



Defense Business Systems Investment Management Guidance

Version 4.1

June 26, 2018

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Version History

Version	Date	Summary of Changes/Notes
1.0	June 2012	Initial release; preceded by a report to Congress how the DoD intended to implement the FY12 National Defense Authorization Act (NDAA) (http://dcmo.defense.gov/ >> Publications)
2.0	April 2013	<ul style="list-style-type: none"> Improves alignment of Functional Strategies and Organizational Execution Plans (OEPs) Directs Information Technology (IT) efficiencies with a goal of 10% reduction of Current Services (CS) across portfolios relative to the prior year OEPs Provides guidance for the changes associated with the use of the authoritative data sources in the Defense Business System (DBS) investment review and certification process Seeks greater awareness of the Department's Enterprise Resource Planning (ERP) investments Increases visibility into costs of defense business operations with focus on defense agency operating costs Provides guidance for Out of Cycle (OOC) certification requests Changes the process for reviewing OEPs submitted by all other DoD organizational entities not included in the Military Departments Improves the process for asserting Business Enterprise Architecture (BEA) compliance using Architecture Compliance and Requirements Traceability (ACART)
3.0	April 2014	<ul style="list-style-type: none"> Synchronizes the Integrated Business Framework (described in section 1.4) with the Planning, Programming, and Budgeting and Execution (PPBE) process by focusing Defense Business Council (DBC) reviews of Functional Strategies and OEP not only on execution year fund certification requests, but also on the Future Year Defense Program (FYDP). Directs identification of BEA operational activities that support functional strategy initiatives and DBS reported in OEPs. Using BEA Operational Activities to align Functional Strategies and OEPs will help ensure planned DBS investments and expenditures are aligned with DoD's business goals. Automates Functional Strategy and OEP content to improve the DBC's ability to make informed investment decisions based on authoritative data and information. Improves the process for asserting compliance with the BEA. Incorporates review of reported progress toward Functional Strategy performance measures. Defines better selection and control responsibilities within the management of the capital investments that support business operations.

3.1	April 2014	Minor edits; Not formally released
3.2	April 2014	Minor edits; Not formally released
3.3	October 2014	Updated the OOC process and minor edits
3.4	February 2015	Eliminated Defense Business Systems Management Committee (DBSMC) references; removed references to business systems used within Military exchange systems funding by Nonappropriated Fund (NAF); integrated portfolio management role of a chartered Fourth Estate Working Group
4.0	February 2017	<ul style="list-style-type: none"> • Clarifies Covered DBS as it applies in the guidance • Revises thresholds for review/certification: Military Department CMOs have approval authority for DBS investments below \$250M/FYDP; DCMO has approval authority for Fourth Estate DBS investments \$1M / FYDP and all DBS investments in excess of \$250M / FYDP • Implements a process to meet 10 U.S.C. § 2222 requirements for acquisition strategy, required documentation and auditability compliance • Implements the new 10 U.S.C. § 2222 requirement that DoD business processes be continually reviewed and revised by requiring components to report the results of this review as part of their OEP annual review of systems • Codifies Defense Business Council as an advisory authority
4.1	April 2018	<p>Minor edits;</p> <ul style="list-style-type: none"> • Changed DCMO to CMO throughout • Added additional information to support business capability acquisition cycle (BCAC), functional strategies and the BEA • Updated definitions of core and legacy systems • Removed the Appendix A NDAA text and added a link • Minor updates to the purpose statement; timeline; out of cycle table • Updates made to include Acquisition and Strategy FS business area as applicable • Updated Appendix C Acronyms and Abbreviations • Updated Appendix G Mandatory Data Elements and text for business process reengineering (BPR) to add legacy systems option and other editorial edits.

1. Introduction

1.1. Background and Purpose

The DoD must continue to reform its business practices, improve its business operations performance, and achieve efficiencies and effectiveness in order to achieve the Secretary of Defense's and Agency Strategic Plan's (ASP) goal to reform the Department to reinvest resources for warfighter priorities to the direct support of combat, combat support and combat service support elements of the DoD. Achieving this goal requires reengineering business processes; demonstrating beneficial returns on new and existing information technology (IT) investments;¹ knowing what it costs to deliver business capabilities; and effective implementation of the Capital Planning and Investment Control (CPIC) process for investments in information technology (IT) that support these business processes and capabilities. This document and the issuances listed below constitute the guidance required by title 10 U.S. Code (10 U.S.C) § 2222 (c)(1):

- DoD Instruction 5000.75 “Business Systems Requirements and Acquisition” and supporting acquisition policy and guidance
- DoD Directive 7045.14 “The Planning, Programming, Budgeting and Execution (PPBE) Process” and supporting policy and guidance
- DoD Financial Management Regulation (FMR) Volume 2B, Chapter 18 “Information Technology” and supporting IT budget policy and guidance

10 U.S.C. § 2222 provides requirements for annual review and approval for covered defense business systems (DBSs) before they can proceed into development. If development is not required, then the annual review and approval is needed prior to production, fielding, or continued sustainment. 10 U.S.C. § 2222 gives greater responsibilities to Military Department Chief Management Officers (CMOs) and defines the statutory thresholds for a covered DBS. However, Military Departments and Fourth Estate² CMOs may lower thresholds used internally as discussed later in this document.

With these laws, regulations and policies, the DoD has implemented processes to manage a well-defined IT investment portfolio for the DoD Business Mission Area (BMA) and all DBSs. The

¹ Return can be monetary or non-monetary, or a combination, with factors to include improved mission performance, reduced business process or IT cost, improved process time, increased quality, better agility, improved security, improved compliance, improved reporting, and/or increased user satisfaction.

² Fourth Estate refers to Office of the Secretary of Defense (OSD), the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Defense Agencies, the DoD Field Activities, and all other organizational entities in the DoD that are not in the Military Departments. The CMO of the DoD is also the Fourth Estate CMO.

investment management process works in conjunction with the Planning, Programming, Budgeting, and Execution (PPBE) process described in DoD Directive 7045.14 by focusing on the strategy, goals and planned spending for business operations, to include DBS.

The DoD established the Defense Business Council (DBC) as the principal subsidiary governance body to the Deputy's Management Action Group for defense business operations. The DBC also assumes the role of the Department's Investment Review Board (IRB) for DBS investments. The DBC will refer to both the IRB and the DBC now codified as an advisory authority in 10 U.S.C. § 2222.

This guidance supersedes "Guidance for Review and Certification of Defense Business Systems" Version 4.0, dated April 16, 2017.

1.2. Summary of Changes

This guidance incorporates lessons learned from the previous investment review cycle. Additionally, the guidance reflects the establishment of the DoD Chief Management Officer (CMO).³ The CMO continues as the CMO for the Fourth Estate and retains the threshold for the review and certification of DBS investments at \$1M over the FYDP.

1.3. Scope

The guidance is intended for DBS investment management process stakeholders, including Principal Staff Assistants (PSAs), Military Department CMOs, affected combatant commanders, directors of defense agencies, directors of DoD field activities and program managers. This guidance applies to all DoD organizations and to the architecture, planning, budgeting and obligation of funds, regardless of funding type for DBS investments.

The guidance does not apply to national security systems (NSS) or DBS used exclusively by and within the defense commissary, exchange system or morale, welfare and recreation using non-appropriated funds. An IT system which otherwise meets the definition of a DBS but has been determined to not be managed as a DBS *solely* because it processes classified information or is connected to a classified network or uses non-appropriated funds should be carefully assessed to ensure relevancy of the DBS classification. Failure to comply with the certification requirements of 10 U.S.C. § 2222 may result in a violation of 31 U.S.C. § 1341(a)(1)(A), otherwise known as the Anti-deficiency Act.

For the Fourth Estate portfolios, the DoD CMO serves as the CMO. In accordance with 10 U.S.C. § 2222 and DoD Instruction 5000.75, the CMO designates the Fourth Estate minimum threshold at \$1M over the period of the current FYDP. The Military Department CMOs have

³ The term DoD CMO is used to reflect there is also a CMO of each military departments

established minimum thresholds, based on their approval authorities, for any DBS investment \$250M or below over the period of the current FYDP. A Priority DBS is any DBS investment in excess of \$250M over the period of the current FYDP or as designated by the CMO as a Priority DBS. The DoD CMO is the approval authority for all Priority DBS.

For the purposes of this guidance, the term ‘covered DBS’ includes those DBS investments greater than the minimum thresholds stated above as well as the statutory thresholds defined in 10 U.S.C. § 2222.

1.4. Integrated Business Framework Overview

The Integrated Business Framework (IBF)⁴ provides the overarching structure used to help understand how the Department governs and manages business operations to include business IT investments. The IBF drives the creation of aligned business strategies, investment plans, component execution plans, and the measurement of outcomes. The framework facilitates a cross-functional, enterprise-wide view for the governance and review of DBS and certification of covered DBS over the period of the current FYDP. One of the elements of the ASP, as illustrated in Figure 1, is the enterprise plan for improving DoD's business operations.

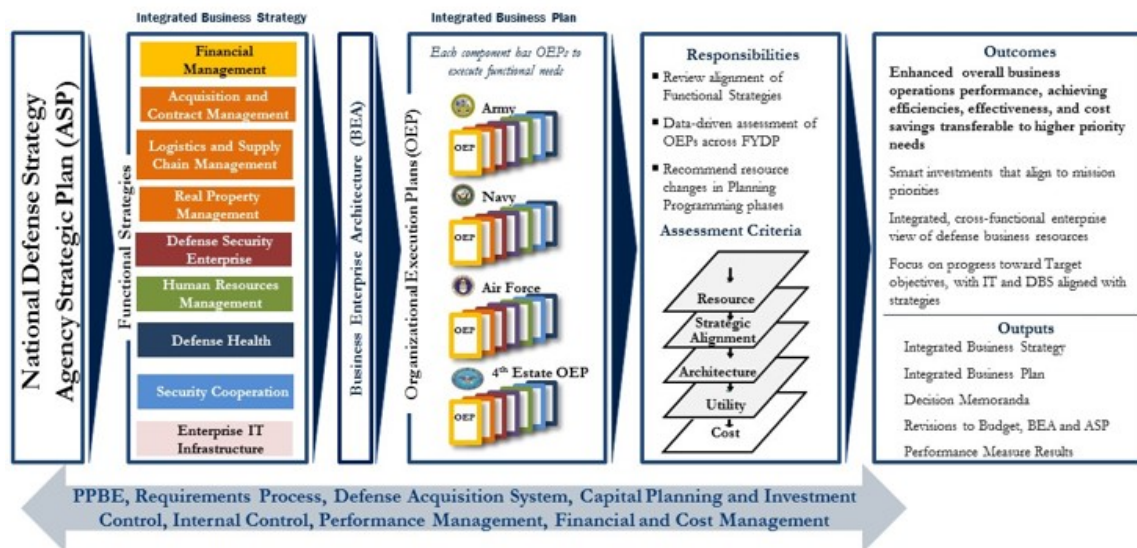


Figure 1 - Integrated Business Framework

Guided by the ASP, the PSAs, as the business line owners, develop and periodically refine the Functional Strategies. The Functional Strategies are an important element within the investment management process because they establish strategic direction for PPBE activities. Reflecting

⁴ The IBF originated with the DoD implementation of section 901 of the FY2012 NDAA.

the planning associated with business operations and the IT portfolios that support them, the Functional Strategies articulate business outcomes, priorities, measures, and standards. An Organization Execution Plan (OEP) is developed by each organization and specify the organization's annual certification request. The OEP articulates an organization's approach to align with the Functional Strategies and produce business results. The objective is to enable end-to-end integration, improve business operations, and leverage the appropriate technology to deliver agile, effective, and efficient business solutions that support and enable the Warfighter. Within the IBF, the Functional Strategies and OEPs inform the Business Enterprise Architecture (BEA) and support an integrated business strategy for the DoD. The IBF will continue to mature as the DoD achieves outcomes.

