

VETERANS AFFAIRS

Information Technology Strategic Plan

FY 2002 – 2006

DEPARTMENT OF



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May 2000

FOREWORD

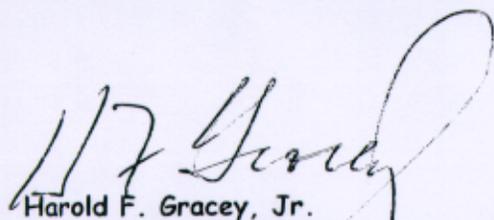
Millions of veterans rely on the Department of Veterans Affairs (VA) for a diverse variety of services delivering health care, benefits, and burial programs. VA has an obligation to deliver the highest quality service in support of these programs in a way that satisfies the American public's commitment to honor veterans' military service and to compensate them for their sacrifices.

VA provides this quality service in an environment of tremendous technological change. Information technology (IT) allows activities to take place that not too long ago were thought impossible: conducting full-service banking across the Internet; buying stocks without a broker; going grocery shopping without leaving your place of residence; and obtaining information without having to venture to a library, or Government office. Twenty years ago, automated teller machines were a novelty; now, no one thinks twice about obtaining currency from these robotic devices. Parallel to these amazing advances is another development—the belief among a large amount of Americans that many transactions can take place instantaneously.

Having the appropriate suite of IT is absolutely essential to satisfy these new expectations of appropriate customer service, the needs of the veteran community the Department is charged to serve, and the changing legislative requirements that guide VA's operations. Planning plays an essential role in making sure VA acquires and maintains the correct suite of IT. Without proper planning, VA will not be able to function as a business. Guided by a vision that VA will function as a unified Department, provide world-class service, and present ourselves as "One VA" to our customers, this VA IT Strategic Plan was developed. This plan sets a corporate direction for IT and provides a framework for IT decision-making in VA.

This VA IT Strategic Plan provides the strategy and priorities to guide the operational, tactical, budgetary and capital planning for IT by the Department's Administrations and Staff Offices. The IT goals defined in the Plan provide the basis for assessing current and future IT investments. The goals will enable the Department to address cross-cutting opportunities and continue to make strides towards achieving the concept of "One VA."

A VA IT Strategic Plan requires a combination of top down direction, horizontal cooperation, and data driven analyses. As the CIO Council and I endorse these IT goals, objectives, strategies, and performance goals, we ask you to embrace this as our direction, ensuring that both business and IT objectives are met.



Harold F. Gracey, Jr.

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Principal Deputy Assistant Secretary for Information and Technology

Acknowledgments

Special thanks is extended to the following VA Administrations and Staff Offices
who contributed to the completion of this document:

Veterans Health Administration
Veterans Benefits Administration
National Cemetery Administration
Office of Financial Management
Office of Information and Technology
Office of Planning and Analysis

Section	Page
Introduction	
Organization and Structure	1
VA Mission	1
Secretary’s Goals	1
Making it Happen	2
IT Strategic Planning	2
Relationship to Other VA Plans	3
IT Environment	
Meeting the Challenge	4
Oversight	4
VA IT Infrastructure	5
IT Trends	6
Environmental Factors	7
Program Evaluations	8
IT Mission, Vision and Goals	
Mission	9
Vision	9
Objectives, Strategies and Performance Goals	9
IT Strategic Priorities	
VA Mission Critical Initiatives	13
Cross Cutting Opportunities	15
Appendix	
Appendix A – One VA Vision of Information	
Technology Enhanced Customer Service	16
Appendix B – Planning Timeline	18
Appendix C – Bibliography of Planning Documents	21

Introduction

VA INFORMATION TECHNOLOGY (IT) STRATEGIC PLAN

The VA IT Strategic Plan provides the overarching strategy and priorities to guide the capital, budget, operational, and tactical planning for IT by the Department's Administrations and Staff Offices. It also provides the foundation on which IT will be applied to support the Department's business operation.



ORGANIZATION AND STRUCTURE

This VA IT Strategic Plan addresses the period FY 2002 – 2006 and defines the Department's IT:

- Mission;
- Vision;
- Goals and Objectives for the use of IT;
- Strategies for achieving objectives;
- Performance Goals; and
- Process for IT investment decision-making;

The plan provides a situation assessment, including a review of legislation, the current VA infrastructure, IT forces, trends, and environmental factors. It discusses how program evaluations will be used to establish or revise strategic goals. Details of planned IT spending and performance measures for initiatives implementing this plan will be provided in the VA Capital Plan.

The VA IT Strategic Plan supports the business goals of the Department, as well as goals of each Department Administration and Staff Office. The following VA documents are incorporated by reference into this plan:

- VA Strategic Plan FY 2000-2005.

