM-02				
<b>Performance Measurement Description:</b>				
Average time to complete PALT milestones as measured against target				
<b>Measurement Method:</b>				
Planned: These measures are dependent upon the implementation of an automated workflow processing and measurement system.				
Baseline measures will be established using existing PALT time frames. Automated workflow timing process evaluation will be used to establish target measures. OCPO policy will be revised and communicated to stakeholders regarding target measurement policy.				
A requirement of the HIAMS system will be to provide automated executive process flow reporting time to complete PALT steps.				
<b>Fiscal Year</b>	<b>Baseline Metric</b>	<b>Planned Improvement</b>	<b>Target Metric</b>	<b>Target Metric Due Date</b>
2009	Full and Open 210 Days	Reduce time to deliver contract services	Full and Open 189 Days	Q4 2009
2009	8(a) Competition 210 Days		8(a) Competition 189 Days	Q4 2009
2009	8(a) Single Source 60 Days		8(a) Single Source 54 Days	Q4 2009
2009	GSA Multi-award 120 Days	Improve staff accountability	GSA Multi-award 108 Days	Q4 2009
2009	Sole Source 125 Days	Assist in the implementation HUD contract portfolio management	Sole Source 112 Days	Q4 2009
2009	Commercial Acq. Part 12 60 Days		Commercial Acq. Part 12 54 Days	Q4 2009
2009	Commercial Acq. Part 12 75 Days		Commercial Acq. Part 12 67 Days	Q4 2009
2009	TO Award Competitive(IDIQ) 45 Days		TO Award Competitive(IDIQ) 50 Days	Q4 2009
2009	TO Award Non-competitive (IDIQ/BPA) 30 Days		TO Award Non-competitive (IDIQ/BPA) 27 Days	Q4 2009
2009	Mod Unilateral 30 Days		Mod Unilateral 27 Days	Q4 2009
2009	Mod Bi-Lateral 60 Days		Mod Bi-Lateral 54 Days	Q4 2009

Strategic Goal(s)		Strategic Objective(s)		
Strategic Goal E: Embrace High Standards of Ethics, Management, and Accountability		E2. Improve HUD's management and internal controls to ensure program compliance and resolve audit issues. E3. Improve accountability, service delivery, and customer service of HUD and its partners. E4. Capitalize on modernized technology to improve the delivery of HUD's core business functions.		
<b>Measurement Area:</b> Mission and Business Results				
<b>Measurement Category:</b> Controls and Oversight				
<b>Measurement Grouping:</b> Program Monitoring				
IT Master Schedule Milestone Identifier	IT Master Schedule Milestone(s)	EA Performance Category	Milestone Planned Completion Date	Associated Initiative
ACQ-M-005	Reallocate workload by location	Improved management and use of information	Q4 2008	
ACQ-M-004	Implement Performance Tracking		Q4 2008	
ACQ-M-006	Initiate workload balancing across fiscal year		Q4 2009	
ACQ-M-007	Complete pre-solicitation/solicitation (pilot)		Q4 2008	
ACQ-M-008	Implement integrated Acquisition Management solution	Technology consolidation and standardization	Q2 2010	