Given the IBF focus on efficient and effective performance management, the IBF integrates with the DoD's PPBE annual resource allocation process, the Defense Acquisition System and the management internal control program.⁵ The IBF also utilizes resource management principles through cost management and financial accounting to support decision-making and to demonstrate DoD accountability externally. The DoD Performance Management Framework, as outlined in the ASP and Office of Management and Budget Circular A-11, institutes a disciplined approach to providing leadership with a linkage between performance and resourcing management through strategy, planning, monitoring, reporting and managing progress. Performance and resourcing management are integral components in the IBF that helps to enhance the overall business operations performance, achieving efficiencies and cost savings.

The IBF also incorporates the CPIC process required by the Clinger-Cohen Act of 1996 for selecting, managing, and evaluating the results of DoD's investments in DBS. The IBF is broader and addresses the Department's business operations, business processes, and business strategy, and CPIC is incorporated within the IBF to focus on IT investments. It also encourages the use of performance and results based management business process reengineering prior to investing in IT. Organizations develop and review their portfolios based on investments for business functions and activities in both Core (part of the target environment) and Legacy (scheduled for termination within 36 months) systems and services. Portfolios are evaluated for alignment with applicable Functional Strategies and assessed from multiple perspectives such as strategic alignment, performance, risk, affordability, business value, return on investment (ROI), cost, duplication of capabilities, architecture alignment and compliance, interoperability, efficiency, and effectiveness. The DBC and components establish selection and control criteria for the management of the portfolio to achieve the outcomes and performance required. Review criterion ensures that IT projects and systems support the organization's ongoing and future

⁵ The PPBE process, defined in DoDD 7045.14, is the annual resource allocations and requirements process that provides validated and prioritized capability requirements. The Defense Acquisition System, defined in DoDD 5000.01 and DoDI 5000.75, is a process that provides effective, affordable, and timely systems to users. Internal control program, defined in DoDI 5010.40, helps an entity run its operations efficiently and effectively, report reliable information about its operations and comply with applicable laws and regulations.

business needs. The DBC evaluates portfolios to ensure compatibility with the ASP and Functional Strategies and provides budget and certification adjustment recommendations where necessary.

The approval of certification requests declares that a DBS meets 10 U.S.C. § 2222 requirements to obligate funds. The DBC may also submit issues into the PPBE process where required. Portfolios should demonstrate progress in portfolio performance to optimize portfolio cost and ensure investments contribute to a lower total cost of business operations and / or deliver required capabilities to the Warfighter.

This guidance implements the new 10 U.S.C. § 2222 requirement that DoD business processes be continually reviewed and revised. The BEA acts as a blueprint to guide the development of integrated business processes within the DoD. Organizations are to regularly review their business processes and those of the DoD enterprise as appropriate and revise or make recommendations to revise them. Revision of these processes occurs through business process reengineering and continuous process improvement.

2. Investment Management Process

The annual investment management process includes ASP and Functional Strategies as inputs used by the appropriate DoD PSAs as illustrated in Figure 2. Organizations then use these business strategies and priorities to develop and refine their portfolios. The integrated business strategy will serve as additional guidance to the Pre-Certification Authorities (PCAs)⁶ for their budgets in the DoD business mission area. The Functional Strategies may include evaluation criteria that the PSA will use to evaluate budget and certification requests proposed by the PCA. The PSA may also identify DBS that should be considered by the PCA for retirement based on misalignment to DoD business goals, costs, duplication or other factors.

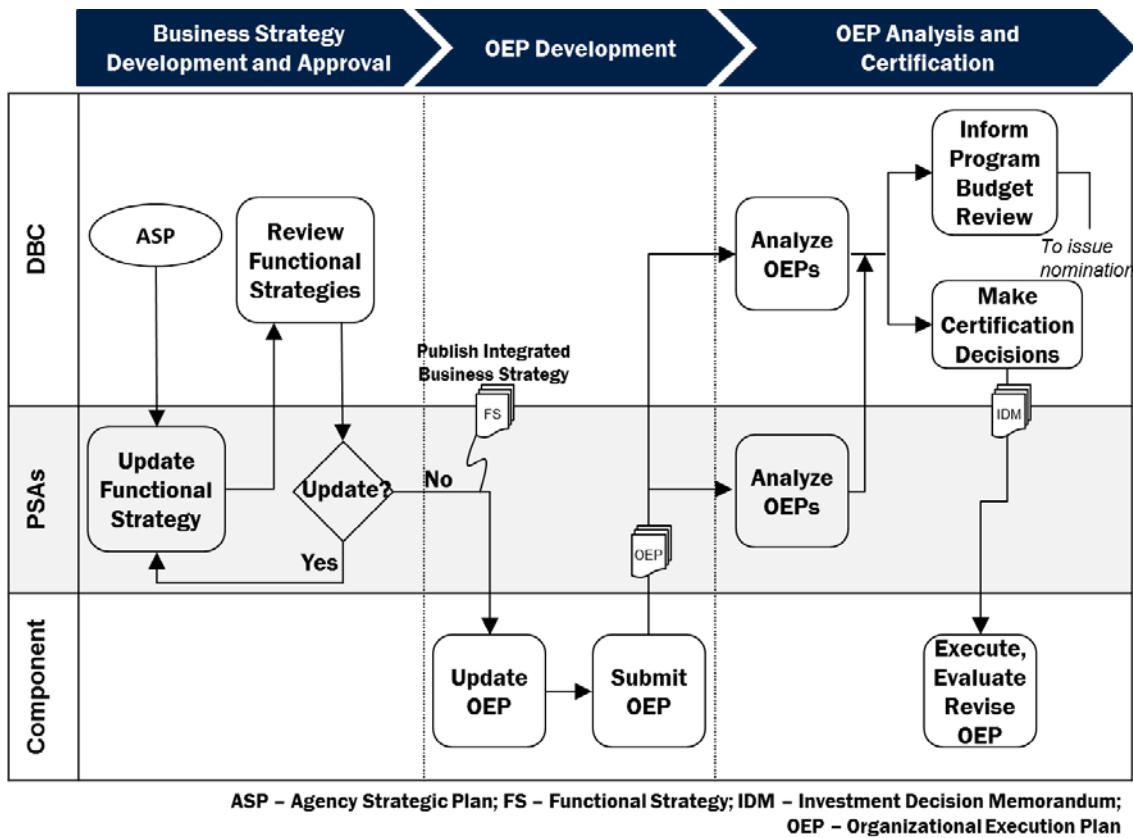


Figure 2 – Integrated Business Management Process Overview

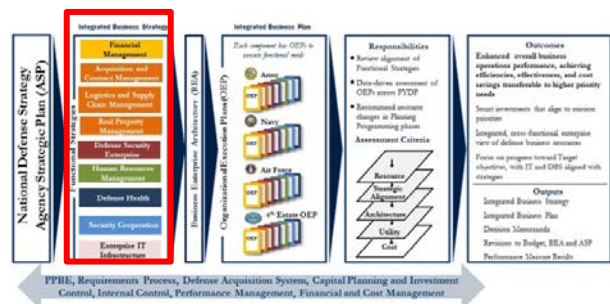
⁶ The term PCA no longer exists in 10 U.S.C. § 2222 however the term is being retained to address the compliance determinations that will continue to be made by the component level leadership before approval by the appropriate approval officials, the DCMO and the Military Department CMOs. For example, the component PCA will continue to make system and business system portfolio BEA compliance determinations in advance of the appropriate approval official determinations based on PCA determinations. Component PCAs will continue to be designated senior executives, flag officers, or general officers.

OEPs will be representative of the organization’s covered DBS budget and certification request and must demonstrate the organization’s efforts to align DBSs with outcomes and Functional Strategies to drive value in the DoD’s business IT investment portfolio.

As the plan matures, OEPs will represent more than the DBS investment IT resources to become the organization’s integrated business plan to achieve the outcomes and goals articulated in both the ASP and Functional Strategies. OEPs must also identify the component’s business goals. The DBC can review each OEP and make recommendations to the Chair regarding certification. Additionally, the DBC may issue decision documents where appropriate, to the Director, Cost Analysis, and Program Evaluation (DCAPE) and the Under Secretary of Defense (Comptroller) (USD(C)), for proposed DBS investment budgeted funds which are not aligned to Functional Strategies.

2.1. Functional Strategies

Integral to the IBF, Functional Strategies represent a crucial component of the strategic planning process for the BMA. Functional Strategies articulate each functional area’s strategic vision, business outcomes, and measurable targets over the next three to five years. Functional Strategies should be aligned to the ASP and the Department’s Reform initiatives in order to ensure integration, alignment, and interoperability across the DoD. They will be used to provide guidance and prioritize activities as they propose how to deliver the DoD’s business priorities and assemble DBSs into portfolios, known as OEPs. Functional Strategies inform the re-selection of DBS investments via certification in the portfolio prior to the fiscal year of execution and provide direction used to inform IT investment decisions now and in the future.



Functional Strategy Business Areas

Functional Strategies are developed by the appropriate PSA for business areas and captured within the Integrated Business Framework – Data Alignment Portal (IBF-DAP), an on-line tool, provided by the Office of the Chief Management Officer (OCMO). The IBF-DAP enables informed DBS decisions based on data (see Appendix D). An “other” business area is included to address DBSs that do not map to one of the existing areas or are not specifically listed in 10 U.S.C. § 2222 (j)(1). The business area “other” does not have a Functional Strategy but PSAs may develop one as the business alignment process continues to evolve. These categories may result in additional content within the BEA to address these functions, activities, or capabilities.

Current functional strategy business areas are listed below:

- Acquisition and Contract Management (Under Secretary of Defense for Acquisition and Sustainment (A&S))

- Logistics and Supply Chain Management Readiness (Under Secretary of Defense for A&S)
- Defense Health (Under Secretary of Defense for Personnel and Readiness)
- Defense Security Enterprise (Under Secretary of Defense for Intelligence)
- Real Property Management (Under Secretary of Defense for A&S)
- Enterprise IT Infrastructure (DoD Chief Information Officer (CIO))⁷
- Financial Management (Under Secretary of Defense (Comptroller))
- Human Resources Management (Under Secretary of Defense for Personnel and Readiness)
- Training and Readiness (Under Secretary of Defense for Personnel and Readiness)
- Security Cooperation (Under Secretary of Defense for Policy)
- Other⁸

All DBS from all functional areas within the BMA must adhere to the business outcomes, standards, measures, and planned initiatives specified in the applicable functional strategies. Multiple Functional Strategies can affect any single business system.

Functional Strategy Elements

The IBF-DAP will capture the required sections for each Functional Strategy element listed below (see Appendix D). The DBC may review a Functional Strategy briefing generated from data captured in the IBF-DAP.

- **Functional Overview:** This section of the Functional Strategy defines the mission and vision.

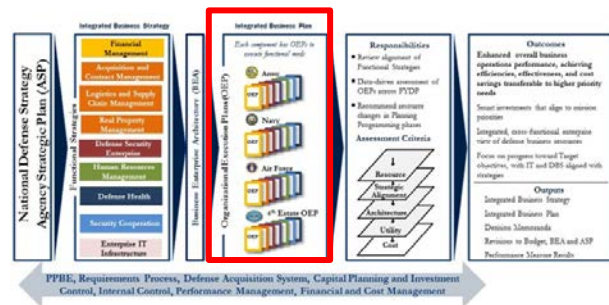
⁷ Guidance in the Enterprise IT Infrastructure Functional Strategy applies to all DoD business IT systems. The strategy for Enterprise IT Infrastructure provides the DoD CIO's requirements for all DBS to ensure systems can operate in the Joint Information Environment (JIE). Due to the crosscutting nature, the Enterprise IT Infrastructure is not a business system portfolio and should not be selected in DITPR as the functional area for any DBS system.

⁸ The Other category includes functions and systems that do not fit into another function and typically includes case / correspondence / task / records management, project or program management, library management, administrative management, business intelligence, inspector general, or other staff functions.