- One VA: Vision of Information Technology Enhanced Customer Service (March 1999).
- IT Baseline Report (December 1997).
- VA Technical Architecture: Technical Reference Model and Standards Profile (May 1999).
- Assessment of New Telecommunications Technologies (March 1998).
- VA Capital Investment Methodology Guide (March 2000).



VA MISSION

First and foremost, this VA IT Strategic Plan supports VA's mission which is:



To care for him who shall have borne the battle, and for his widow and orphan.



Secretary's Vision and Goals

The Secretary has raised the standard for accomplishing the VA mission. He has directed the Department to become "a more customer-focused organization, functioning as 'One VA' and delivering seamless service to our customers." VA will "benchmark the quality and delivery of our service with the best in business and use innovative means and high technology to deliver World-Class Customer Service." The Department will create

"partnerships with our customers and stakeholders making them part of the decision-making process." The department will cultivate a "dedicated VA work force of highly skilled employees who understand, believe in, and take pride in our vitally important mission." Projects will only be undertaken in a manner that maximizes the taxpayer's investment.

To implement this vision, the following VA Strategic Goals have been established:

- **VA Goal 1** – Restore the Capability of Disabled Veterans to the Greatest Extent Possible and Improve Their Quality of Life and That of Their Families.
- **VA Goal 2** – Ensure a Smooth Transition for Veterans from Active Military Service to Civilian Life.
- **VA Goal 3** – Honor and Serve Veterans in Life and Memorialize Them in Death for Their Sacrifices on Behalf of the Nation.
- **VA Goal 4** – Contribute to the Public Health, Socioeconomic Well Being, and History of the Nation.
- **VA Goal 5** – Provide One VA World-Class Service to Veterans and Their Families Through the Effective Management of People, Technology, Processes, and Financial Resources.

MAKING IT HAPPEN

Since the announcement of the Department vision, the Secretary has set a number of activities in motion. They include:

- Updating and maintaining a business plan that defines requirements in terms of broad customer service goals.
- Updating and maintaining a vision to describe how information technology can be better utilized across the Department to improve customer service.
- Updating and maintaining an information technology strategic plan that sets investment priorities.
- Updating and maintaining an information systems architecture that creates the conditions for introducing new technologies that are responsive to the Department's business goals.
- Developing modern electronic methods of customer-focused access to information and services.

These efforts present unique management and coordination challenges. To ensure their success, plans and requirements for each must be complementary and linked. It is essential VA has current information about emerging technologies and how best to apply new technologies in an integrated and unified manner that supports "One VA." It is equally important to ensure business plans and operations fit into the vision. Since March 1997, VA has had a team across the Department working together on information technology architecture. Since then VA has made significant progress:

(a) A revised VA IT Architecture Report and Integration Agenda was published in August 1998. This Report summarized architecture-related progress and plans since the formation of a Department-wide IT Architects Team in March 1997.

(The Report met with the approval of the three Administrations insofar as their overall joint approach to satisfying Clinger-Cohen Act requirements for a Department-wide architecture.) The Report stated an agenda for Department-wide technology integration. The agenda's eight recommendations constituted a general approach to solving the most critical integration issues facing the Department as a whole.

(b) Some of the eight integration agenda items in the August 1998 Report related to technology integration of particular concern to information security, e.g. single logon, remote access, and Public Key Infrastructure (PKI). VA has undertaken a capital investment to incorporate these and other significant features into a fully functional, robust Information Security Program in the Department. This plan to fully secure our vital information assets will be complete in FY 2003.

(c) Apart from the eight integration agenda items in the August 1998 Report, the Report addressed the need to complete a Technical Reference Model (TRM) and Standards Profile. In September 1998, a contract was awarded for the development of the Model and Profile. In May 1999, the Technical Architecture was published, which incorporated the IRM and Standards Profile. The VA Technical Architecture provides project managers and system designers the information they need to formulate IT system and project architectures and to evaluate how well projects align with architectural objectives and Departmental standards.

Plans are underway to remove information and access "bottlenecks" through a coordinated application of technologies such as the Internet, interactive video and voice response, and electronic filing and processing of application forms for benefits. This vision of "bottleneck-free" access means that VA will give veterans more effective and broader access to information and services.

VA prepared a document, *One VA: Vision of Information Technology Enhanced Customer Service*, that focuses on making the VA appear as one entity instead of several Administrations for both the customer and employee. The IT Vision is expressed as a set of 21 IT-enhanced functional capabilities or concepts, arranged into six categories and described in Appendix A, with each of them contributing in a coordinated way to an environment of integrated customer service.



Answering the "Three Pesky Questions"

Should the government do it at all?

If so, in-house or contracted out?

Is the right government agency doing it?

IT STRATEGIC PLANNING

Resources do not exist to support all possible IT opportunities. Similarly, not all problems call for IT as the solution. Top-down, Department-wide strategic IT planning is key to ensuring investments in IT are effectively targeted in direct support of the Department's business priorities. IT investments, especially in this era of constrained federal resources, must be treated as major business decisions, made by senior executives through a comprehensive and integrated capital planning and budgeting process, using sound economic analyses.