<b>Performance Measurement Identifier:</b> ACQ-HIAMS-PM-03				
<b>Performance Measurement Description:</b>				
Award to Modification ratio based on a 3-year average of awards and modifications				
<b>Measurement Method:</b>				
Presently: Produce HPS/SPS executive reporting broken down by OCPO client organization and summarized at the Department level. Baseline measures will be established as the initial system reports are produced. Target measures will be established upon the analysis of the baseline data.				
Planned: A HIAMS requirement will be to provide real-time awards to modification executive reports similar to HPS/SPS reporting requirements.				
Note: To reduce the number of incremental funding actions..." may be limited since Congress controls the funds. HIAMS is expected to make the process more efficient but cannot deal with congressional funding appropriations.				
Fiscal Year	Baseline Metric	Planned Improvement	Target Metric	Target Metric Due Date
2008	1:1.4	Improve pre-solicitation, solicitation and award planning and execution  Reduce the contract modifications initiated by corrections to functional contract requirements	1:1.19	Q3 2009
Strategic Goal(s)		Strategic Objective(s)		
Strategic Goal E: Embrace High Standards of Ethics, Management, and Accountability		E2. Improve HUD's management and internal controls to ensure program compliance and resolve audit issues. E3. Improve accountability, service delivery, and customer service of HUD and its partners. E4. Capitalize on modernized technology to improve the delivery of HUD's core business functions.		
<b>Measurement Area:</b> Mission and Business Results				
<b>Measurement Category:</b> Controls and Oversight				
<b>Measurement Grouping:</b> Program Monitoring				
IT Master Schedule Milestone Identifier	IT Master Schedule Milestone(s)	EA Performance Category	Milestone Planned Completion Date	Associated Initiative
ACQ-M-004	Implement Performance Tracking	Improved management and use of information	Q4 2008	
ACQ-M-007	Complete pre-solicitation/solicitation (pilot)	Improved management and use of information	Q4 2008	
ACQ-M-008	Implement integrated Acquisition Management solution	Technology consolidation and standardization	Q1 2010	
ACQ-M-009	Implement redesigned business processes	Improved management and use of information	Q4 2009	

<b>Performance Measurement Identifier:</b> ACQ-HIAMS-PM-04				
<b>Performance Measurement Description:</b> Total average customer satisfaction as measured by survey Scale 1 to 5 where 1 is the lowest score and 5 is the highest score				
<b>Measurement Method:</b> Presently: Using HUD's on-line survey utilities to solicit OCPO stakeholder feedback concerning performance in the following areas  <ul style="list-style-type: none"> <li>• Number of delays and errors</li> <li>• Accountability and role clarity</li> <li>• Ease of resolution</li> </ul>				
<b>Fiscal Year</b>	<b>Baseline Metric</b>	<b>Planned Improvement</b>	<b>Target Metric</b>	<b>Target Metric Due Date</b>
2008	TBD	Improve customer service	4	Q3 2009
<b>Strategic Goal(s)</b>		<b>Strategic Objective(s)</b>		
Strategic Goal E: Embrace High Standards of Ethics, Management, and Accountability		E1. Strategically manage HUD's human capital to increase employee satisfaction and improve HUD performance. E3. Improve accountability, service delivery, and customer service of HUD and its partners.		
<b>Measurement Area:</b> Mission and Business Results				
<b>Measurement Category:</b> Controls and Oversight				
<b>Measurement Grouping:</b> Program Monitoring				
<b>IT Master Schedule Milestone Identifier</b>	<b>IT Master Schedule Milestone(s)</b>	<b>EA Performance Category</b>	<b>Milestone Planned Completion Date</b>	<b>Associated Initiative</b>
ACQ-M-004	Implement Performance Tracking	Improved management and use of information	Q4 2008	
ACQ-M-007	Complete pre-solicitation/solicitation (pilot)	Improved management and use of information	Q4 2008	
ACQ-M-008	Implement integrated Acquisition Management solution	Technology consolidation and standardization	Q1 2010	
ACQ-M-009	Implement redesigned business processes	Improved management and use of information	Q4 2009	

