



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240



OCIO DIRECTIVE 2008-016

JUN 20 2008

To: Heads of Bureau and Offices

From: Michael J. Howell
Chief Information Officer

Subject: Integrated Baseline Review Policy

This directive supersedes OCIO Directive 2005-14.

Policy: To ensure better oversight of Department of the Interior's (Interior) information technology (IT) investments and improve execution and performance, this directive requires that all major¹ investments have an independent Integrated Baseline Review (IBR) completed and approved by the Investment Review Board (IRB) before development-modernization-enhancement (DME) development begins.

Scope: All major projects (major investments authorized to go through DME) must have an IBR that assesses project planning, acquisition, budget and authorization documentation for quality, alignment, completeness and regulatory compliance which includes the:

- Risk adjusted baseline;
- Product scope, including appropriate architecture artifacts;
- Management scope, including the project's Integrated Management & Control Plan;
- Risk artifacts;
- Capital Planning & Investment Control (CPIC) and budget artifacts;
- Authorizing Records-of-Decisions;
- and Acquisition artifacts, including the project's ANSI/EIA 748-A Earned Value Management Systems (EVMS) Standards² compliance information.

Authorities:

FAR 34.202 Integrated Baseline Reviews:

- (a) When EVMS is required, Government must conduct an IBR.
- (b) Purpose of IBR:
 - (1) Verify technical content and realism of the related performance budgets, resources, and schedules;
 - (2) Provide a mutual understanding of inherent risks in offerors'/contractors' performance plans and the underlying management control systems; and
 - (3) Formulate a plan to handle these risks.

¹ OCIO Directive 2005-002, Implementation of Information Technology, Capital Planning and Investment Control Guide. (http://www.doi.gov/ocio/cp/cpic_guide.pdf)

² American National Standards Institute (ANSI) Government Electronic Industry Technology Association (EIA) Earned Value Management Systems (EVMS) Standards (November 2006)

Additionally, as stated in the Office of Management and Budget’s Memorandum M-05-23 Improving Information Technology (IT) Project Planning and Execution:

To better ensure agency and oversight authority efforts result in improved execution and performance, we now want you to:

1. For all new major IT projects, before beginning development, ensure cost, schedule and performance goals are independently validated for reasonableness.⁵

⁵ An independent assessment may be performed by a qualified source provided such source is not involved in the project’s development, implementation, management, or direct supervision. Provided they are qualified, such source may include the agency Inspector General, current independent verification and validation reviewers, or any other source internal to the agency or outside the agency including another agency. Agencies currently using Integrated Baseline Reviews (IBRs), may substitute an IBR for an independent assessment. Reasonable baselines are accurate, relevant, timely, and complete.

Purpose: The IBR provides insight to the project’s strengths, weaknesses and risks. The IBR process:

- Determines and assesses whether the appropriate analysis and planning due diligence has taken place, resulting a mature plan needed for successful project execution. A mature plan includes the fully defined and validated scope, resources and management & control strategy; it includes plans for handling (managing) risk. Successful project execution means the project can produce the desired business goals, performance outcomes and maintain less than 10% variance of its planned baseline.
- Determines and assesses whether there is a mutual understanding between the government and contractor regarding Interior’s business goals and desired performance outcomes; and what is necessary to successfully achieve the goals and outcomes.
- Documents project issues and recommendations for resolution.

Life Cycle Timing: In the context of Interior’s *integrated life cycles* (ILC), the IBR is started, completed and approved before beginning DME Development, Illustration 1.