Strategic IT planning must include setting long-term goals, identifying performance goals, selecting the portfolio of IT investments to support those goals and continuously measuring the performance of IT investments. It must be tightly coupled with VA's strategic planning and it must be an intrinsic and integrated part of the budget process.

One of the key considerations during the budget formulation phase is whether a function should continue to be performed at all, and if so, whether by the Federal Government or the private sector (see *Answering the Three "Pesky" Questions* on the previous page). Federal Government functions should be examined and reengineered before applying IT. During the budget execution phase, an intensified management control process provides a means to ensure performance goals are achieved, and that IT projects are delivered on

time, within budget, and perform as intended.

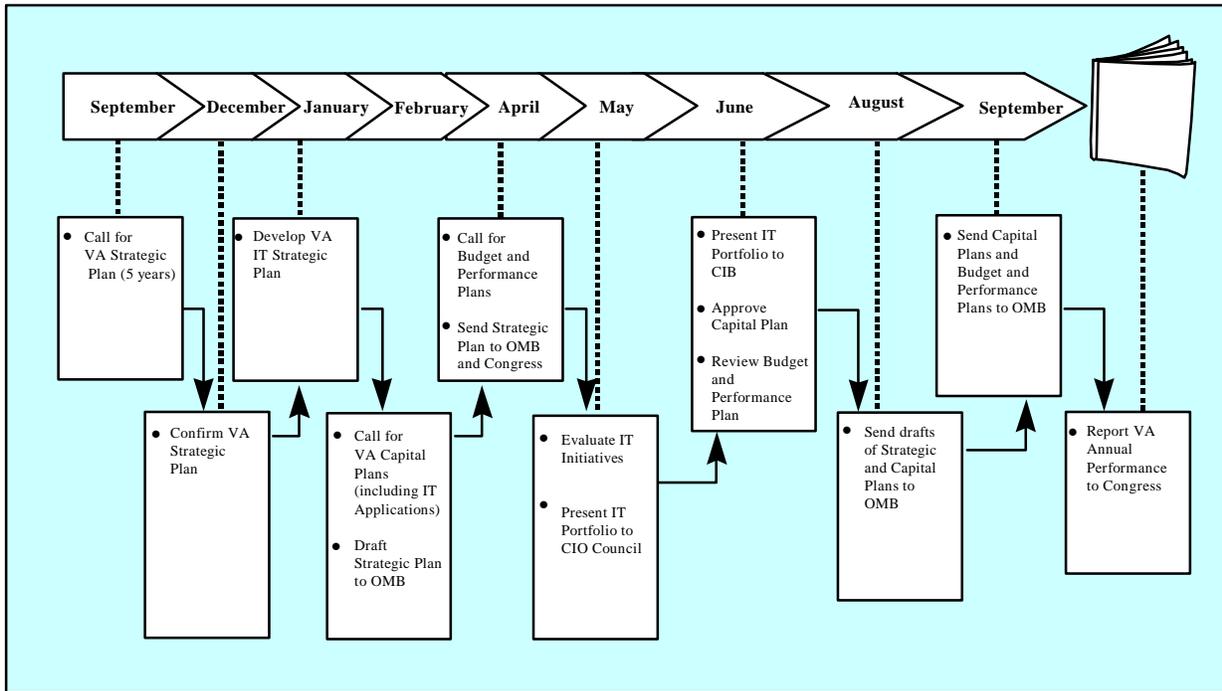
RELATIONSHIP TO OTHER VA PLANS

IT strategic planning must be approached in context with other Department planning processes. These strategic, performance and capital investment planning processes converge at key executive level decision points and when information must be reported to OMB and Congress. At these points of conver-

gence, their references to IT strategic goals and performance objectives, high priority projects and budgets must be in agreement. Thus, IT strategic planning merges with the planning cycle and adds value to it. The Conceptual Planning Timeline," Figure A shows a typical budget year and how IT strategic planning would relate to other strategic planning and budgeting process at VA. (Details about the process and Figure A are given in Appendix B.)

Figure A

Conceptual Planning Timeline



IT Environment

VA INFORMATION TECHNOLOGY (IT) STRATEGIC PLAN

VA's IT infrastructure is becoming increasingly complex. As we take steps to function as "One VA," planning must be done collaboratively to achieve the appropriate balance between corporate and program specific requirements. To do that, VA assesses its current environment and targets a direction for the future. Environmental factors (including legislation), new IT trends, and other factors are continuously influencing our efforts.

MEETING THE CHALLENGE

How do we do it? Review legislation. Understand our business requirements. Manage VA's IT Infrastructure. Stay abreast of IT trends. Know how other federal and local government entities and world class companies are dealing with these factors. Identify, define and examine the policy and technology issues. Manage our strengths and weaknesses. Perform in-process and post-implementation reviews. Prac-

ticing these management techniques allows VA to meet the challenge!