- Functional Strategy Business Outcomes:** Each Functional Strategy business outcome should demonstrate a clear linkage to ASP goals and Functional Strategy initiatives. The Functional Strategy business outcomes should address all applicable ASP line items. This section of the Functional Strategy defines business outcomes that are critical to achieving DoD business goals. The business outcomes must include measurable targets, risks, and challenges. OEPs submitted by organizations should align to the business objectives and must measure their progress toward achieving the business goals.
- Functional Strategy Initiatives:** This section of the Functional Strategy defines initiatives deemed critical to the achievement of one or more business outcomes. The Functional Strategy initiatives must demonstrate measurable targets, risk and challenges (e.g. interdependencies), and assess progress toward accomplishment of business outcomes. An initiative should state whether compliance with a standard or the use of an enterprise system is required. The OEPs submitted by organizations should subsequently align to these strategic initiatives and support metric progress. Each Functional Strategy should also demonstrate a clear linkage in IBF DAP between the Functional Strategy initiatives to the Operational Activities and applicable Laws, Regulations and Policies in the BEA.
- Business Outcome and Prior Year Initiative Progress:** This section documents progress toward business outcomes identified in prior Functional Strategy’s performance results in addition to percentage completeness relative to the target.

2.2. Organizational Execution Plan

The primary focus of the OEP is the annual identification and prioritization of DBS investments over the period of the current FYDP as aligned with the strategic direction from applicable Functional Strategies. OEPs represent the ongoing results of an organization’s CPIC effort for the analysis, selection, control, and evaluation of its portfolio of DBS used to support business operations focusing on the year of execution. The results of an organization’s plan for managing its portfolio of business IT investments in alignment with the Functional Strategies and ASP are also represented. As a result of the CPIC control and evaluation phases, the OEP highlights changes from the previous plan to help demonstrate aspects of component compliance with 10 U.S.C. § 2222.



The OEP certification review is performed annually on the approaching fiscal year of execution. The year of execution budget amounts will form the basis of the certification request submissions for the portfolio. Review of the OEP consists of the entire DBS portfolio as well as past and future year budgets.

OEPs include data from authoritative sources that help support investment management decisions. All DBS investments across the period of the current FYDP are included in the OEP by virtue of being in the DoD Information Technology Portfolio Repository (DITPR), DoD IT Investment Portal (DITIP), and Select and Native Programming Data Input Systems for IT (SNaP-IT) and are therefore available for DBC review. However, the OEP certification review mainly focuses on the covered DBS investments.

Information for each DBS as identified in Appendix G must be documented within the DoD’s authoritative data sources prior to the initiation of DBC reviews on a date that will be established by the DBC chair. Covered DBSs will be at risk of not receiving certification and omitted as a resource requirement within the future year budget if these Mandatory Data Elements are not complete.

Organizationally, there is one OEP for the Fourth Estate made up of individual component OEP chapters, and there is one OEP for each of the Military Departments made up of chapters. The organization develops and submits the OEP or OEP chapter to the DBC by issuing a Portfolio Certification Request (PCR). The PCR template is provided in Appendix E. In addition to the PCR, the OEP includes an agency portfolio briefing developed using the Integrated Business Framework – Data Alignment Portal (IBF-DAP) and validated system data from the other authoritative data sources. Figure 3 illustrates the construct of an OEP.

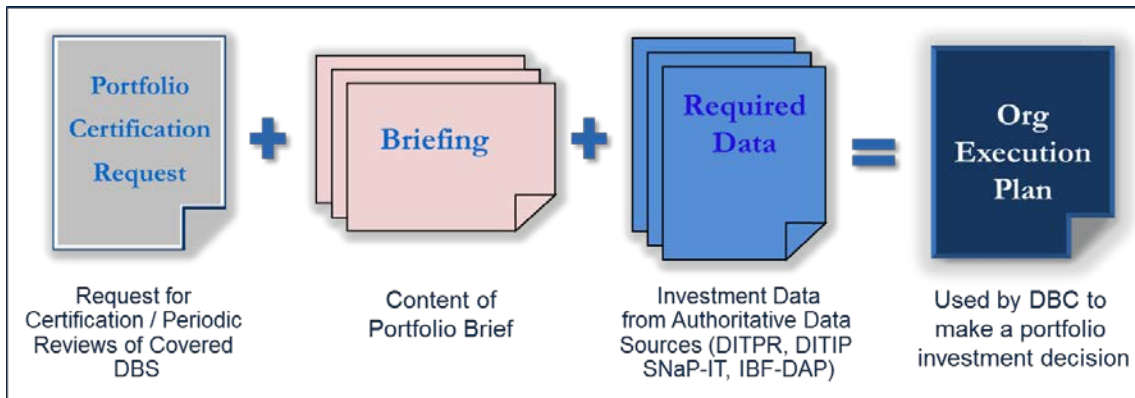


Figure 3 – Organizational Execution Plan Construct

Portfolio Certification Request

The PCR is the document developed by the PCA that asserts compliance with goals and initiatives articulated within functional strategies and the requirements of 10 U.S.C. § 2222. The PCR contains an update to the status of outstanding Investment Decision Memorandum (IDM) conditions. See Appendix E for a PCR template.

When preparing a PCR, the PCA must review the portfolio and determine if each IT investment is a DBS based on the definition provided in 10 U.S.C. § 2222 (i)(1). If the answer to any of the questions below is “yes” then the IT investment likely meets the intent and therefore falls under the authority of 10 U.S.C. § 2222.

- Does the IT investment support a business operation, function, or activity that meets the definition of a DBS?
- Does the IT investment used to support a business operation, function, or activity meet the definition of an information system, as defined in title 44 U.S.C. § 3502?
- Does the IT investment rely on other DBSs for interoperability?
- Does the IT investment rely on a level of adherence to the BEA to effectively guide, constrain and permit interoperable DBSs solutions or support the governance framework for DBSs?
- Does the IT investment involve inherently managerial functions or provide business functions or capabilities such as strategic planning, case / correspondence / records management, project or program management or other staff functions performed at a management headquarters level?

As referenced in Section 1.3, certification requests for covered DBSs are not limited to systems that reside on the Non-Classified Internet Protocol Router Network (NIPRNet). If the DBS performs a business function, such as acquisition, financial management, logistics, strategic planning and budgeting, installations and environment and human resource management then it may be a candidate for certification.

Once the PCA determines the portfolio of investments that are DBSs, the PCA must determine how the proposed DBS (see Appendix A):

- 1) Comply with the Functional Strategies and are (or will be) in compliance with the BEA⁹
- 2) Have undertaken appropriate Business Process Reengineering (BPR) efforts to ensure that:
 - a) The business process supported by the DBSs are as streamlined (or are being streamlined) and efficient as practicable as well as to match best commercial practices, to the maximum extent practicable, so as to minimize customization of commercial business systems and
 - b) The need to tailor commercial-off-the-shelf (COTS) systems to meet unique requirements or incorporate unique interfaces has been eliminated or reduced to the maximum extent practical;
- 3) Have valid, achievable requirements and a viable plan for implementing those requirements (including, as appropriate, market research, business process reengineering and prototyping activities);
- 4) Have an acquisition strategy designed to eliminate or reduce the need to tailor commercial off-the-shelf systems to meet unique requirements, incorporate unique requirements or incorporate unique interfaces to the maximum extent practicable; and
- 5) Comply with the DoD's auditability requirements.

PCAs also classify DBS as "Core" or "Legacy" by their establishment of lifecycle end dates in DITPR. A core DBS is an enduring system with a sunset date greater than 36 months.¹⁰ A Legacy DBS is a system with a sunset date within 36 months. FYDP budget data must appropriately reflect this determination. For Core DBSs, the organization must ensure that the DBS is compliant with all applicable BEA regulations, policy, data standards, and business rules and that appropriate BPR efforts have been undertaken. DBSs currently in sustainment with no future modernizations planned are not required to create a requirements plan document or an acquisition strategy that meets the new requirement. Components will identify these DBSs for DBC or Military Department CMO review.

⁹ Portfolio BEA compliance determinations required by 10 U.S.C. § 2222 (g)(1)(b) will be made by the PCA, the Military Departments CMO and the DBC as appropriate. PCAs should note in their PCR memo whether portfolio determinations were conducted. As DoD policy, at the portfolio level, the "business system portfolio will be in compliance with the BEA developed pursuant to subsection (e) or will be in compliance as a result of modifications planned." If there is one or more noncompliant system in a portfolio, the portfolio will always be planned compliant.

¹⁰ Core and legacy dates are generally calculated based on the start of the particular fiscal year of analysis, however any base date could be used.

The CMO has specified that organizations must perform BEA assessments in IBF-DAP and must assert compliance in DITIP to ensure BEA assessments are consistent and rigorous. Enterprise-wide use of the functionality within IBF-DAP has the additional benefit of creating an authoritative data source of BEA compliance assessment information. The DBC leverages BEA compliance assessment information as part of the certification process. Legacy DBSs are not required to assess or assert compliance with applicable BEA requirements but they are required to perform mappings in IBF-DAP to applicable BEA Operational Activities, Business Capabilities, Processes, System Functions, and End-to-End (E2E) Processes. DITIP will document covered DBS assertions for compliance with requirements plan documents, acquisition strategy, and auditability assertions.

The PCA is responsible for determining whether appropriate BPR¹¹ has been accomplished or is planned prior to submitting request for investment certification. All DBS must be aligned to appropriate business processes within the BEA. DITIP will document BPR covered DBS assertions and the PCR will include an overall statement of compliance.

When a DBS investment contains resources provided from multiple organizations, the PCA for the executive agent / primary investment owner of the DBS investments is responsible for coordinating with the resource providers to ensure the investment reports all known resources in SNaP-IT and the PCR addresses the entire amount expected for obligation. In order to avoid duplication, there is also a responsibility upon the PCA within the contributing organizations to ensure resource contributions to DBS investments within other organizations' portfolios are correctly documented in SNaP-IT. The executive agent / investment owner must make the certification requests for systems with shared funding in SNaP-IT. This direction is similar to the budget request responsibilities defined in DoD Financial Management Regulation Volume 2B, Chapter 18.

Once the PCA has determined the DBSs are compliant or planned compliant, the PCA must determine if each DBS investment is covered based on the definition provided in 10 U.S.C. § 2222 (i)(1), as well as any lower thresholds established by the CMO.

The PCA is responsible for submitting certification requests for each covered DBS in DITIP. The amount and appropriation type of funds associated with each system certification request should be in agreement with the amount and type in the DoD IT budget exhibit data in SNaP-IT. Deviations must be justified with an explanation entered in the DITIP. Certification is by year of obligation. In cases where the appropriation allows obligation over more than one program year, the program year field will identify the year. However, any deviations between DoD IT budget exhibit data for a specific program year and corresponding certification request amount require explanation. DITIP will document the certification requests and associated explanations. Appendix G provides the compliance options available for each 10 U.S.C. § 2222 (g) item. Final

¹¹ Title 10 § 2222 (a) and (b)

certification amounts and associated actions, conditions, or comments will also be documented in DITIP.

All requests for review and certification of covered DBS that include funding for Development / Modernization (Dev / Mod) must have approved documentation as identified in DoD Instruction 5000.75. Figure 4 illustrates the business capability acquisition cycle (BCAC) process for business system requirements and acquisition, its phases, and the CMO decisions. For the Acquisition authority to proceed (ATP), per 10 U.S.C. § 2222 (h), the relevant CMO § 2222 certification and approvals must be made before the milestone decision authority (MDA) authorizes acquisition of the business system and approves continued execution of the updated implementation plan.

Certification under § 2222 for Dev / Mod funding typically would review the following Acquisition ATP documentation to ensure § 2222 (g) requirements (BPR; BEA compliance; valid, achievable requirements and a viable plan for implementing those requirements; acquisition strategy; auditability requirements) are met: the implementation plan, definition of IT functional requirements, and overall solution approach, as well as previous phase ATP documentation, to include the capability requirements document and capability “to-be” process maps. Certification under § 2222 for current services (CS) funding would assess confirmation that the covered defense business system program continues to satisfy the requirements.