<b>Performance Measurement Identifier:</b> ACQ-HIAMS-PM-05				
<b>Performance Measurement Description:</b> GS 1102 attrition or staff turnover rate				
<b>Measurement Method:</b>  In collaboration with HUD Admin, collect and report on annual attrition rate by OCPO location and labor category.  Baseline measures will be published from the Q2 2008 report. Target measures will be produced upon completion of Q2 2009 attrition report analysis.				
<b>Fiscal Year</b>	<b>Baseline Metric</b>	<b>Planned Improvement</b>	<b>Target Metric</b>	<b>Target Metric Due Date</b>
2008	18%	Retain and attract top quality 1102 staff	10%	Q2 2009
<b>Strategic Goal(s)</b>		<b>Strategic Objective(s)</b>		
Strategic Goal E: Embrace High Standards of Ethics, Management, and Accountability		E1. Strategically manage HUD's human capital to increase employee satisfaction and improve HUD performance. E4. Capitalize on modernized technology to improve the delivery of HUD's core business functions.		
<b>Measurement Area:</b> Mission and Business Results				
<b>Measurement Category:</b> Controls and Oversight				
<b>Measurement Grouping:</b> Program Monitoring				
<b>IT Master Schedule Milestone Identifier</b>	<b>IT Master Schedule Milestone(s)</b>	<b>EA Performance Category</b>	<b>Milestone Planned Completion Date</b>	<b>Associated Initiative</b>
ACQ-M-005	Reallocate workload by location	Improved management and use of information	Q4 2008	
ACQ-M-004	Implement Performance Tracking		Q4 2008	
ACQ-M-007	Complete pre-solicitation/solicitation (pilot)		Q4 2008	
ACQ-M-008	Implement integrated Acquisition Management solution	Technology consolidation and standardization	Q1 2010	
ACQ-M-009	Implement redesigned business processes	Improved management and use of information	Q4 2009	

<b>Performance Measurement Identifier:</b> ACQ-HIAMS-PM-06						
<b>Performance Measurement Description:</b>						
<b>Measurement Method:</b> Quarterly obligations as measured against plan (count and dollar amount)						
<b>Planned Improvement</b>				<b>Fiscal Year</b>	<b>Target Metric Due Date</b>	
<ul style="list-style-type: none"> <li>• Improve pre-solicitation, solicitation, award planning, and execution</li> <li>• Improve workload balancing</li> <li>• Improve accountability</li> <li>• Implement portfolio management of HUD's contract portfolio</li> </ul>				2008	Q4 2009	
<b>Baseline Metric (Planned)</b>			<b>Target Metric (Actuals)</b>			
<b>Quarter</b>	<b>Planned Amount</b>	<b>Planned Count</b>	<b>Actual Amount</b>	<b>Actual Count</b>	<b>All Activity Amount</b>	<b>All Activity Count</b>
Q1	\$391,134,338	196	\$123,829,762	106	\$103,720,376	390
Q2	\$242,820,492	166	\$82,283,399	226	\$99,848,597	737
Q3	\$175,537,655	184	\$221,799,635	184	\$282,941,999	675
Q4	\$511,231,046	388	\$330,406,918	306	\$397,480,876	1305
<b>Strategic Goal(s)</b>				<b>Strategic Objective(s)</b>		
Strategic Goal E: Embrace High Standards of Ethics, Management, and Accountability				E2. Improve HUD's management and internal controls to ensure program compliance and resolve audit issues. E3. Improve accountability, service delivery, and customer service of HUD and its partners. E4. Capitalize on modernized technology to improve the delivery of HUD's core business functions.		
<b>Measurement Area:</b> Mission and Business Results						
<b>Measurement Category:</b> Controls and Oversight						
<b>Measurement Grouping:</b> Program Monitoring						
<b>IT Master Schedule Milestone Identifier</b>	<b>IT Master Schedule Milestone(s)</b>		<b>EA Performance Category</b>	<b>Milestone Planned Completion Date</b>	<b>Associated Initiative</b>	
ACQ-M-001	Communicate Modernization Plan (staff and stakeholders)		Improved management and use of information	Q3 2008		
ACQ-M-004	Implement Performance Tracking			Q4 2008		
ACQ-M-007	Complete pre-solicitation/solicitation (pilot)			Q4 2008		
ACQ-M-002	Execute CPO competency profile			Q2 2009		
ACQ-M-003	Execute GTR competency profile			Q2 2009		
ACQ-M-006	Initiate workload balancing across fiscal year			Q4 2009		