OVERSIGHT

Congress has passed five statutes that are the groundwork for agencies to establish an investment approach for managing IT. The relationship of VA's strategic IT planning goals and objectives to each piece of legislation is depicted in Figure B, "VA IT Goals and Legislation - The Relationship." (The IT Goals will be discussed in further detail later.)

Figure B

VA IT Goals and Legislation – The Relationship

	Clinger-Cohen Act of 1996 (CCA)	Paperwork Reduction Act of 1995 (PRA)	Federal Acquisition Streamlining Act of 1994 (FASA)	Government Performance and Results Act of 1993 (GPRA)	Chief Financial Officers Act of 1990 (CFO)
VA IT Goal 1 - Ensure proposed networks and technical infrastructure conform to established VA standards for seamless technology integration, and interoperability and information accessibility and usability.	✓	✓		✓	
VA IT Goal 2 - Support Departmental strategic planning and performance goals.	✓		✓	✓	✓
VA IT Goal 3 - Promote and manage VA cross-cutting initiatives for the benefit of the veteran.	✓		✓	✓	✓
VA IT Goal 4 - Establish processes to support sound capital decision making for IT.	✓			✓	✓

VA IT INFRASTRUCTURE

VA's application systems have largely evolved independently to meet the needs of each line of business. A few corporate administrative systems (e.g., those for finance, supply, and human resources) and the corporate infrastructure for telecommunications serve the Department as a whole. The accompanying databases in aggregate are the historical record of business transacted during the past 20 years. New projects that introduce new technologies, replace aging infrastructure, or automate new business methods represent adjustments to this baseline.

The Veterans Health Administration (VHA), which operates patient care facilities in all 50 states, has the largest IT budget within VA. Its information systems provide support for health care delivery at 172 hospitals and over 500 other facilities (outpatient clinics, nursing homes, and domiciliaries). These facilities are managed through a network of 22 clustered facilities called Veterans Integrated Service Networks (VISNs). Facilities within a VISN work together to provide efficient accessible health care to veterans in a specific geographic area.

Every VA hospital uses the Veterans Integrated Service Technology Architecture (VistA) and office automation. Outside of VistA, a variety of other applications exist. These support medical imaging, supply management, decision support, medical research, and education, to name just a few. Nationally, several databases serve the VA health care system as a whole.

VHA is researching innovative uses of information technology to assist in its mission of delivering high quality patient care. VHA is exploring reengineering their systems to develop administrative systems for managed care, clinical systems, and upgrades to the current systems environment. VHA is also working in collaboration with the Department of Defense (DoD) and the Indian

Health Service to establish a Government Computer-Based Patient Record.

The Veterans Benefits Administration (VBA) information systems are integral to the process of administering compensation and pension, education, loan guaranty, vocational rehabilitation and insurance. Veterans Affairs Central Office (VACO), four area offices, and fifty-eight regional offices use a combination of mainframe and local systems. Mainframe database applications, including the Compensation and Pension Payment System (C&P), process claims for various types of benefits. Local computing platforms connect to the mainframes and host a variety of additional applications. These platforms are a combination of recently deployed local area network (LAN) and legacy technology.

VBA's information infrastructure has evolved over four decades. The Honeywell network (originally named Target and now called the Benefits Delivery Network (BDN)) was implemented in the late 1970s. The Honeywell network transitioned a formerly batch claims process to online transaction processing (OLTP). Wang VS systems were introduced in the early 1980s to support office automation and certain local applications, particularly loan processing. VA deployed LANs and workstations under Stage I of Modernization from 1993 to 1995, integrating these with the existing base of terminal and minicomputer devices.

National Cemetery Administration (NCA) systems administer burial benefits for veterans and eligible dependents. NCA manages over 100 cemeteries, provides markers for veteran gravesites worldwide, provides flags for burial ceremonies, and administers the State Cemetery Grants program. Area offices in Atlanta, Denver, and Philadelphia are collocated with VBA regional offices. Cemetery personnel use the nearest VA hospital to obtain supplies and administrative support. The

NCA Systems Integration Center in Quantico, Virginia is responsible for development and support of systems and networks for NCA. Chief among these NCA systems is the Burial Operations Support System (BOSS) which automates administrative functions for interments.

Board of Veterans' Appeals (BVA) information systems support the adjudication of veterans benefit entitlement claims presented for appellate review. These systems provide office automation, appeals tracking, and terminal access to remote systems. The Veterans' Appeals Control and Locator System (VACOLS) supports core appeals tracking functions. Besides linking to VACOLS, BVA workstations are provided read-only access to the BDN. VA regional offices access BVA's main business system, VACOLS, for read and write access to appeals records originating from their individual facilities. Veteran's Service Organizations (VSOs) in the Lafayette Building have access to the BVA LAN and a variety of research tools. These research tools include CD-ROMs and databases on disk containing historical information (such as past Board decisions and General Counsel opinions) and research tools such as the Physician's Desk Reference and VBA's Automated Reference Manuals (ARMS) system.