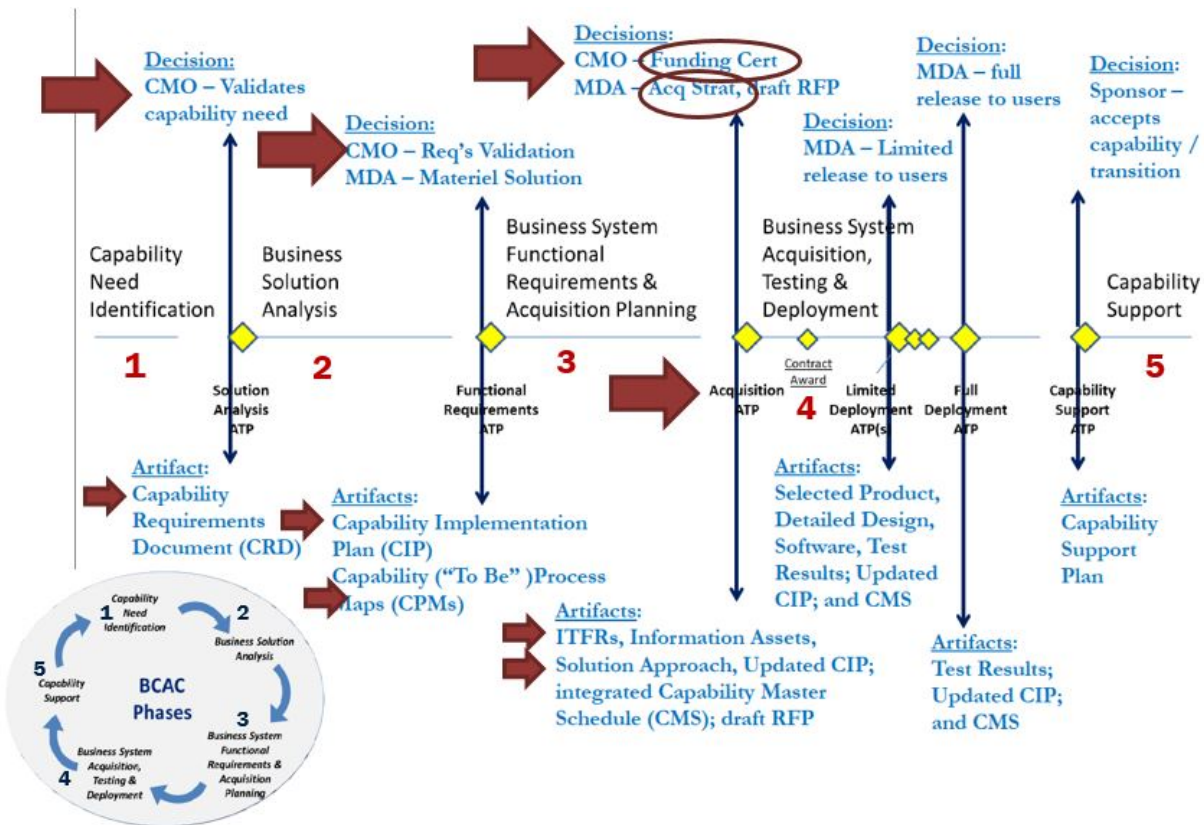


Figure 4 - Business Capability Acquisition Cycle

Definitions for Dev / Mod and Current Services are defined in the DoD FMR 7000.14-R, Volume 2B, Chapter 18.

Organizational Execution Plan Briefing Content

The OEP provides critical information to support decision-making for future year programming, budgeting, and annual certification of covered DBS. The OEP includes an agency portfolio briefing developed using the Integrated Business Framework – Data Alignment Portal (IBF-DAP). Instructions that conform to the OEP specifications in this section are also included in IBF-DAP. At a minimum, IBF-DAP input for the briefing will address the following:

- **Portfolio Business Summary:** Introduce the portfolio from a business operations perspective. Summarize the major business process(es), functions, activities, and outcomes supported by the DBS with relevant annual high-level financial information as to the costs of the business operations, if known. Also, provide and explain the key cost drivers of the business operations. Cost drivers are factors of a particular activity or the unit of an activity that causes the change of an activity cost.
- **Strategic Alignment:** Identify the portfolio goals in order to highlight how improvements in business operations and cost savings will be made and how they are essential to achieving the integrated business strategy. Show how the Component's OEP aligns with the initiatives of the appropriate Functional Strategy(ies) and document how investments align to the functional strategy initiatives, by using Unique Investment Identifiers. Goals will include portfolio priorities, objectives, or outcomes. Also, include cost and time estimates to implement a functional strategy initiative.
- **Performance Measures:** Document business outcome measures and targets related to the strategy and associated DBSs – especially with regard to progress against the Functional Strategy targets. DITPR and other sources, such as acquisition information repositories, will provide lifecycle data for milestone information.
- **Portfolio Accomplishments:** Report on the control and evaluate phases of CPIC and the results of business process reengineering. Identify major business results / outcomes bound by a link to measurable benefits that were realized within the fiscal years preceding the OEP and not previously reported. Emphasize results that lower the actual cost of business operations and reduce redundancy in IT. This should be a higher-level summary report.
- **PCA Review Results:** Provide a summary of results of the PCA review required by 10 U.S.C. § 2222 (g) for covered DBS and 10 U.S.C. § 2222 (a) for review of business processes. Results will include any DBSs with a change in transition plan state and the reason for the change, any changes in termination dates of legacy DBSs, any revision of milestones and performance measures in the previous fiscal year, progress against BEA or BPR plans; and any significant changes in plans such as funding amounts or certification requests not recommended by PCA. The results should also include the

PCA criteria used for selecting investments for certification and investment alignment to functional strategy initiatives and criteria for reviewing business processes.

- Roadmap to the target environment:** Show how systems align to the desired end state (including sunset dates or timeframes and interoperability with other systems as appropriate). Include any systems that have been sunset. Prior year outcomes should be included to highlight systems planned to sunset in the prior OEP submission and the eliminations that actually occurred. The roadmap presented must be consistent with the data entered into DITPR and the FYDP budget data. The roadmap should also address system changes related to a business strategy initiative, such as a plan for transitioning to a mandatory enterprise system.
- Portfolio Risks and Challenges:** Describe risks or challenges that inhibit the Component’s ability to reach its desired end state. If applicable, address risks and challenges associated with becoming fully BEA compliant. These risks or challenges could include BEA and BPR compliance matters such as use of mandatory standards or enterprise systems stated in Functional Strategies or a lack of needed standards or enterprise systems. Risks applicable to the entire DoD such as sequestration should not be included. Many system and service investments that deliver services across multiple business areas may align to more than one Functional Strategy and more than one initiative. Systems must be identified with the functional area that aligns closest to the system’s primary business area to enable an efficient and effective review. Regardless of the identification, DBS within a functional area will normally align to initiatives within multiple Functional Strategies and thus may require resources to address the initiatives within the different functional areas.

Organizational Execution Plan Required Data

Component system owners are required to provide a standard set of minimum data elements in the authoritative data sources identified in Table 1 no later than the date prescribed by the DBC chair for the investment review. This requirement ensures that DITPR, SNaP-IT, IBF-DAP, and DITIP have accurate and complete information for the data elements identified in Appendix G. This authoritative data facilitates in-depth analysis that informs the DBC review and certification. Data analytics will be performed at the functional level for each organization and functional area as well as across organization and functional area. DBSs that do not have the data required in Appendix G will be at risk of not receiving certification.

Authoritative Source	Type	Information Contained
DoD IT Portfolio Repository (DITPR)	Database	Defense Business System Attributes
Select and Native Programming Data Input Systems for IT (SNaP-IT)	Database	Budget Data
Integrated Business Framework Data Alignment Portal (IBF-DAP)	Portal	OEP alignment for Strategy and BEA
DoD IT Investment Portal (DITIP)	Portal	Merged Source for DBS Certification Requests

Table 1 Authoritative Data Sources

Organizational Execution Plan Submission Requirements

OEP data must be made available in DITPR, IBF-DAP, SNaP-IT, and DITIP. The PCR OEP memorandum will be uploaded to the OEP module in IBF-DAP and the OEP brief will be generated. OEP submissions are to be submitted no later than the date established by the DBC chair. Defense Agencies and Field Activities should submit one OEP for all business areas in coordination with the appropriate PSA.

2.3. Organizational Execution Plan Evaluation Process

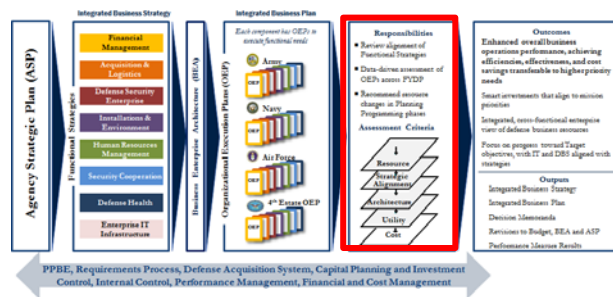
OEPs will be evaluated for alignment with applicable Functional Strategies and assessed from multiple perspectives such as progress toward the target environment, alignment to lines of business and architecture, business value / ROI, cost, interoperability, efficiency, risk, and effectiveness. OEPs will undergo a CMO review to create investment awareness and assist the DBC in understanding the organization's capabilities in a given functional area. The review helps determine whether OEPs meet the requirements of Functional Strategies and identify any gaps between the OEP and the Functional Strategies. Reviews will encompass both a functional and organizational perspective.

The Fourth Estate Working Group will review the combined Fourth Estate OEP and provide recommendations prior to review by the DBC. Military Departments will brief results of their review and approvals to the Fourth Estate Working Group and DBC.

General Review Criteria

As illustrated in the IBF, the DBC will use the following criteria to evaluate OEPs for certification:

Compliance: The DBC will assess the determination made by the PCA to ensure that the portfolio and each applicable DBS are compliant with 10 U.S.C. § 2222.



Strategic Alignment: The DBC, assisted by the PSA, will assess the viability of the organization’s business plan, as reflected in proposed investments, to result in specific improvements in business operations and cost savings and the degree of alignment to strategic goals and missions and the organization’s lines of business. In addition, the DBC will assess the degree to which investments are being managed in accordance with the budget guidance reflected in Functional Strategies, CPIC process and DoD’s Better Buying Power guidance, and key focus areas / priorities and how they align to investment requests.

Utility: The DBC will assess the portfolio’s ability to deliver required capabilities and provide performance results, efficiency and effectiveness for a given function as reflected in the alignment to Operational Activities within the BEA and the progress toward the target for measures identified in Functional Strategies or OEPs.

Architectural Alignment: The DBC will assess portfolio inter / intra dependencies, architecture alignment, interoperability, duplication of capabilities, and redundancies, for both processes and systems. This includes assessing the ability for systems and processes to routinely produce verifiable, timely, accurate, and reliable business and financial information for management purposes; and integrating budget, accounting, and program information and systems.

Cost: The DBC will assess cost and proposed resources in the context of the improvements in business operations and cost savings using criteria established by the PCA and the DBC. Criteria will include performance against established measures for the estimated ROI. Assessment will also be determined from a CPIC evaluate phase perspective for current business costs and IT lifecycle current services costs. The total DBS investment cost includes hardware and software procurement, licensing and operation costs, design, development and deployment costs, full-time equivalent military and civilian costs, and help desk and program support activity. Cost will be reflected using budget data, data derived from the OEP submission, and additional information.

ROI is an important factor in the assessment of reasonable cost. Future investments in DBS can significantly improve the performance of business operations while reducing costs if they are supported by a well-defined business case with clear performance measures, a positive ROI, and a reasonable payback period.

The DBC will assess how future covered DBS address the following key ROI tenets:

- Optimization of business process and consideration of how the IT can support and enable a reengineered process
- IT solutions should use a modular, incremental approach that ensures technology can be rapidly and effectively implemented with clear performance measures and outcomes
- A positive ROI that can be quantified and demonstrated. However, a ROI may not be fully quantifiable for certain types of investments, such as those mandated by law, because they may not produce easily quantifiable cost or resource reductions. In those cases, the goal should be to deliver the compliant capability as efficiently as possible.

The DBC Chair will provide supplemental guidance as additional review criteria on yearly basis.

