United States Department of Health & Human Services Office of the Chief Information Office

ADDENDUM TO

HHS ENTERPRISE PERFORMANCE LIFE CYCLE

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Version #	Description of Change	Change Implemented by	Date
1.0	New addendum	Robin Collins	5/31/2016
1.1	Add Appendix A	Jan Aucker	7/22/2016

NATURE OF CHANGES

This Addendum is a first issuance.

1 Executive Summary

The HHS Office of the Chief Information Officer (OCIO) Policy for Enterprise Performance Life Cycle (HHS-OCIO-2008-0004.001) Policy dated October 6, 2008, (EPLC Policy) serves as the authority for performing Enterprise Performance Life Cycle (EPLC) requirements, objectives, responsibilities, and standards for managing information technology (IT) projects.

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

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

This addendum updates the EPLC policy to include the Federal Information Technology Acquisition Reform Act changes. Some sections of this document refer to the FITARA terms "Division" or "Division-level." These references should be understood to be the HHS Operating Division or OpDiv.

This addendum will be incorporated when the EPLC policy is next updated.

2 Background

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

EPLC enables HHS to approach the management of IT investments and projects from an enterprise perspective. These investments must be established through enterprise architecture, Section 508, security and privacy requirements. With this enterprise-wide approach to IT project management, there is an emphasis on demonstrating measurable results for IT investments.

With the enactment of the Federal IT Acquisition Reform Act in December 2014, HHS has incorporated the EPLC into the HHS FITARA Implementation Plan.

3   Scope

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

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

This Addendum does not supersede any other applicable law or higher level agency directive, or existing labor management agreement in effect as of the effective date of this Policy. OpDivs and StaffDivs shall use this Policy or may create a more restrictive policy, but not one that is less restrictive, less comprehensive or less compliant with this Department Policy.

4   Policy

The HHS EPLC framework provides a Department-wide information technology (IT) project management framework to ensure that HHS IT projects and investments achieve successful outcomes. EPLC will maximize the alignment of business needs with CPIC, EA, and project management standards.

5   Inserts and Replacements

All updates to the EPLC Policy can be found in Appendix A.

6   Applicable Laws/Guidance

Authorities include:
- Federal Information Technology Acquisition Reform Act (FITARA) [Pub. L. No. 113-291, §§ 831 – 837 of Div. A, Title I, Subtitle D (Dec. 19, 2014)].

7   Supporting Documentation

This HHS Enterprise Performance Life Policy supports

- Office of Management and Budget (OMB) Memorandum M-15-14.

8   Information and Assistance

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

9   Effective Date

Effective date of this Addendum is the date of issuance.

10   Approvals

The undersigned acknowledge they have reviewed the HHS Policy for Enterprise Performance Life Cycle Addendum. Changes to this policy will be coordinated with and approved by the undersigned or their designated representatives.

Approved

_____   _____

Beth Anne Killoran   Date
Chief Information Officer
U.S. Department of Health and Human Services

APPENDIX A: LIST OF ADDITIONS AND CHANGES TO EPLC POLICY

The table below lists all additions and changes to the EPLC Policy.

Section	Type of Change	Verbiage
2. Background	Added	With the enacted legislation of the Federal IT Reform Act in December 2014, HHS has incorporated the EPLC into their implementation plan with enhancements necessary to ensure all aspects of the legislation are fully addressed with the EPLC Framework.

Section	Type of Change	Verbiage
3. Scope	Changes (in red)	This Policy applies to all Divisions (OPDIVs), Staff Divisions (STAFFDIVs) including the Office of the Secretary and Office of the Inspector General, and organizations conducting business for and on behalf of the Department through contractual relationships. Agency officials shall apply this Policy to all Federal employees, contractor personnel, interns, and other non-government employees. All organizations collecting or maintaining information or using or operating information systems on behalf of the Department are also subject to the stipulations of this Policy. This Department Policy will be implemented as appropriate in applicable HHS Acquisition Regulation (HHSAR) rules that are promulgated on this subject and the HHS FITARA Implementation Plan. This Policy also applies to all HHS IT projects and investments throughout their entire lifecycle, regardless of development methodology, funding source, whether owned and operated by HHS or operated on behalf of HHS. This Policy shall be applied in conjunction with the HHS IT Management Policy, Enterprise Architecture Policy, the Capital Planning and Investment Control (CPIC) Policy, the HHS Earned Value Management Policy, and HHS Information Technology (IT) Performance Baseline Management (PBM). This Policy does not supersede any other applicable law or higher level agency directive, or existing labor management agreement in effect as of the effective date of this Policy. Divisions and STAFFDIVs shall use this Policy or may create a more restrictive policy, but not one that is less restrictive, less comprehensive or less compliant with this Department Policy.
4. Policy	Changes (in red)	The HHS EPLC provides a Department-wide standard information technology (IT) project management methodology for ensuring that HHS IT projects and investments achieve consistently successful outcomes. Those outcomes will maximize alignment with business needs and meet approved cost, schedule and performance milestones.

