



United States Department of the Interior

OFFICE OF THE ASSISTANT SECRETARY
POLICY, MANAGEMENT AND BUDGET
Washington, D.C. 20240

Memorandum

DEC 19 2002

To: Inspector General
Assistant Secretaries
Bureau Directors
Bureau Capital Planning Executives
PMB Office Directors

From: P. Lynn Scarlett 
Assistant Secretary – Policy, Management and Budget

Subject: **INTERIOR RELEASES CAPITAL PLANNING AND INVESTMENT
CONTROL GUIDE, VERSION 1.0**

Annually, the Department of the Interior invests over \$800 million in information technology (IT) assets and services and \$1.2 billion on construction projects. The success of these investments directly influences our ability to execute business plans and meet critical mission needs. During the past year, we took a significant step to strengthen capital planning and investment control (CPIC) Departmentwide by instituting Departmental executive review of major IT and construction projects. However, we can and need to do more. The attached *DOI Information Technology and Construction Capital Planning and Investment Control Guide, Version 1.0* provides the Department's blueprint for the way DOI and the bureaus will more rigorously approach the selection and management of IT and construction investments.

The *Guide*, which was developed by an intra-Departmental team, describes the current state and future direction of CPIC in DOI. It identifies and articulates processes, procedures, activities, roles and responsibilities, measures and outputs necessary to ensure that DOI's investments in IT and construction are well conceived, cost-effective, and support our missions and business goals. It emphasizes the requirement for bureaus to establish and maintain investment review boards that, starting with the FY 2005 budget, will render decisions on the bureau's multi-year IT and construction investment plans and those investments that best support bureau mission and strategic plans.

The *Guide* will be regularly updated to incorporate best practices and lessons learned. The Department will continue to explore ways to enhance DOI's governance of capital investments and integration of portfolios, to allow for trade-offs among IT, construction and other types of capital investments. Capital investments will be compared against one another to create a prioritized portfolio of all major capital assets. DOI will select and actively manage a portfolio of capital investments that maximizes return to the taxpayer and Government at an acceptable level of risk.

Implementation of the capital investment processes set out in the *Guide* will require your active involvement and that of your senior managers. Please ensure that you, your managers, and staff responsible for managing capital projects and the bureau's investment portfolio become familiar with the *Guide*. It provides the procedural roadmap that bureaus must follow in preparing their FY 2005 capital investment budget. Please note that Chapter 2 of the *Guide*, Information Technology, is designed so that it can be a stand-alone guide for IT investments.

If you have questions, comments or suggestions about the CPIC guide in general, please call Debra E. Sonderman, Director, Office of Acquisition and Property Management, at 202-208-6352. The *Guide* is available electronically and will soon be posted on the Office of Acquisition and Property Management homepage. Please note the following contacts for any additional CPIC information:

- Office of Acquisition and Property Management, Bob Jarcho, 202-208-3329;
- Office of Budget, Charles Towle, 202-208-5219;
- Office of the Chief Information Officer, Harriet Brown, 202-208-4109 (IT CPIC guidance); and
- Office Managing Risk and Public Safety, Kurt Gerner, 202-208-5399 (Construction CPIC guidance).

Let us work together to make the CPIC in DOI successful and effective. Thank you for your attention to this important program.

Attachment

cc: Nina Hatfield, Deputy Assistant Secretary, Budget & Finance
Acquisition Managers Partnership
Bureau Budget Officers
Bureau Chief Information Officers
Planning, Design, Construction and Maintenance Council
Interior CPIC Forum
Performance Management Council Members