For administrative processes such as human resources, finance and supply, national systems serve the Department as a whole. VA is ahead of many other cabinet departments, who only recently have attempted to consolidate their administrative systems. VA operates a single Financial Management System (FMS), for core financial management. Plans are in place to expand capabilities in a successor system—the Integrated Financial Management System. VA is replacing its core human resources and payroll system for all employees with HR-LINK\$, which uses a commercial off-the-shelf solution.

IT TRENDS

Several forces and trends conspire to affect IT strategic decision-making. The importance of considering those trends in planning is essential. Information about several, significant trends was gathered through research of various documents including the Price Waterhouse Technology Forecast, the Gartner Group database, Forrester Research and 2025 (Coates, Mahaffie, and Hines, ©1997, Coates & Jarratt, Inc., Greensboro, NC). For the VA IT Strategic Plan, those trends are summarized as follows.

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Computing and Communications Platforms:

- Servers are gaining features, such as multiple processors and large storage subsystems, that make them increasingly competitive with traditional mainframe systems.
- As mainframe technology evolves, cost inefficiencies in supporting legacy systems and lower prices for new mainframes—causing the development of new mainframe applications—will provide IT directors with the justification for both upgrading existing systems and providing additional capacity.
- Networks will continue to evolve, and the distinctions between them will diminish such that anytime, anyplace to anywhere communication (person-to-person, person-to-data, data-to-data, etc.) will become a reality.
- The trend toward smaller and faster processors will allow manufacturers to create highly specialized, targeted, and physically small systems for use in specific areas, such as medical care.

Operating Systems:

- The trend toward newer operating systems (i.e., Windows 2000, UNIX, Linux) has large employee training and system integration implications.
- An overall IT strategy and adherence to an IT architecture will be necessary to maintain standards and to allow integration of systems throughout entire organizations.

Architectures:

- Proprietary network management schemes will migrate to open network management, plus there will occur a cultural shift, particularly within Information System (IS) departments.
- Proprietary systems will continue to be present for many years to come.
- Legacy systems will continue to run and be supported.
- Client/server will remain the dominant architecture for new applications for the foreseeable future.

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Computer Security:

- Today's trends toward open systems, client/server computing, and the blending of computing with communications are forcing management to focus on the tradeoff in balancing adequate IT protection with end-user productivity and the expenses of administration and auditing security across a wide variety of computer and networking systems. Public Key Infrastructure (PKI) encryption pilots currently underway show promise. Subsequent full implementations will give VA the ability to protect sensitive information in transit over networks anywhere.

- Telecommuting will come to be viewed as a contributor toward reducing air pollution in major metropolitan areas. With this comes the management challenge to create policies and procedures associated with a workforce not only diverse in terms of background and experience, but also in terms of their physical work locations. Security of data transported in such an environment will likely become of considerable import.
- Data manipulation capabilities on desktop computers will continue to expand, creating significant authentication issues. Already, technologies exist to create realistic images of events that never actually occurred (e.g., inserting the visage of an individual into a scene to create the impression the person was actually there). Source validation for images will become critical.

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Enabling Technologies:

- Decision support systems will continue to be viewed favorably by managers in enhancing organizational decision-making capabilities.
- Many decision support system applications are being implemented on data warehouses, which effectively provide a snapshot of operational data.
- In the arena of development tools and languages, many new tools have emerged, filling the need for increased technology independence and flexibility in how applications are developed, regardless of the platform.
- The quality and acceptance of recognition technologies in the areas of image, speech, and handwriting continue to grow.
- Groupware, document imaging, and document management tech-

nologies are providing benefits in areas such as communication, efficiency, and scheduling, all of which improve the decision making process.

- With the ever-growing demand for increased bandwidth, compression technology continues to be important, enabling the widespread use and transmission of audio, video, and data (including Internet real-time audio and video).
- Smart card technologies will continue to evolve. In the future, it is reasonable to expect that a single card, usable by veterans in ATM-like devices, will contain all their benefit and related health care information.
- Virtual reality technology evolution, unlimited by issues of cultural diversity, will provide the capability for enhanced training episodes and developing a highly skilled information technology workforce.

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Database Trends:

- Database architecture is being revolutionized by cost reduction in secondary storage prices.
- Future database storage products will include capabilities such as write-and-never-delete record keeping for most applications (not just banking), allowing customers to access the information they need and place orders through easy-to-use interfaces.

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Applications:

- Commercial off-the-shelf software is replacing in-house developed applications.
- With the move to off-the-shelf software that is easily custom-

ized, organizations should be able to streamline programming personnel and lower costs for new applications.