<b>Performance Measurement Identifier:</b> ACQ-HIAMS-PM-07				
<b>Performance Measurement Description:</b> Procurement job skill certification				
<b>Measurement Method:</b>				
<ul style="list-style-type: none"> <li>• Conduct an annual OCPO staff skill gap evaluation “competency profile”</li> <li>• Assess course completions and certifications using GS-1102s and Learning Management System reports</li> <li>• Baseline and Target measures are created annually as part of the OCPO Management Plan</li> </ul>				
Note: HUD OCPO is working to establish policy to join annual performance appraisals and career progression to actual results produced by staff.				
<b>Fiscal Year</b>	<b>Baseline Metric</b>	<b>Planned Improvement</b>	<b>Target Metric</b>	<b>Target Metric Due Date</b>
2008	Problem Solving - 0	Improve skill and competency level of OCPO staff	Problem Solving - 31	Q1 2009
2008	Self Management Initiative - 0		Self Management Initiative - 37	Q1 2009
2008	Effective Analytical Skills – 0		Effective Analytical Skills – 31	Q1 2009
2008	Defining Gov requirements - 0		Defining Gov requirements – 29	Q1 2009
2008	Effective Management of Gov Requirements - 0		Effective Management of Gov Requirements – 33	Q1 2009
<b>Strategic Goal(s)</b>		<b>Strategic Objective(s)</b>		
Strategic Goal E: Embrace High Standards of Ethics, Management, and Accountability		E1. Strategically manage HUD’s human capital to increase employee satisfaction and improve HUD performance. E2. Improve HUD’s management and internal controls to ensure program compliance and resolve audit issues. E3. Improve accountability, service delivery, and customer service of HUD and its partners.		
<b>Measurement Area:</b> Mission and Business Results				
<b>Measurement Category:</b> Controls and Oversight				
<b>Measurement Grouping:</b> Program Monitoring				
<b>IT Master Schedule Milestone Identifier</b>	<b>IT Master Schedule Milestone(s)</b>	<b>EA Performance Category</b>	<b>Milestone Planned Completion Date</b>	<b>Associated Initiative</b>
ACQ-M-001	Communicate Modernization Plan (staff and stakeholders)	Improved management and use of information	Q3 2008	
ACQ-M-004	Implement Performance Tracking		Q4 2008	
ACQ-M-002	Execute OCPO staff competency profile		Q2 2009	

<b>Performance Measurement Identifier:</b> ACQ-HIAMS-PM-08				
<b>Performance Measurement Description:</b> Program job skill Percentage of FAC-COTR certified GTRs				
<b>Measurement Method:</b> Conduct an Annual GTR skill gap evaluation “competency profile” based on OCPO competency-based trainings and certifications.  Baseline and target measures are created annually as part of the OCPO Management Plan.  Revision: Simple count from ACMS (Acquisition Career Management System)				
<b>Fiscal Year</b>	<b>Baseline Metric</b>	<b>Planned Improvement</b>	<b>Target Metric</b>	<b>Target Metric Due Date</b>
2008	0%	Improve skill and competency level of program procurement staff	50%	Q4 2009
<b>Strategic Goal(s)</b>		<b>Strategic Objective(s)</b>		
Strategic Goal E, Embrace High Standards of Ethics, Management, and Accountability		E1. Strategically manage HUD’s human capital to increase employee satisfaction and improve HUD performance. E2. Improve HUD’s management and internal controls to ensure program compliance and resolve audit issues. E3. Improve accountability, service delivery, and customer service of HUD and its partners.		
<b>Measurement Area:</b> Mission and Business Results				
<b>Measurement Category:</b> Controls and Oversight				
<b>Measurement Grouping:</b> Program Monitoring				
<b>IT Master Schedule Milestone Identifier</b>	<b>IT Master Schedule Milestone(s)</b>	<b>EA Performance Category</b>	<b>Milestone Planned Completion Date</b>	<b>Associated Initiative</b>
ACQ-M-001	Communicate Modernization Plan (staff and stakeholders)	Improved management and use of information	Q3 2008	
ACQ-M-004	Implement Performance Tracking		Q4 2008	
ACQ-M-003	Execute GTR competency profile		Q2 2009	