Certification

The DBC will recommend whether or not to certify funds on covered DBS for an amount that will be obligated only within that fiscal year. Future year budget amounts that represent the capital investment plan for the future of the portfolio will be considered as part of the review. For example, an FY18 OEP submission's certification amounts are for obligation of funds during FY18. Certification decisions will be captured in an IDM (sample found in Appendix H) and DITIP stipulating that an OEP's investment is either:

- Certified or certified with conditions – All or part of the covered DBS certification request is approved but may be conditioned so as to restrict the use of funds or direct mandatory changes to the portfolio of business systems. Before obligating funds, organizations must inform the OCMO when a condition is cleared, at which point the OCMO will confirm or deny the change and close the condition. The IDM may also direct actions that must be completed.
- Not Certified / Declined to certify –All or part of the covered DBS certification request is not approved due to misalignment with strategic direction, mission needs or other deficiencies identified. *Covered DBS that are not certified must be resubmitted for reconsideration after addressing deficiencies.*

Budget Adjustment

In addition to certification, the DBC chair may make recommendations for programming and budget adjustments to DCAPE and USD (C) via the PPBE process. OEPs must explain consistency of the business plan outlined in the resources within the future budget relative to guidance and initiatives provided by DoD CMO and PSAs. The DBC and CMOs assesses the adequacy of the plans and may identify issues for further analysis by Program Budget Review issue teams. Major defense business budget issues may be referred to an issue team established by DCAPE for further review within the PPBE process.

Enterprise Architecture Plans

OEPs and other authoritative data sources are used to develop baseline architecture, target architecture, and sequencing plan required by 44 U.S.C. § 3601.

2.4. General Investment Management Process Timeline

Table 2 depicts the sequence of events for Functional Strategy and OEP reviews. The DBC chair will publish a schedule identifying specific dates for Functional Strategy input, PCA requests, OEP reviews, etc. Functional area owners will initiate the process by submitting updated Functional Strategies for DBC review with a focus upon strategic direction for the future budget years. Upon completion of the Functional Strategy reviews, DoD Components will then develop OEPs and submit them with a PCR by a date determined by the DBC chair. System data for each DBS must be in DITPR, SNaP-IT, IBF-DAP, and DITIP. Certification approval for OEPs will be documented in an IDM and budget adjustments, if any will be proposed to DCAPE and Comptroller via the PPBE process.

Activity	Proponent	Date
Investment management guidance update issued	OCMO	February-March
Functional strategies available	PSAs, OCMO	February-March
SNaP-IT updated	All organizations	Part of budget cycle annually
Authoritative data sources updated	All organizations	June
OEPs submitted	All organizations	July
OEP analyses	CMOs, PSAs	February - August
DBC and CMO reviews	DBC and CMOs	July - August
IDM memorandums issued	DBC and CMOs	August - September
Program review (subsequent fiscal year's budget)	DBC and CMOs	August- November
Budget Review	DBC and CMOs	December - January

Table 2 Investment Management Process Timeline

2.5. Out of Cycle Guidance

DoD organizations may require changes to previously approved OEPs; an Out of Cycle (OOC) request is the vehicle for submission of these changes. Table 3 provides a summary required component actions / business rules for OOC requests and activities.

An OOC request for review and certification of a covered DBS is required when a covered DBS or associated funding has changed since previously reviewed, certified and approved during the annual review cycle or when a covered DBS was not previously reviewed, certified or approved during the same annual cycle. Dev / Mod OOC requests require approved documentation as indicated by the DoDI 5000.75. If approved documentation is not available then it should be submitted with the Dev / Mod OOC as a combined request for review and approval.

Component Action Required	Certification Owner	Conditions for CMO / CMO of DoD Review
1. Submit OOC for Review and Certification Request	Military Departments (using DITIP)	Any increase in a system <i>below</i> \$250M over the period of the current FYDP and over the established Military Departments threshold will be reviewed for decision by Military Department CMO in DITIP Any increase in a system <i>in excess of</i> \$250M over the period of the current FYDP will be reviewed for decision by CMO and the DCMO in DITIP
	Fourth Estate (using DITIP)	Any increase in a system will be reviewed for decision by the DoD CMO in DITIP
2. Submit for Notification Only***	All (using DITPR)	Removal of covered DBS from active Portfolio*
	All (using DITIP)	Any decrease in funding
<p>Requests and Notifications are initiated using DITPR, and DITIP. Application data updates to DITIP, DITPR and IBF-DAP data are still required in all cases.</p> <p>* A DBS may be removed from an active Portfolio either by archiving (e.g. retiring/erroneous entry) or designating as a non DBS.</p> <p>** As a business rule, an OOC request made in DITIP cannot mix positive and negative numbers. All OOC requests with decreases should be processed first as a separate OOC request, followed by increase(s) request.</p> <p>***A signed PCR is not required for notification only submissions. Briefly explain the reason in the DITIP comments field.</p>		

Table 3 – Required Component Actions for OOC Requests

OOC review and certification requests, as depicted in Figure 5, must contain:

- A signed PCR with either the appropriate PCA or CMO approval determinations discussed in Section 2.2 of this guidance will be uploaded to DITIP with the request. Additionally, an OOC PCR should identify proposed changes to the OEP using the PCR Memorandum Template in Appendix F as a guide
- Appropriate data entry for the OOC request in DITIP, DITPR IBF-DAP (when changes warrant) and SNaP-IT as the schedule permits.

The Fourth Estate Working Group will review Fourth Estate and priority DBS OOC requests on a bi-weekly basis beginning in October. Submission of all Fourth Estate and priority DBS OOC requests must be submitted no later than 15 August of the given year for certification. All other Military Department OOC requests must be submitted and processed by the end of the FY.

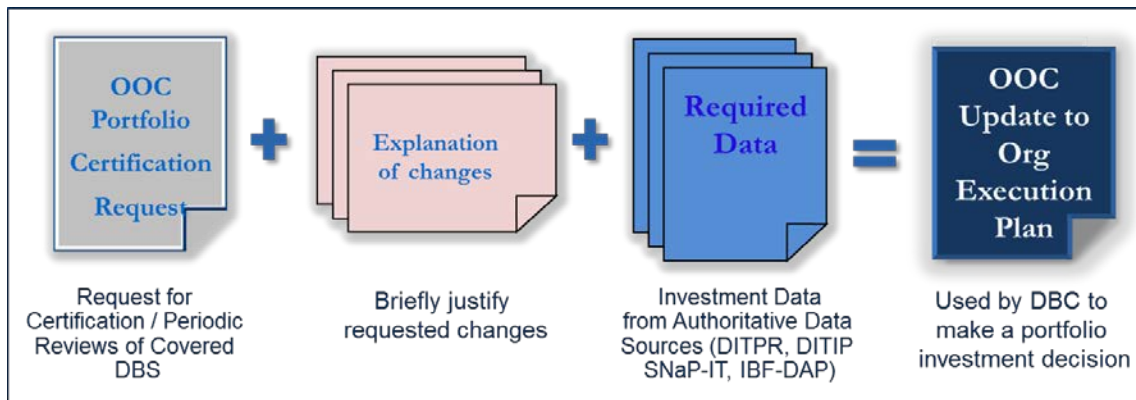


Figure 5 Out of Cycle Organizational Execution Plan Construct

3. Governance

The DBC provides unified direction and leadership through decision making to guide DoD’s functional areas and organizations, drives alignment of activities with DoD’s strategic goals and objectives to optimize DoD business operations, and promotes cost visibility. See Appendix A and DBC Charter¹² for full description of responsibilities. The DBC leads governance efforts to manage the IBF to include the DBC and future releases of BEA content. In particular, the DBC concentrates on efforts to build a cost culture in DoD and to improve the focus on ROI. The key governance bodies essential to the DBC process are comprised of the Military Department CMOs, PCAs, PSAs, and the DBC itself.

3.1. Governance Bodies

Defense Business Council (DBC)

The DoD CMO and DoD CIO co-chair the DBC and review the Functional Strategies and DBS based upon the review of portfolios. See DBC membership is listed in Table 4.

DBC Member Title	
Co-Chairs	DoD CMO, DoD CIO
Principal Members	Under Secretary of Defense for Acquisition, Technology and Logistics
	Under Secretary of Defense for Policy
	Under Secretary of Defense (Comptroller)/Chief Financial Officer
	Under Secretary of Defense for Personnel and Readiness
	Under Secretary of Defense for Intelligence
	Director, Cost Assessment and Program Evaluation
	Joint Staff
	Chief, National Guard Bureau
	Department of the Army, Chief Management Officer
	Department of the Army, Chief Information Officer
	Department of the Army, Acquisition Executive

¹² <http://dcmo.defense.gov/Governance/Defense-Business-Council/> linked in dates of charter

DBC Member Title	
	Department of the Navy, Chief Management Officer
	Department of the Navy, Chief Information Officer
	Department of the Navy, Acquisition Executive
	Department of the Air Force, Chief Management Officer
	Department of the Air Force, Chief Information Officer
	Department of the Air Force, Acquisition Executive
Advisor to Chair	Office of the General Counsel

Table 4 - DBC Members

In the absence of the DoD CMO, the Assistant CMO will perform the functions of the co-chair. OCMO will serve as Executive Secretary.

Chief Management Officer (CMO)

The CMO is responsible for review of the portfolio prior to the DBC. Military Department CMOs review their portfolio for decision investments that are under \$250M over the period of the current FYDP. As the CMO for the Fourth Estate, the DoD CMO reviews the Fourth Estate portfolios for decision. The CMOs provide results of their review and approval in a presentation to the DBC which substantially eliminate redundant DBC reviews during the OOC certification process.

Pre-Certification Authority (PCA)

The PCA is responsible for review of portfolios at the organizational level and for the statutory assertions required such as BPR and BEA compliance. PCAs will make a recommendation to the DBC in the PCR submitted to the DBC for review of the portfolios. This responsibility may not be further delegated without notification to the DoD CMO and may not be delegated lower than a General Officer or Senior Executive Service level equivalent.

3.2. DBC Governance Process Roles

The DBC plays a central governance role in the certification process of DBS investments. The DBC process will follow these steps. A timeline for these steps are defined in the Investment Management Process Timeline (Table 2)

- PSAs develop Functional Strategies:** As discussed in 2.1, PSAs draft Functional Strategies based on DBC guidance to prioritize activities of DoD organizations to support DoD business priorities and system investments. The Functional Strategies articulate each area’s strategic vision, goals, and targeted outcomes over the next three to five years.

- **Working Groups conduct analysis (if necessary):** The DBC Chair may establish working groups, as required, to provide concentrated subject matter expertise and in-depth analyses on complex, time-limited tasks to assist the DBC in executing its DBC responsibilities. Led by a representative from a PSA or CMO with primary support from OCMO and secondary / subject matter experts, working groups will assess specific business issues such as those raised during the review of Functional Strategies and make recommendations to the DBC based on quantitative analyses. To focus these efforts, OCMO will draft working group project charters to identify primary objective, scope, timeline, and team lead.
- **DBC reviews Functional Strategies:** When strategic priorities change and require update, the PSAs will present their Functional Strategies to the DBC. PSA designees, relevant domain experts, will participate in DBC discussions and make recommendations on the draft Functional Strategies for DBC decision. Upon approval, the DBC will direct DoD organizations to draft OEPs that identify and prioritize investments aligned with these Functional Strategies.
- **PCAs draft OEPs:** As described in section 2.2, DoD organizations will draft OEPs to align their DBS investments within their respective budgets. PCAs are responsible for review of OEPs at the organizational level.
- **CMOs review portfolio:** CMOs perform portfolio reviews for the portfolio within their respective organization and will review investments under \$250M over the FYDP. OCMO performs the portfolio review for the Fourth Estate exclusive of the Military Departments.
- **Pre-decisional review:** PCAs will review their portfolios and make a recommendation to the DBC in the PCR submitted to the DBC with the OEPs via the responsible CMO. PSAs will review their portfolios and make a recommendation to the DBC. A workgroup consisting of the chartered Fourth Estate Working Group and the Military Departments provides a pre-decisional review and recommendation to the DBC based upon the OEP and results performed by the responsible CMO. The workgroup will vet all documentation and analysis prior to presentation to the DBC.
- **DBC review portfolio:** The responsible CMO representative will present the results of their review to DBC.
- **DoD CMO or Military Department CMO decision:** Certify covered DBS decisions as determined, and using relevant results of the DBC review.