Section	Type of Change	Verbiage
4.2 HHS CIO Delegated Authorities	Added new section	HHS shall establish a process for review and approval of Division-level governance processes to ensure these processes are using effective governance mechanisms, optional policies and processes, and high quality information to drive the right critical leadership decisions for acquisitions and IT investment management. The following table outlines the delegations for IT budgeting, planning, and IT management. **Estimated Funding Per Year/Per Five Years** / **Approval Level** $20M+/$100M+ — HHS CIO and CAO $10M-$20M/$50M-$100M including ensuring transparency to HHS of investments over $10 million annually/$50 million over 5 years — Division CIO and Division Head (or designee) <$10M/<$50M — Approval level determined by Division CIO and Division Head (or designee) Text version of the delegations table In addition the following table outlines the acquisition thresholds HHS Acquisition Threshold Approvals **Estimated Funding Per Year/Per Five Years** / **Approval Level** $20M+/$100M+ — HHS CIO and CAO $10M-$20M/$50M-$100M — Division CIO and Division Head (or designee) <$10M/<$50M — Approval level determined by Division CIO and Division Head (or designee) Text version of the Acquisition Threshold Table

The delegations table:

Estimated Funding Per Year/Per Five Years	Approval Level
$20M+/$100M+	HHS CIO and CAO
$10M-$20M/$50M-$100M including ensuring transparency to HHS of investments over $10 million annually/$50 million over 5 years	Division CIO and Division Head (or designee)
<$10M/<$50M	Approval level determined by Division CIO and Division Head (or designee)

Text version of the delegations table

In addition the following table outlines the acquisition thresholds

HHS Acquisition Threshold Approvals

Estimated Funding Per Year/Per Five Years	Approval Level
$20M+/$100M+	HHS CIO and CAO
$10M-$20M/$50M-$100M	Division CIO and Division Head (or designee)
<$10M/<$50M	Approval level determined by Division CIO and Division Head (or designee)

Text version of the Acquisition Threshold Table

Section	Type of Change	Verbiage
4.3 Objectives	Added	All IT Projects shall: • Follow the Agency and/or Division Acquisition Strategy ensuring CIO approval prior to proceeding with the project. • Use a life cycle approach to project management in order to establish project-level accountability and transparency. • Use an agile, incremental, or iterative development process to ensure that end-user functionality is deployed at least every 6 months. A projects that does not achieve this should have approval by IT Governance through the project process approval process. All Divisions and StaffDivs shall: • Ensure there is actively participation of critical partners and IT governance throughout the IT project life cycle to ensure the project remains targeted on high priority business needs. HHS shall: • Provide oversight and conducts reviews as required.
4.4 Life Cycle Phases	Added	Initiation • Each IT investment and project must conform to the overall agency acquisition strategy and must develop an acquisition plan as a component of the project management plan. Concept • High quality performance metrics and cost estimation will be visible in the business case.

Section	Type of Change	Verbiage
4.5 IT Governance	Changes (in red)	The HHS CIO has established review processes to conduct HHS-wide life cycle reviews and approvals using the established EPLC methodology. Using the HHS federated IT governance approach, all Divisions shall implement appropriate level of IT governance that reflect the EPLC framework and requirements for projects and investments under their purview that are focused on successful outcomes. All Divisions shall: • Establish IT Governance processes that authorize the implementation and operation of the EPLC methodology for project management, including life cycle review processes. • Designate the appropriate authority level of IT Governance for each project using CPIC governance level guidelines in order to maintain project governance at the current level. • Ensure all IT projects utilize best practices for cost estimation and have high performance quality performance metrics identified The designated IT Governance organization shall establish authority for each EPLC phase during the initial project approval process.
4.7 State Gate Reviews	Added	IT projects shall not move to the next EPLC phase without satisfactorily achieving the outcomes of the current phase as planned including producing quality deliverables in the current phase and passing the stage gate review, except as tailored (See Section 4.8, Tailoring).