- The Internet is making possible a wide range of activities, including accessing information, messaging, streaming audio and video, electronic mail (E-mail), and business transactions.
- Increased use of the Internet has also highlighted the need for enhanced electronic publishing and sophisticated search and retrieval tools.
- A wide variety of new tools are emerging that help locate information on-line. These tools will help standardize the way electronic documents are stored and represented.

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ENVIRONMENTAL FACTORS

VA's Strategic Planning call includes an Environmental Scan of perceived strengths, weaknesses, opportunities and challenges. Because of the far-reaching impact of IT, we know that plans to cope with these environmental factors have IT implications. Some issues require new strategic planning initiatives while others align with existing planning initiatives.

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Current Critical Issues:

- Integration of the organizations to effectively manage and improve their programs, functions, and accountability.
- Augmentation of appropriations with new funding sources, such as selling services, treating non-veterans, increased sharing, and franchising.
- Prioritization of limited health care resources to meet the health

care needs of the nation's veterans.

- Allocation of resources for health care, benefit, and burial services based on demographic need.
- Integration of information systems throughout the Department.
- Resolution of claims processing timeliness and accuracy problems.

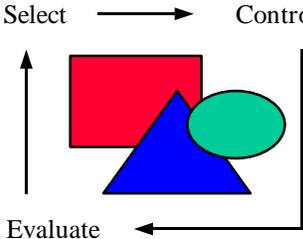
Possible Future Issues:

- Consolidating veteran and military related programs such as compensation and medical care will be considered.
- Developing a common VA/DoD disability and rating system so that veterans can remain in the military while their claims are being resolved.
- Collaborating with VA and Social Security to explore using each others medical findings to grant VA and Social Security benefits, where possible, to save time and money.
- Working in partnership with DoD to create data interfaces allowing VA to obtain veteran information at or before the time of discharge.

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Other Findings:

- Access to services is not equitable for veterans in all locations.
- Customers now expect and demand better service necessitating a change in the way VA does business, including provision of electronic access to information.
- The influence of Congress, veteran service organizations, and others will often dictate what changes VA will make.

The Capital Investment Process		
	<p>➤ Continuing constraints on resources are requiring VA to set priorities in how resources are used</p> <p style="text-align: center;">❖</p> <p style="text-align: center;">PROGRAM EVALUATIONS</p> <p>Historically, throughout government, reviews were conducted when problems arose, after implementation of a system or initiative, or when requested by Congress. There was no process in place for halting efforts overcome by events, such as changing customer needs. Proactive efforts are underway now to perform reviews throughout the life cycle of projects.</p>	<p>reviews performed before the system is fully operational ensure that the investment is on schedule, within budget and performing as planned.</p>
<p>Select – How do you know you have selected the best projects?</p> <p>Control – What are you doing to ensure that the projects will deliver the benefits projected?</p> <p>Evaluate – Based on your evaluation, did the system deliver what you expected?</p>	<p>Project evaluations will assist in the management of VA IT resources during the planning, budgeting, procurement and management-in-use phases of the IT life cycle. In-process</p>	<p>Post-implementation reviews evaluate the overall effectiveness of the agency’s capital planning and acquisition process. They evaluate customer satisfaction, strategic impact and effectiveness, internal business and innovations. The reviews determine actual return on investment. They confirm whether the asset performed as planned and ensure continual improvement of VA’s capital management process based on lessons learned.</p> <p>In order to monitor project health, scorecards that reflect actual versus planned progress will be provided to the CIO Council for action as required.</p>

IT Mission, Vision and Goals

VA INFORMATION TECHNOLOGY (IT) STRATEGIC PLAN

MISSION	VISION	OBJECTIVES, STRATEGIES AND PERFORMANCE GOALS
<p>VA's IT mission is to support the "One VA" concept of the Department, using technology to unify the Department in its dealing with the public and pursuing technology integration to improve information management and sharing and ultimately improving customer service.</p>	<p>The Department of Veterans Affairs (VA) has implemented a CIO Program. The purpose of this program is to ensure that information and technology resources are managed to maximize benefits to the Department, and accountability to the Department's CIO statutory requirements and the veterans VA serves.</p>	<p>Strategies and performance goals establish the baseline for measuring the value of IT investments. The measures will be defined within each initiative. These measures are quantifiable and will be used to evaluate progress towards the long term goals on an annual basis.</p>