4. Roles and Responsibilities

4.1. Defense Business Council

DoD CMO and DoD CIO co-chair the DBC. See Appendix A and DBC Charter¹³ for full description of responsibilities

Defense Business Council Members

The DBC will review the Functional Strategies and portfolios presented by the respective PSAs and CMOs, along with the analysis from chartered teams when required. The DBC is the focal point for the investment review process using the IBF. PSAs are encouraged to establish and document, in Functional Strategies, select and control criteria for CMOs to employ in evaluation of their portfolios. Additionally, DBC members are responsible for making recommendations on organizational DBS investment budgets if required and for providing certification recommendations for covered DBS to the DBC Chair. These recommendations will focus on details surrounding the planning, design, acquisition, development, deployment, operation, maintenance, modernization and project cost benefits, and risks of all covered DBSs within the portfolio. When the review process is complete, the DBC will make recommendations concerning the certification of investments and any actions or conditions that may be required.

4.2. Chief Management Officer / Pre-Certification Authority

The PCA is the senior accountable official that is responsible for ensuring compliance with investment review policies prescribed by the organization and this guidance. The approval authority and PCA responsibilities are assigned to the CMO for each Military Department. For the Fourth Estate, the CMO and approval authority is assigned to the DoD CMO. For the Fourth Estate, the PCA is the organization head unless otherwise designated by the DoD CMO. See Section 3 of this guidance for PCA delegation. The OEPs submitted to the DBC for the Fourth Estate exclusive of the Military Departments must be via the Fourth Estate Working Group chartered by the DBC.

PCAs will submit and present requests to the DBC with complete, current, and accurate documentation within prescribed deadlines. Certification and periodic review requests must comply with laws, regulations, and policy, such as the Clinger Cohen Act, BEA, BPR and applicable documentation per the DoDI 5000.75. Validation of Fourth Estate pre-certification will be documented via a PCR in the form of a PCA-issued memorandum (example found in Appendix E), which will outline the portfolio's composition, capabilities, and alignment to

¹³ <http://dcmo.defense.gov/Governance/Defense-Business-Council/> linked in dates of charters

applicable Business Strategies. Military Department pre-certification and approval must be completed in DITIP.

The PCA is responsible for creation and use of select and control criteria used to manage business processes and capital investments and for ensuring the incorporation of the CPIC control and evaluation phase outcomes such as eliminating underperforming or low value investments. The portfolio must reduce redundancy and be aligned to the strategic direction for outcomes and initiatives within the Functional Strategies and the goals of the organization.

Appendix A: 10 U.S.C. § 2222

The current version of 10 U.S.C. § 2222 is located at: <http://uscode.house.gov>

Appendix B: Key Terms

Term	Definition
Fourth Estate	Refers to the other Defense organizations exclusive of the Military Departments
Agency Strategic Plan	The ASP is the DoD's highest-level plan for improving DoD business operations. It lays out the DoD's priority business goals, objectives, measures, and initiatives. The ASP informs and is informed by, processes and activities that support the execution of the DoD's business strategy. The DOD CMO oversees the execution of this strategy.
Alignment	Linkage to higher-level goals and strategies. Also, consonance and integration across related activities.
Authoritative Data Sources	A recognized or official data production source with a designated mission statement or source / product to publish reliable and accurate data for subsequent use by customers. An authoritative data source may be the functional combination of multiple, separate data sources (see Table 1 for DITPR, SNaP-IT, IBF-DAP, and DITIP).
Baseline	An "as is" reading of all measures constitutes a baseline (included in the Functional Strategy). Targets are set against that baseline. Periodic measures are captured and compared to the baseline to assess performance, financial benefits, and non-financial benefits or look at results of changes. A baseline can also refer to an architecture "as is."
Business Enterprise Architecture	In accordance with 10 U.S.C. § 2222(c), the BEA is the enterprise architecture developed and maintained as a blueprint to guide the development of integrated business processes within the DoD. It must be sufficiently defined to effectively guide implementation of interoperable defense business system solutions and consistent with the policies and procedures established by the Director of the Office of Management and Budget. The BEA is the DoD's blueprint for improving DoD business operations and the reference model for DBC certification.
Business Process Reengineering	Business Process Reengineering (BPR) is a logical methodology for assessing process weaknesses, identifying gaps, and implementing opportunities to streamline and improve the processes to create a solid foundation for success in changes to the full spectrum of operations. BPR seeks to ensure that the business processes to be supported by a Defense Business System is as streamlined and efficient as possible. All DBSs must be mapped to appropriate business processes during BPR.
Capital Planning and Investment Control	CPIC is an IT portfolio-driven management process for ongoing identification, selection, control, and evaluation of investments. This process attempts to link budget activities and agency strategic priorities with achieving specific IT program modernization outcomes.
Core	An enduring system with a sunset date greater than 36 months from the start of the fiscal year. For consistency, core status in DITPR is

Term	Definition
	calculated the same for both covered and non-covered as more than 36 months. ¹⁴
Covered and Priority Defense Business System Program	<p>Covered DBS means a DBS that is expected to have a total amount of budget authority, over the period of the current future-years defense program submitted to Congress under section 221 of title 10, in excess of \$50,000,000 (10 U.S.C. § 2222 (j)(2)).</p> <p>Priority Defense Business System Program means a DBS that is expected to have a total amount of budget authority over the period of the current future-years defense program submitted to Congress under section 221 of this title in excess of \$250,000,000; or designated by the DOD CMO as a priority DBS, based on specific program analyses of factors including complexity, scope and technical risk and after notification to Congress of such designation (10 U.S.C. § 2222 (j)(2)).</p> <p>For the purposes of this guidance, the term ‘covered DBS’ includes those DBSs greater than the minimum thresholds defined in 10 U.S.C. § 2222 stated above as well as the thresholds established by the CMOs. Fundamentally, all DBSs greater than the internal thresholds will be part of the review and certification process described in this guidance.</p>
Defense Business Council	The senior governance forum for the effective management of the DoD Business Mission Area, to include performing the roles and responsibilities of 10 U.S.C. § 2222 (f), providing portfolio analysis and process integration, and implement the Secretary’s Management Agenda, for vetting issues related to management, improvement of defense business operations.
Defense Business System	An information system that is operated by, for or on behalf of the DoD, including a financial system, a financial data feeder system, a contracting system, a logistics system, a planning and budgeting system, an installations management system, a human resources management system or a training and readiness system. The term does not include a national security system; or an information system used exclusively by and within the defense commissary system or the exchange system or other instrumentality of the DoD conducted for the morale, welfare and recreation of members of the armed forces using nonappropriated funds (10 U.S.C. § 2222 (j)(1)).

¹⁴ DITPR formula is "IF Lifecycle End Date <= 36 months from 09/30/CURRENTYEAR then = Legacy."

Term	Definition
Chief Management Officer	The DOD CMO is the co-chair of the Defense Business Council (DBC), the approval official for covered DBS in the Fourth Estate and all priority DBS, and the developer and maintainer of the BEA.
DoD Components	Office of the Secretary of Defense, the Military Departments, the Joint Staff, the Combatant Commands, the Office of the Inspector General of the DoD, the Defense Agencies, the DoD Field Activities and all other organizational entities of the DoD.
End-to-End	End-to-End (E2E) business models of critical processes and associated activities defined in the Business Enterprise Architecture (BEA) such as Hire-to-Retire and Procure to Pay lifecycle models. E2Es comprise a framework used to understand the DoD business environment and evolve the BEA.
Functional Strategy	Functional Strategies are developed by the PSA and describe business functions, business outcomes, measures, and targets. Functional Strategies will be used to drive BEA content, which is the DoD’s blueprint for improving DoD business operations and the reference model for DBC certification. The Functional Strategy is the core document that creates the unique business position of the organization and is supported by the activities that it plans to achieve. It prioritizes and identifies the enterprise’s pressing needs while providing tactical strategic direction for a defined business area. It enables outcome-driven investment decisions that enhance the business operations within a functional area in synchronization with other business areas. Functional Strategies must align with the ASP and will also help to refine and enhance future versions of the ASP.
Information System	The term "information system" means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination or disposition of information (source section 3502 title 44)
Information Technology Investment Management	GAO developed the ITIM Framework to provide a common framework for discussing and assessing IT capital planning and investment management practices at federal agencies. ITIM is also intended to serve as a guide to sound IT investment management practices.
Integrated Business Framework	Functional Strategies coupled with OEPs will comprise the Integrated Business Framework (See Figure 1).
Investment Decision Memorandum	The memorandum signed by the DOD CMO or the Military Department CMO that documents the certification decision of the portfolio.
Legacy	A system with a sunset date within 36 months from the start of the fiscal year. For consistency, legacy status in DITPR is calculated the same for both covered and non-covered as a life cycle end date less than or equal to 36 months. Legacy DBSs are not required to assess or assert compliance

Term	Definition
	with applicable BEA requirements, but they are required to perform mappings in IBF-DAP to applicable BEA Operational Activities, Business Capabilities, Processes, System Functions, and E2Es. Legacy systems are not allowed to obligate modernization dollars.
Measures	<p>A measure is a standard or basis for comparison – an assessment using quantitative data (e.g. cost, production, defect, and time) or sometimes qualitative data, tracked incrementally over a specified period. Measures can assess performance, financial benefits, and non-financial benefits or look at results of changes made from implementation of new policy or practice.</p> <p>Each measure should be explained (as appropriate) and linked to an outcome. An appropriate measure demonstrates the viability of a desired solution. Measures should reflect consideration of cost to measure and the estimated value for that measurement. An “as is” reading of all measures should be included in the Functional Strategy as a baseline; targets against that baseline and rationale for the targets should complete the picture.</p>
Operations and Support (O&S) Phase	<p>The purpose of the O&S phase is to execute the Product Support Strategy, satisfy materiel readiness and operational performance requirements, and sustain the system over its life cycle (to include disposal). This phase has two major efforts: Life Cycle Sustainment and Disposal. The Life Cycle Sustainment effort overlaps the Full-Rate Production (FRP) or Full Deployment part of the P&D phase. At the end of its useful life, a system will be demilitarized and disposed of in accordance with all legal and regulatory requirements and policy relating to safety (including explosives safety), security, and the environment. (DAU Glossary)</p>
Organizational Execution Plan	<p>The OEP is the means through which the DoD Components propose how they will deliver the DoD’s business priorities. A completed plan will demonstrate how, through sound investment management, a DoD Component’s streamlined portfolio of systems will support the business areas and sub-functions contained within the BMAs. The plan is divided into sections that address each Functional Strategy. The plan is intended to be the assembly of business system investment requests from which the DBC certifies.</p>
Planning, Programming, Budgeting and Execution	<p>The Planning, Programming, Budgeting, and Execution (PPBE) process is how the DoD allocates its resources.</p>
Portfolio	<p>A portfolio consists of all of the defense business system information technology investments belonging to an organization. A subdivision of a DBS portfolio for the purpose of this guidance is called a chapter.</p>
Sunset Date	<p>Systems are sunset (or terminated) when they do not contribute to the mission, are being replaced by other capabilities, do not fit the approved “To-Be” integrated architectures, or are not programmatically viable).</p>

Term	Definition
	<p>Terminated systems shall have a firm date when their funding ends). (5000.02 E4)</p> <p>The sunset date of a system is tracked in DITPR by the Operations and Support (O&S) Lifecycle Phase end date. DITPR also tracks the date a system was archived however this is a system-generated date that only marks the date on which the DITPR record was archived by the user and not the sunset date.</p>

Appendix C: Acronyms and Abbreviations

Acronym	Definition
ASP	Agency Strategic Plan
A&S	Acquisition and Sustainment
BCAC	Business Capability Acquisition Cycle
BEA	Business Enterprise Architecture
BPM	Business Process Management
BPR	Business Process Reengineering
CMO	Chief Management Officer
COTS	Commercial off the Shelf
CPIC	Capital Planning and Investment Control
CS	Current Services
DBC	Defense Business Council
DBS	Defense Business System
DCAPE	Director, Cost Assessment Program Evaluation
DoD CMO	DoD Chief Management Officer
Dev/Mod or DM	Development and Modernization
DITIP	DoD Information Technology Investment Portal
DITPR	DoD Information Technology Portfolio Repository
DoD	Department of Defense
E2E	End-to-End
ERP	Enterprise Resource Planning
FTE	Full-Time Equivalent
FY	Fiscal Year
FYDP	Future Years Defense Program
GAO	Government Accountability Office
IBF-DAP	Integrated Business Framework – Data Alignment Portal
IDM	Investment Decision Memorandum
IRB	Investment Review Board
IT	Information Technology
ITIM	Information Technology Investment Management
JIE	Joint Information Environment
MilDep	Military Department
NDAA	National Defense Authorization Act
NSS	National Security System
OCMO	Office of the Chief Management Officer
ODO	Other Defense Organizations
OEP	Organizational Execution Plan
OOC	Out of Cycle
OSD	Office of the Secretary of Defense
PCA	Pre-Certification Authority

Acronym	Definition
PCR	Portfolio Certification Request
PPBE	Planning, Programming, Budgeting and Execution
PSA	Principal Staff Assistant
ROI	Return on Investment
SNaP-IT	Select and Native Programming Data Input Systems for IT
U.S.C	United States Code
USD	Under Secretary of Defense

Appendix D: Integrated Business Framework Tools

The Integrated Business Framework tools provide automation support to collect structured information relative to business strategies and portfolios.