<b>Performance Measurement Identifier:</b> ACQ-HIAMS-PM-09				
<b>Performance Measurement Description:</b> Number of HPS/SPS users (Indicates number of participants in the Acquisition Management process)				
<b>Measurement Method:</b> System generated metric				
<b>Fiscal Year</b>	<b>Baseline Metric</b>	<b>Planned Improvement</b>	<b>Target Metric</b>	<b>Target Metric Due Date</b>
2008	1617	Reduce the number of personnel involved in an Acquisition Management life cycle	800	Q4 2009
<b>Strategic Goal(s)</b>			<b>Strategic Objective(s)</b>	
Strategic Goal E: Embrace High Standards of Ethics, Management, and Accountability			E2. Improve HUD's management and internal controls to ensure program compliance and resolve audit issues. E3. Improve accountability, service delivery, and customer service of HUD and its partners.	
<b>Measurement Area:</b> Mission and Business Results				
<b>Measurement Category:</b> Controls and Oversight				
<b>Measurement Grouping:</b> Program Monitoring				
<b>IT Master Schedule Milestone Identifier</b>	<b>IT Master Schedule Milestone(s)</b>	<b>EA Performance Category</b>	<b>Milestone Planned Completion Date</b>	<b>Associated Initiative</b>
ACQ-M-001	Communicate Modernization Plan (staff and stakeholders)	Improved management and use of information	Q3 2008	
ACQ-M-004	Implement Performance Tracking		Q4 2008	
ACQ-M-005	Reallocate workload by location	Technology consolidation and standardization	Q4 2008	
ACQ-M-008	Implement integrated Acquisition Management solution	Improved management and use of information	Q1 2010	
ACQ-M-006	Initiate workload balancing across fiscal year		Q4 2009	
ACQ-M-007	Complete pre-solicitation/solicitation (pilot)		Q4 2008	
ACQ-M-009	Implement redesigned business processes		Q4 2009	

<b>Performance Measurement Identifier:</b> ACQ-HIAMS-PM-10				
<b>Performance Measurement Description:</b> Count of IG findings				
<b>Measurement Method:</b> Manual count				
<b>Fiscal Year</b>	<b>Baseline Metric</b>	<b>Planned Improvement</b>	<b>Target Metric</b>	<b>Target Metric Due Date</b>
2008	PIV - 2	Improve overall Acquisition Management performance	PIV - 0	Q1 2010
2008	Contract Admin - 6		Contract Admin - 0	Q1 2010
2008	SPS/HPS - 15	Improve customer service  Address IG findings through the execution of the Acquisition Management modernization plan  Reduce the number of future IG findings	SPS/HPS - 0	Q1 2010
<b>Strategic Goal(s)</b>		<b>Strategic Objective(s)</b>		
Strategic Goal E, Embrace High Standards of Ethics, Management, and Accountability		E2. Improve HUD's management and internal controls to ensure program compliance and resolve audit issues. E3. Improve accountability, service delivery, and customer service of HUD and its partners. E4. Capitalize on modernized technology to improve the delivery of HUD's core business functions.		
<b>Measurement Area:</b> Mission and Business Results				
<b>Measurement Category:</b> Controls and Oversight				
<b>Measurement Grouping:</b> Program Monitoring				
<b>IT Master Schedule Milestone Identifier</b>	<b>IT Master Schedule Milestone(s)</b>	<b>EA Performance Category</b>	<b>Milestone Planned Completion Date</b>	<b>Associated Initiative</b>
ACQ-M-001	Communicate Modernization Plan (staff and stakeholders)	Improved management and use of information	Q3 2008	
ACQ-M-004	Implement Performance Tracking		Q4 2008	
ACQ-M-005	Reallocate workload by location	Technology consolidation and standardization	Q4 2008	
ACQ-M-008	Implement integrated Acquisition Management solution	Improved management and use of information	Q1 2010	
ACQ-M-006	Initiate workload balancing across fiscal year		Q4 2009	
ACQ-M-007	Complete pre-solicitation/solicitation (pilot)		Q4 2008	
ACQ-M-009	Implement redesigned business processes		Q4 2009	