VA IT Strategic Planning Goals

<p>IT Goal 1</p>	<p>Ensure proposed networks and technical infrastructure conform to established VA standards for seamless technology integration, interoperability, and information accessibility and usability.</p> <p>VA is moving toward an environment where systems will function together to provide world-class, "One VA" service and away from the era of "stove-pipe" project development. These new systems will provide critical leveraging of scarce resources that will provide accurate and secure data to aid the Department in supplying high quality services and benefits to the nation's veterans.</p>
<p>IT Goal 2</p>	<p>Support Departmental strategic planning and performance goals.</p> <p>VA has established certain goals and objectives critical to the long-term success of the Department. Information technology is a key enabler for many of the goals and objectives in the Department Strategic Plan. It is important that information technology, and the IT Strategic Plan, support Departmental strategic planning and performance goals, and is consistent with the Department's Budget and Performance Plan.</p>
<p>IT Goal 3</p>	<p>Promote and manage VA cross-cutting initiatives for the benefit of the veteran.</p> <p>Implicit in the first goal are efforts that cross the traditional organizational boundaries of the Department. This further implies needed coordination and facilitation. The Department's Chief Information Officer has responsibility for providing stewardship over the Department's IT resources. Part of this stewardship is to provide needed coordination and facilitation for corporate IT projects—those projects that affect multiple organizations in VA—for the ultimate benefit of the veteran through increased and/or more responsive services.</p>
<p>IT Goal 4</p>	<p>Establish processes to support sound capital decision-making for IT.</p> <p>VA will expend nearly \$1.5 billion in fiscal year 2001 to obtain information technology resources. It will undertake a number of large-scale efforts to implement these resources into the business processes of the Department—ultimately providing enhanced services and benefits to the veteran. The Clinger-Cohen Act requires VA to establish processes for the selection, control, and evaluation of investments in capital assets. It is essential these practices be extended to IT—a vital capital asset of the Department.</p>

IT Goal 1: Ensure proposed networks and technical infrastructure conform to established VA standards for seamless technology integration, interoperability and information accessibility and usability.

Objective A: Develop a Veteran Centered IT Architecture to promote Department-wide interoperability and data sharing.

Strategy: OI&T will define the overall IT architecture framework and technical standards to achieve interoperability and integration across the Department's systems, and for solving technology problems of Department-wide strategic importance. The VA IT architecture is aimed at helping the sponsors and project managers of IT systems select design options and products that promote Department-wide interoperability and information sharing. The business direction for VA's IT architecture will be set by the Department's, and each component organization's, strategic, operational, and performance plans.

Performance Goal: By 2005, 100% of VA systems will conform to the VA IT Architecture, improving integration and communication across systems.

Objective B: Ensure VA information assets are adequately protected against unauthorized access, theft, misuse, or loss.

Strategy: Under leadership of the VA CIO, the Department will undertake efforts to:

- Conduct an Department-wide IT system risk assessment.
- Implement a Department-wide IT security incident response system.
- Deploy, nationwide, a suite of standard IT security packages.
- Evaluate issues associated with remote access to VA systems.

- Research emerging IT security issues.
- Institute a VA Information Security Awareness Program.
- Provide training in IT security.
- Issue a VA IT security policy framework.
- Certify and accredit VA IT systems, networks, operating systems, and major applications for compliance with IT security requirements.
- Develop a VA IT Security web page.
- Augment the existing IT security organization.

VA is making the necessary capital investments to provide sufficient resources to implement this strategy. (See the VA Capital Plan for further details.)

Performance Goal: Full Implementation of the Department-wide IT Security Program by FY 2003.

IT Goal 2 – Support Departmental strategic planning and performance goals.

Objective A: Make planning, budgeting, and evaluation mutually dependent within the IT capital investment process.

Strategy: The CIO Investment Panel, on behalf of the CIO Council, will review, evaluate, and make recommendations on IT investments that meet IT capital investment criteria. Mid-level procurements are reviewed by the VA CIO. Minor projects are the responsibility of VA Administrations and Staff Offices. Reviews will assess conformity to VA budget and IT plans. Feedback mechanisms will be used to evaluate budget resources applied to IT projects. Resources for this effort come from VA organizations using existing staffing levels.

Performance Goal: Ensure 100% of IT decisions are consistent between the VA Strategic Plan and budget, and provide correlation between planned versus actual IT spending.

Objective B: Recruit and maintain an effective IT workforce that will position VA to leverage developing technologies that will provide new and enhanced services to veterans.

Strategy: The VA CIO, working with Administrations and Staff Offices, will:

- Identify needed competencies to support anticipated technological additions to VA's IT architecture.
- Evaluate current staff competencies.
- Determine methods for eliminating the staff performance requirement gap.
- Develop and implement an ongoing staff IT training program.
- Implement incentives designed to retain key IT personnel.
- Review, regularly, the effectiveness of IT training.
- Participate in a pilot study sponsored by OPM that will test and evaluate the use of IT occupational competencies as a basis for hiring and retention of IT personnel.

Resource requirements will be determined once gap analysis is complete.

Performance Goal: Provide for a 10% improvement in on-the-job satisfaction among staff by FY 2005 as measured by surveys.

Performance Goal: Improvements in IT staff skills each year compared to the preceding year, as measured by an annual skills assessment.

Performance Goal: Annual improvements in the retention of

staff with critical IT skills, as measured against the preceding year.