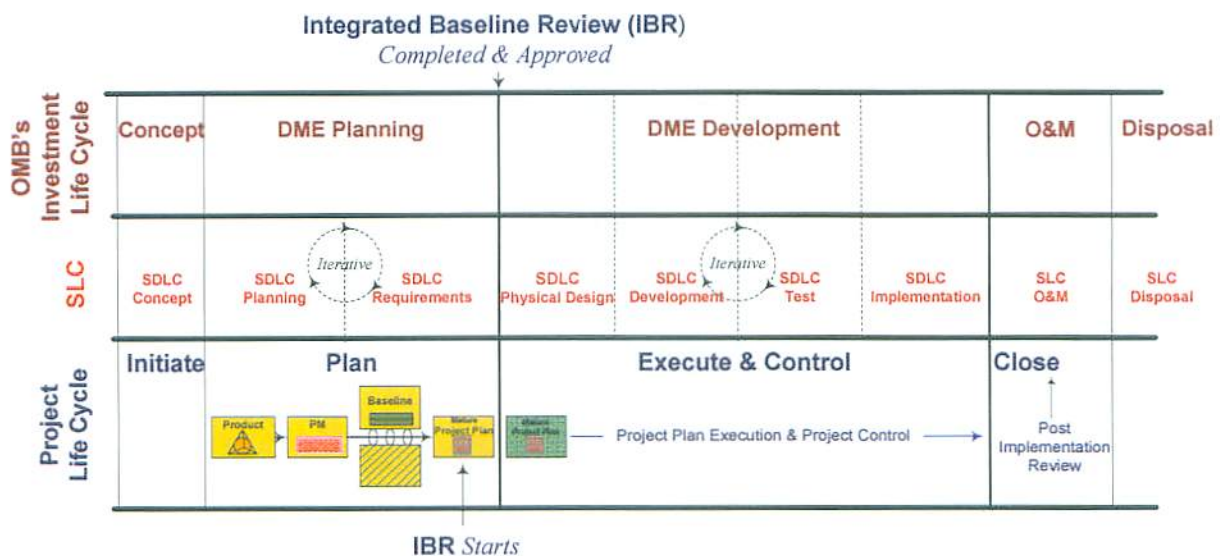


Illustration 1: IBR and Interior’s Integrate Life Cycle

IBR Process³: The Department of the Interior’s independent Integrated Baseline Review’s process is a two part process, summarized as follows:

Part One: Assess Government’s Project Planning and Preparation Due Diligence

- Identify Government’s required project management artifacts, synchronizing project artifact nomenclature with ANSI standard artifact nomenclature.
- Assess project planning (Project Plan) and other artifacts for quality, alignment and completeness, including:
 - Risk adjusted baseline.
 - Product scope, including an appropriate alignment with architecture artifacts.
 - Management scope, including the project’s Integrated Management & Control Plan.
 - Risk artifacts.
 - Capital Planning & Investment Control (CPIC) and budget artifacts.
 - Authorizing Records-of-Decisions.
 - Acquisition artifacts.
- Assess acquisition regulatory compliance, including EVMS-Standards compliance.
- Perform an initial analysis of findings.
- Present the initial analysis of findings to the Integrated Project Team (IPT).
- Interview principals for clarifications and explanations.
- Update findings.
- Develop and present the IBR Report (Part One) to the IPT for acceptance.

Part Two: Assess Contractor’s Proposal Appropriateness

- Assess contractor’s proposal for quality, alignment and appropriateness of the:
 - Management Plan addressing the Government’s requirements.
 - Risk Adjusted Baseline for identified product scope, management scope and risks.
- Validate vendor’s EVM corporate and/or program capability⁴.
- Assess the proposal’s (project level) compliance with EVM Standards.
- Update findings.
- Develop and present the final IBR Report to the IPT for acceptance.

Discussion:

The IBR evaluates and validates 1) projects plans and 2) CPIC & budget records-of-decisions; and 3) acquisition due diligence for regulations compliance. An independent assessment must be performed by a qualified “source” (organization or person) provided such source is not involved in the project’s development, implementation, management, or direct supervision of project personnel. Provided they are qualified, such source may include Interior’s Inspector General, current independent verification and validation reviewer, or any other source internal or outside the agency including another agency.

“Part One” of the IBR process *cross-walks* project artifact nomenclature with ANSI standard artifact nomenclature; and then evaluate governments produced artifacts to the standards. Standards include: ANSI/EIA 748-A EVMS Standards and Interior’s Project Planning Standards based on the Project Management Institute (PMI), Project Management Body Of Knowledge (PMBOK), Third Edition, ANSI/PMI 99-001-2004.

³ Interior adopted key aspects the Department of Defense’s¹ basic IBR framework: The Program Manager’s Guide to the Integrated Baseline Review Process, June 4, 2003.

⁴ National Defense Industry Association (NDIA) Program Management Systems Committee (PMSC), Surveillance Guide, October 2004 and EVMS Acceptance Guide, November 2006.

“Part Two” of the IBR process evaluates whether the contractors’ proposal and management controls appropriately address the project requirements approved by Interior’s Investment Review Board; and meet Federal acquisition regulation compliance, including the requirements for EVMS.

EVMS compliance means adherence to EVMS standards, specifically the thirty-two EVM criteria for compliance.

The IBR policy is based on project planning standards. Attachment 1: Project Planning Standard identifies the major elements and artifacts of a mature project management plan. The Project Planning Standard is intended to offer a framework for organizing the project plan elements and artifacts. It is a synthesis of project management *best practices* and EVMS standards.

The Office of the Chief Information Officer has an *indefinite delivery indefinite quantity* (IDIQ) contract that provides IBR services. This IBR services contract has contractors that have been pre-selected and certified for independence and capability. The contract offers an option for easy cost-effective access to Integrated Baseline Review services.

Questions: Please direct questions regarding this directive to Will Brimberry, Program Manager, Project Management Office, at 202-208-6052.

cc: Bureau and Office Chief Information Officers