The Functional Strategy module enables consistent definition and alignment of strategic business objectives and initiatives. The module provides the alignment points for portfolio data which can then provide linkage from strategic objectives to implementation decisions.

The unstructured OEP information previously submitted via spreadsheets and presentations is captured using the OEP module of the IBF tool. The OEP module allows for collection of data required for OEP submissions not contained within the other authoritative data sources (e.g., DITPR, SNaP-IT) and avoids duplicate data entry. The IBF tool is also used to perform BEA assessments in its BEA module.

The IBF tools are accessed from the internal BEA portal home page, <https://bea-ertools.osd.mil/ee/>. Documentation for the tools and specific data information collected by the tool is available on the BEA portal.



Figure 6 - Integrated Business Framework tools homepage

Appendix E: Organizational Execution Plan Portfolio Certification Request Memorandum – Sample



DEFENSE ORGANIZATION
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

MEMORANDUM FOR INVESTMENT REVIEW BOARD / DEFENSE BUSINESS
COUNCIL CHAIRPERSON

SUBJECT: Pre-Certification Authority Portfolio Certification Request for **[Enter Organizational Execution Plan Name]** Organizational Execution Plan

Request review and certification of covered defense business systems (DBS) investments with funding amounts of **[Total Amount: Break out the exact dollar amount (\$M) request by Fiscal Year and by development/modernization and current services, to three decimal places]** as detailed within the Defense Information Technology Investment Portal (DITIP). This investment in the portfolio is required to **[Summarize how it will improve performance, Warfighter support, satisfy a mandate, law, regulation or DoD policy, or provide a critical capability]**.

I verify the DBS(s) in the Organizational Execution Plan (OEP) are included in the Defense Information Technology Portfolio Repository (DITPR), the DITIP and the Integrated Business Framework – Data Alignment Portal (IBF-DAP) and the data is complete and accurate. The budget data in the Select & Native Programming Data Input System for Information Technology (SNaP-IT) is verified to be complete and accurate and risk-adjusted return on investment criteria were applied for each applicable DBS (s) modernization.

I reviewed the covered DBS in this OEP and determined each program meets the conditions identified under 10 U.S.C. § 2222(g). My determination(s) are identified in DITIP.

I reviewed the status of the conditions applied to my covered DBS(s) during previous certification cycle(s) in IBF SharePoint Portal and their status is current.

I recommend approval of this request. All required documentation has been forwarded for your review. My point of contact for questions about this submission is **[Full Name]** who may be reached at **[Phone Number]** or email at **[Email Address]**.

Pre-Certification Authority

Appendix F: Out-of-Cycle Portfolio Certification Request Memorandum – Sample



DEFENSE ORGANIZATION
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

MEMORANDUM FOR INVESTMENT REVIEW BOARD / DEFENSE BUSINESS
COUNCIL CHAIRPERSON

SUBJECT: Pre-Certification Authority Portfolio Certification Request for **[Enter Organizational Execution Plan Name]** Organizational Execution Plan Out-of-Cycle Change

Request review and certification of a(n) **[increase/decrease]** of **[Total Amount: Break out the exact dollar amount (\$M) request by Fiscal Year and by development/modernization and current services, to three decimal places]** to covered defense business system(s) (DBS) investments as detailed within the Defense Information Technology Investment Portal. This **[increase/decrease]** in the portfolio is required to **[Summarize how it will improve performance, Warfighter support, satisfy a mandate, law, regulation or DoD policy or provide a critical capability]**.

I verify the covered DBS(s) in the Organizational Execution Plan (OEP) Out-of-Cycle (OOC) Change are included in the Defense Information Technology Portfolio Repository (DITPR), the Defense Information Technology Investment Portal (DITIP) and the Integrated Business Framework – Data Alignment Portal (IBF-DAP) and the data is complete and accurate. The budget data in the Select & Native Programming Data Input System for Information Technology (SNaP-IT) is verified to be complete and accurate and risk-adjusted return on investment criteria were applied for each applicable covered DBS (s) modernization.

I reviewed the covered DBS(s) programs in this OEP OOC and determined each program meets the conditions identified under 10 U.S.C. § 2222(g). My determination(s) are identified in DITIP.

I reviewed the status of the conditions applied to my covered DBS(s) during previous certification cycle(s) in IBF SharePoint Portal and their status is current.

I recommend approval of this request. All required documentation has been forwarded for your review. My point of contact for questions about this submission is **[Full Name]** who may be reached at **[Phone Number]** or email at **[Email Address]**.

Pre-Certification Authority

Appendix G: Mandatory Data Elements

DITPR Data Elements

DITPR Data Element	Description (Sample Data)	DITPR TAB
System Name	Full, un-abbreviated name of the system. <i>The SNaP-IT title and DITPR system name value must match.</i>	GENERAL INFO – Basic System Information
Acronym	A shortened or commonly used name or abbreviation (upper case) for this entry <i>The SNaP-IT acronym and DITPR value must match.</i>	GENERAL INFO – Basic System Information
DITPR ID	Number	GENERAL INFO – Basic System Information
Unique Investment Identifier (UII) from SNaP-IT/DITIP	Number Only one DBS can be matched with a UII or an allowed exception code may be used. Exception codes allowed are 9991, 9992, 9993, 9994, 9995, 9996, 9997, and 9998, however see notes at the end of this Appendix for the use of code 9998.	GENERAL INFO – Basic System Information
Description	Complete description of system	GENERAL INFO – Basic System Information
System Component(Owner)	DBS System Owner	GENERAL INFO – Basic System Information
DBS	Yes, which signifies the system meets the definition of a defense business system.	GENERAL INFO – Basic System Information
System Association Relationship Type	Identification of association between individual systems, Other or Parent-Child. O - Other (default), C – Child, if applicable	GENERAL INFO – Associated Systems
POC	Includes Point of Contact Information (POC Name, email and telephone) <ul style="list-style-type: none"> • Program Manager • PCA POC • MDA, as applicable 	POC

DITPR Data Element	Description (Sample Data)	DITPR TAB
Total Users	Number of users (e.g. 0-250, 250-500, etc.)	GENERAL INFO – Basic System Information
Business Function (Business Area)	<p><i>As best describes system role:</i></p> <ul style="list-style-type: none"> • Financial Management • Acquisition • Defense Security Enterprise • Logistics & Materiel Readiness • Installations & Environment • Human Resources Management • Defense Health • Security Cooperation • Enterprise IT Infrastructure • Planning and budgeting • Training and Readiness • Other 	GENERAL INFO – Basic System Information
Transition Plan State	Not user defined - Automatically assigned based on lifecycle end date and definition of core and legacy as implemented in DITPR	GENERAL INFO – Basic System Information
Use Modified COTS?	Yes or No	GENERAL INFO – Basic System Information
Lifecycle Phase	<ul style="list-style-type: none"> • Material Solution Analysis • Technology Development • Engineering & Manufacturing Development • Production & Deployment • Operations & Support 	GENERAL INFO – Basic System Information
Lifecycle Phase: Start Date	Production & Deployment is also the deployment date	GENERAL INFO – Basic System Information
Lifecycle Phase: End Date	For legacy systems, Operations & Support is also the Sunset/Retirement/ Decommission Termination Date	GENERAL INFO – Basic System Information
Number of Interfaces to Other Systems	Specific number of interfaces to external systems. Select from drop-down list of range of values.	GENERAL INFO – Basic System Information
Using Components	Components/Commands that <u>use</u> the DBS or will be using it in the	GENERAL INFO – Basic System Information

DITPR Data Element	Description (Sample Data)	DITPR TAB
	future (Select all that apply from list, if applicable)	
Full / Partial Migration	This field indicates if the legacy migration is a full or partial migration. If the system is migrating only part of the functionality and / or some of its users to the target system, the migration is partial. Note: This field is used to produce the sequencing plans. PCAs should not classify a DBS as legacy if the plan is to migrate partial capability but retain the remainder of the capability for more than 36 months.	GENERAL INFO – Basic System Information
Migration Comment	This field is used if the Full/Partial Migration is set to 'Partial' or if no termination date is specified. It is used to describe the functionality or users that are not migrating to the target or to describe why the system is not terminating.	GENERAL INFO – Basic System Information
Target System Identifier	This is the DITPR ID for the target system to replace some or all of the functions and users of the legacy system.	GENERAL INFO – Basic System Information
Migration End Date	The date in YYYYMMDD format that the migration to the specified target is to be complete.	GENERAL INFO – Basic System Information
Standard Financial Information Structure (SFIS) compliance data	SFIS data fields, as applicable.	SFIS
Current and, as applicable, Planned Primary Hosting Environment, DoD Unique ID	Use DoD Enterprise IT Infrastructure for processing, storage and transport: <ul style="list-style-type: none"> • Migrate from system-specific IT infrastructure to Enterprise IT infrastructure at the first opportunity (e.g., with appropriate business case in conjunction with a 	INFRA

DITPR Data Element	Description (Sample Data)	DITPR TAB
	technology refresh or contract expiration) <ul style="list-style-type: none"> Comply with all DoD infrastructure requirements on stand-alone / program-specific infrastructure prior to migration to Enterprise IT Infrastructure If a DBS has a requirement that can only be satisfied by using commercial or mission partner IT infrastructure, these connections must follow the GIG waiver process 	
PK-Enabled for Authentication	PK	Information Assurance (IA)
PK-Enabled Reason	PK	IA
	If not PK-enabled and not required by DoD policy, provide Reason System is not required to be PK-Enabled If not PK-Enabled but is required to be PK-Enabled by DoD policy, provide PK-Enable Expected Date and Waiver information	IA
HBSS-Enabled, HBSS Components Implemented, HBSS Not Required Explanation, HBSS Full Compliance Date	HBSS	IA
IPv-6 Enabled	IPv6	IA
Identifiable Info	Personally Identifiable Information (PII)	PIA/PA COMPLIANCE
Contains record data	Records management fields	COMPLIANCE RECORDS MANAGEMENT

SNaP-IT Data Elements

SNaP-IT Data Element	Description (Sample Data)
Unique Investment Identifier (UII)	The Unique Identifier of an IT Investment. Must align 1:1 to the SNaP-IT Budget UII to the system in DITPR.
Title	The SNaP-IT title and DITPR system name value must match.
Acronym	The SNaP-IT acronym and DITPR acronym value must match.
Budget ID	Indicates the actual budget submission of the resource record (e.g., FY13PB, FY14PB etc.).
Resources Organization Code	The DoD Financial Management Structure (FMS) component codes (also used as Program Element (PE) suffix).
Resource Organization	The organization acronym that corresponds to the Resources Organization Code.
Resource Bureau	Identifies the Bureau of the resource record (Army, Navy, Air Force, or Defense-wide).
Funding Source	Identifies the resource record as DoD base budget or Other Contingency Operations (OCO). All non-appropriated funds systems should be base budget.
Treasury Code	Identifies the Treasury Code for the resource record.
BA Code	Identifies the Budget Activity code for the resource record. For Nonappropriated Funds Instrumentality (NAFI), this is not applicable.
BA Title	The BA title that corresponds to the BA Code. For NAFI, this is not applicable.
PE	Identifies the Program Element for the resource record. For NAFI, this is not applicable.
PE Title	The PE title that corresponds to the PE Code. For NAFI, this is not applicable.
BLI Code	Identifies the Budget Line Item code for the resource record. For NAFI, this is not applicable.
BLI Title	The BLI title that corresponds to the BLI Code. For NAFI, this is not applicable.
Seven columns of data elements: PY, CY, BY, BY+1, BY+2, BY+3, BY+4	Number in the FYDP Budget: Required for Life-cycle Cost (LCC)
DM/CS	Identifies the resource record as Dev / Mod or CS budget