Section	Type of Change	Verbiage
4.9 Reporting and Monitoring	Changes (in red)	• Report to the IT Governance organization, missed milestones and/or variances in percentage of project cost, schedule, or performance outside any defined acceptable ranges.
5.1 HHS Chief Information Officer (CIO)	Added	The HHS CIO is responsible for ensuring that the EPLC framework provides the necessary project and investment performance transparency through life cycle reviews and stage gate approvals across all Divisions. They are also responsible for implementing appropriate improvements to the EPLC process to facilitate increased project and investment performance and appropriate engagement levels between program managers and the IT stakeholders. The HHS CIO is responsible for providing guidance to Divisions on best practices in determining high-quality performance metrics within the HHS EPLC framework. The HHS CIO is responsible for conducting a review of the various development methodologies ensuring effective incremental development principles and practices.
5.2 HHS Capital Planning and Investment Control Office	Changes (in red)	The HHS Capital Planning and Investment Control Office ensures that the appropriate rigor for EPLC is fully integrated into Department processes including acquisition, budgeting, human resources, and IT management.

Section	Type of Change	Verbiage
5.3 Division Chief Information Officers (CIOs)	Added	The Division CIOs oversee the development, implementation and management of Division EPLC procedures and processes in accordance with HHS Policies and Guidance in conjunction with the Division Chief Acquisition Officer, Chief Financial Officer and Chief Human Capital Officer. The Division CIOs are responsible for ensuring that the EPLC is fully implemented and provides the necessary project and investment performance transparency through life cycle reviews and stage gate approval. The Division CIOs are responsible for implementing appropriate improvements to the Division processes to facilitate increased project and investment performance.
5.4 Business Owner	Added	• Actively participating throughout the IT project life cycle to ensure the project remains targeted on high priority business needs. • Improving the competitiveness of their IT projects in the budget process through improved performance management and alignment with the organization mission.
5.5 Project Manager	Added	• Effectively utilizing a development methodology that produces end-user functionality in an acceptable time-frame as specified in the Project Process Agreement that is approved by IT Governance. • Proactively reporting missed project milestones and variances in percentage of project cost, schedule, and performance outside HHS Information Technology (IT) Performance Baseline Management (PBM). • Project managers should be certified at the appropriate level given the size, risk and complexity of the project.

Section	Type of Change	Verbiage
5.6 Critical Partners	Changes (in red)	Critical Partners are functional managers in the areas of: Enterprise Architecture, Information Security, Acquisition Management, Finance, Budget, Human Resources, Records Management, Section 508, CPIC, and Performance. The Critical Partners provide ongoing advice and counsel to the integrated project team and provides a review of the progress of IT projects at specified Stage Gate Reviews. This ensures projects meet their respective requirements.
5.7 IT Governance Organization	Changes (in red)	The IT Governance organization is responsible for ensuring that the projects/investment are technically sound, follows established IT investment management practices, and meets the Business Owner's needs. The IT Governance organization conducts Stage Gate Reviews through Critical Partners and defined stakeholders and decides whether to require additional work to meet exit criteria or to approve advancement to the next phase. IT Governance organizations must operate according to an approved charter.
6. Applicable Policies and Guidance	Changed	All areas were updated to list the current policies and guidance.

Text Version of Tables

Delegations for IT Budgeting, Planning, and IT Management Table

Estimated Funding Per Year/Per Five Years	Approval Level
$20M+/$100M+	HHS CIO and CAO
$10M-$20M/$50M-$100M including ensuring transparency to HHS of investments over $10 million annually/$50 million over 5 years	Division CIO and Division Head (or designee)
<$10M/<$50M	Approval level determined by Division CIO and Division Head (or designee)

Acquisition Thresholds Table

Estimated Funding Per Year/Per Five Years	Approval Level
$20M+/$100M+	HHS CIO and CAO
$10M-$20M/$50M-$100M	Division CIO and Division Head (or designee)
<$10M/<$50M	Approval level determined by Division CIO and Division Head (or designee)