DITIP

DITIP Data Element	Description (Sample Data)
FY	Budget year to be certified.
DBSs Covered	This data will initially be generated from SNaP-IT data. Values are Yes or No. Yes if total for all resources for the FYDP years is equal to or greater than \$1M. Otherwise No.
Certification Cycle	Certification Cycle
Certification Request Amount	The certification request funding amount for the appropriate FY to be reviewed and certified by the appropriate approval authority.
Certification Approved Amount	The certification funding approved amount for the appropriate FY approved by the DCMO or Military Department CMO
Comment – Certification Request Amount	Rationale justifying certain request amount, if required.
Comment – Certification Approved Amount	DCMO comment as to reason for approved amount, if required
Pre-Certification Authority (PCA) for DBS Program	Identify the appropriate PCA
BEA Version	BEA version used for compliance must be 10.0 for FY 2018 and 11.1 for FY 2019. Certification requests are based on BEA assessments performed using IBF-DAP BEA Compliance module.
BEA Compliant (NDAA Business Enterprise Architecture)	<p>“Y”-Assessed-Compliant “N”-Assessed-Not Compliant “P” - Assessed-Planned Compliant “X”-Assessment Not Completed “L”-Legacy (Not Required)</p> <p>Overall DBS compliance with the BEA should be based on the outcomes of BEA compliance assessment performed in IBF-DAP BEA Compliance module.</p>
BPR Performed (NDAA Business Process Reengineering)	<p>Appropriate BPR efforts have been undertaken to ensure that: The business process supported by the DBS is (or will be) as streamlined and efficient as practicable; and The need to tailor COTS systems to meet unique requirements or incorporate unique interfaces has been eliminated or reduced to the maximum extent practicable.</p> <p>“Y” – Yes, sufficient BPR efforts performed. “P” - Yes, sufficient BPR efforts planned “N” – No, insufficient BPR efforts performed “L”-Legacy (Not Required)</p>
Valid, achievable requirements	<p>“Y”- Assessed-Compliant “P” - Assessed-Planned Compliant</p>

DITIP Data Element	Description (Sample Data)
Acquisition strategy	"N" - Assessed-Not Compliant "L" - Legacy (Not Required) "S" In sustainment and didn't have a compliant plan "Y" - Assessed-Compliant "P" - Assessed-Planned Compliant "N" - Assessed-Not Compliant "L" - Legacy (Not Required) "S" In sustainment & didn't have a compliant plan
Compliance with the DoD's auditability requirements	"Y" - Assessed-Compliant "P" - Assessed-Planned Compliant "X" - Assessment Not Completed "N" - Assessed-Not Compliant "Z" Not Applicable

IBF-DAP

IBF-DAP Data Elements for BEA use	Description
Data Elements, depending on type of DBS	<p>Core DBSs must complete a BEA Compliance Assertion in IBF-DAP, which identifies and asserts compliance with all applicable compliance requirements contained in the BEA.</p> <p>Legacy DBSs are not required to assert compliance with applicable BEA requirements, but they are required to perform mappings in IBF-DAP to applicable BEA Operational Activities, Business Capabilities, Processes, System Functions, and E2Es.</p>

Notes:

- Certification funding dollar amount requests will be entered into DITIP.
- For systems requiring migrations, the Lifecycle Phase: Start Date and End Date data is also required for the migrating systems and the systems receiving the migrating functionality (source and target systems).
- Migration data (e.g., Full / Partial Migration) should be provided for each migration.
- In order to complete the “Full/Partial Migration,” “Migration Comment,” “Target System Identifier,” and “End Migration Date” fields, the Lifecycle Tab does allow a user to enter a migration for DBS regardless of the Transition Plan State.
- Systems in DITPR must align 1:1 to the unique SNaP-IT Budget Unique Identification Identifier (UII) and names and acronyms must match, with the exception of 9993 (Federal Contractor Incidental), 9994 (Base Realignment and Closure (BRAC)), 9995 (Crypto/C2/SAP/Intel) and 9997 (U.S. Army Corps of Engineers -Civil Works) and in the DITIP they will be identified by their exception UII code and their DITPR ID. UII 9990 is not permitted for DBSs in DITPR, as these systems must be registered in SNaP-IT and therefore have a unique UII.
- Select data will be pulled from DITPR and SNaP-IT to generate and pre-populate the DITIP data for certification requests. This data includes the BEA, BPR, functional area and system acronyms, as well as budget amounts. For DBSs in DITPR with no budget amounts in SNaP-IT, DITIP will generate the ability to enter DM and CS certification amounts.
- Because review and certification is for funds obligated within the fiscal year of the certification, for funds obligated which are prior year funds, the program year is included in DITIP.
- For DITIP values N, S, X, and Z, and for the set of compliance fields, there are comment fields to briefly explain the basis for these determinations.
- DITIP also has user guides devoted to the DBS certification
- For all Planned Compliant values, enter planned compliance date. For S values, enter comment.

Appendix H: Investment Decision Memorandum – Sample



CHIEF MANAGEMENT OFFICER
9010 DEFENSE PENTAGON
WASHINGTON, DC 20301-9010

Date

MEMORANDUM FOR CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARY OF DEFENSE FOR ACQUISITION,
TECHNOLOGY AND LOGISTICS
UNDER SECRETARY OF DEFENSE (COMPTROLLER) / CHIEF
FINANCIAL OFFICER
UNDER SECRETARY FOR PERSONNEL AND READINESS
UNDER SECRETARY OF DEFENSE FOR INTELLIGENCE
DIRECTOR, COST ASSESSMENT AND PROGRAM
EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DEPARTMENT OF DEFENSE CHIEF INFORMATION OFFICER
COMMANDER, UNITED STATES SPECIAL OPERATIONS
COMMAND
COMMANDER, UNITED STATES TRANSPORTATION
COMMAND

SUBJECT: Fourth Estate Organizational Execution Plan Investment Decision Memorandum for
FYxx Covered Defense Business Systems

References: (a) “Defense Business Systems Investment Management Guidance” Month xxx/
Year xxxx
(b) Title 10 Unites States Code Section 2222

Pre-Certification Authorities (PCAs) from Defense organizations other than the Military Departments requested that the Defense Business Council (DBC) / Investment Review Board (IRB) review and certify their portfolios of defense business system (DBS) investments as identified in their Organizational Execution Plan (OEP) in accordance with reference (a). The organizations will be referred to below as Fourth Estate Organizations.

The DBC / IRB convened a series of reviews, in accordance with reference (b), to assess the Fourth Estate Organizations OEPs and recommended certification to the IRB Chair.

Decisions:

- Based upon the Fourth Estate PCA’s determinations in accordance with reference (b), and related information provided for review, the DBS are certified for the specific amounts

indicated in the “Certification Approved Total” column in the Defense Information Technology Investment Portal.

- The DBC certified the FYxx certification requests for the DBS identified in Investment Decision Memorandum (IDM) Attachment 1.
- The DBC did not certify the Development and Modernization investments for the DBS identified in IDM Attachment 2, in accordance with reference (b). The PCA may request re-review and certification upon approval of the corresponding documentation per the DoDI 5000.75 as validation of the associated DBS requirements.
- Part of the certification for the DBS identified in IDM Attachment 3 is certified to budget projections in Select and Native Programming Data Input System for IT (SNaP-IT). If additional funding is required, updated FYxx budget data should be reflected in the FYxx budget update and a FYxx Out-of-Cycle (OOC) should be submitted.
- For any DBS cited in Attachments 1-3, additional actions may be included in order to maintain data accuracy and currency in the systems of record. The action details are provided as Attachment 4. These actions do not impact certification.

Fourth Estate Certification Thresholds:

- For the Fourth Estate portfolios, the Chief Management Officer (CMO) of the DoD serves as the Chief Management Officer (CMO). In this capacity, the ODCMO will continue to review and certify DBSs in accordance with reference (c). The threshold for the review and certification of DBSs remains at \$1M over the FYDP.
- This policy change includes annual reviews and Out-of-Cycle (OOC) reviews of a DBS categorized as "Covered" by statute. OOC reviews may include investments previously certified during an annual review but have changed during the period to modernize or update capability in addition to adjustments in funding. Fourth Estate Organization PCAs must return to the DBC / IRB to request certification for any additional business system investments that meet the criteria in references (a) and (b).

Tasking / Action Items:

As a matter of policy, the PCAs of the portfolios must cite the results of any DBS review, to include any associated information, in the authoritative sources used to document and manage the DoD enterprise portfolio. These include:

- DoD Information Technology Investment Portal (DITIP)
- Defense IT Portfolio Registry (DITPR)
- Select and Native Programming Data Input Systems for IT (SNaP-IT)
- Integrated Business Framework – Data Alignment Portal (IBF-DAP)

- As part of the FY18 President's budget process:
- Correct SNaP-IT issues identified in IDM Attachment 2;
- Ensure Prior Year (FY16) amounts in SNaP-IT reflect actual obligations; and
- Ensure budgeted funds in SNaP-IT do not extend beyond the sunset date for Legacy systems.

Discussion: Certification of funds does not provide obligation authority. Certification for DBS with unfunded requirements is subject to the availability of funds. The Fourth Estate Working Group will serve as the conduit for the acceptance, resolution, and approval of any conditions placed by the Chair of the Investment Review Board.

Point of Contact: The point of contact for the Investment Decision Memorandums is Mr./Ms. Name, email.civ@mail.mil or (555) 555-5555.

Deputy Chief Management Officer
Investment Review Board Chair

Attachment:
As stated

Appendix I: References and Resources

Links to reference and resources, including data repositories, are provided below. Public websites do not require authorized access. All other links require a CAC; further authorization is required to access DoD data repositories such as DITPR, SNAP-IT, DITIP and IBF-DAP.

- **CMO:** <http://dcmo.defense.gov/> (DoD CMO's public website)
- **DBC charter:** <http://dcmo.defense.gov/Governance/Defense-Business-Council/OEPs>
- **IBF-DAP:** It is only for CAC-registered users. <https://bea-ertools.osd.mil/ee/>
- **IDMs:** It is only for CAC-registered users. <https://dcmo.osd.mil/coi/ibf/default.aspx>
- **ASP:** <http://dcmo.defense.gov/Publications/DoD-ASP/ASP>
- **BEA:** <http://dcmo.defense.gov/products-and-services/business-enterprise-architecture/>
- **BPR:** <http://dcmo.defense.gov/products-and-services/business-process-reengineering/>
- **BCAC DCMO certification portal link:** It is only for CAC-registered users. <https://dcmo.osd.mil/coi/PS/PPS/SitePages/Home.aspx>

DoD authoritative data sources: Access these data repositories if more information is required. Additional access privileges are required for each repository.

- **The Integrated Business Framework:** The link below provides access to Functional Strategies, OEPs conditions and IDMs. It is only for CAC-registered users. <https://dcmo.osd.mil/coi/ibf/default.aspx>
 - Contact: osd.pentagon.odcmo.mbx.irb-support-staff@mail.mil for OEP submissions, OOC submissions, and related correspondence.
 - Contact: osd.pentagon.odcmo.mbx.irb-support-staff@mail.mil for questions regarding this guidance or the OEP.
- **DITPR:** <https://ditpr.dod.mil/dodcio/DITPR/MenuDITPR.cfm> It is only for CAC-registered users.
- **SNAP-IT:** <https://snap.cape.osd.mil/snapit> It is only for CAC-registered users.
- **DITIP:** <https://snap.cape.osd.mil/ITPortal> It is only for CAC-registered users.