Objective C: Create high-leverage partnerships with Federal, state, and private sector IT leadership groups.

Strategy: VA will, under the leadership of the CIO Council:

- Identify and manage VA cross-cutting issues and opportunities supporting collaboration and resource sharing.
- Participate in interagency and intergovernmental working groups, panels, and seminars designed to advance common-interest areas in information technology.
- Enumerate opportunities for collaboration with other government agencies for joint leverage in information technology investments.
- Reduce redundant information technology systems and data collections, both within VA and between VA and other Federal agencies, other governments, and the public at large.
- Provide information to the public, in an electronic form, that is organized by service desired rather than by VA organization.

Resources will be drawn from existing staffing levels.

Performance Goal: Provide by the end of fiscal year 2003, as provided in the President's memorandum of December 17, 1999, appropriate online transactions for the processing of services.

Performance Goal: In coordination with GSA, and by December 2000, issue VA's portion of the 100,000 digital signature certificates for use of public key technology in support of the President's December 17, 1999, memorandum.

IT Goal 3 – Promote and manage VA cross-cutting initiatives for the benefit of the veteran.

Objective A: Establish data standards for sharing and administration of VA corporate information.

Strategy: VA, under the leadership of the CIO Council, will standardize data across the Department through such means as:

- Authoritative Copy of Record for customer ID data.
- Fully compatible, interoperable e-mail within VA.
- Electronic imaging, indexed storage, and VA-wide retrieval on demand of claims folders and medical records.
- Widespread use of video-conferencing.
- Workflow automation for process integration and standardization.
- Complete data communications connectivity and interoperability.
- Robust electronic interchange of veteran personnel and medical data with DoD.
- Routine electronic data exchange with other government agencies.
- Automated customer income verification.
- Direct deposit of all customer benefit payments.
- Paperless data exchange with commercial partners.

Performance Goal: Coordinate one project per year that will move the Department toward the position outlined in the VA document: *One VA Vision of Information Technology Enhanced Customer Service*.

Objective B: Apply innovative technology to business functions and service delivery.

Strategy: The CIO Council will encourage initiatives to:

- Reengineer and simplify work processes to reduce costs and improve effectiveness, and make maximum use of commercial off-the-shelf technologies.
- Apply technology to VA business processes, such as telephone-based, One VA veteran service representatives; expert system utilization for determination of potential benefits eligibility; common customer service environment (CSE) graphical user interface; and gateway-resident CSE transaction broker and interface engine.
- Use the Internet to provide e-mail between veterans and VA.
- Increase the amount of business conducted electronically across the Internet with the veteran, including the provision and submission of form-related data.

Performance Goal: Costs of operation are reduced by 10 percent, or output is increased by 10 percent without a commensurate increase in cost, for existing business functions.

Performance Goal: Service delivery times are decreased by 10 percent, service delivery accuracy ("right product at the right time") is improved to 100%.

IT Goal 4 – Establish processes to support sound capital decision-making for IT.

Objective A: Provide a portfolio of capital IT investments that maximizes return at acceptable level of risk and sets investment priorities.

Strategy: The CIO Council will:

- Evaluate IT capital investment proposals.

<ul style="list-style-type: none"> ➤ Review the progress of approved and funded capital investments in IT. <p>Existing staff resources will be used as a pool from which to draw subject matter experts whose task will be to assist the CIO Council in these analyses.</p> <p>Performance Goal: Positive Cost Recovery and Return on Investment.</p> <p>Strategy: The CIO Council will promote and facilitate the development and use of effective tools for capital planning and investment management by:</p> <ul style="list-style-type: none"> ➤ Using the Information Technology Investment Portfolio System (I-TIPS) to track IT capital investments. 	<ul style="list-style-type: none"> ➤ Promoting the use of I-TIPS to track all capital investments undertaken by the Department. ➤ Employing decision-support software, such as <i>Expert Choice</i>, to assist in the ranking of IT capital investment. <p>Performance Goal: Deployment of the Information Technology Investment Portfolio System (I-TIPS) to evaluate and track Department capital investments.</p> <p>Objective B: Maintain an integrated project team and process to support sound capital decision making.</p> <p>Strategy: The CIO Council will improve the linkage between IT capital planning, the budget and accounting processes by:</p>	<ul style="list-style-type: none"> ➤ Evaluating IT capital investments quarterly, throughout their life cycle. ➤ Making recommendations to the CIO Council on remedial action required for investments not meeting costs, schedule, and performance requirements. <p>Existing staff resources will be used to accomplish this objective.</p> <p>Performance Goal: Ensure 100% of those IT investments that exceed cost or schedule goals by 10% or more will be brought to the attention of the CIO Council for appropriate resolution.</p>
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IT Strategic Priorities

VA INFORMATION TECHNOLOGY (IT) STRATEGIC PLAN

IT strategic priorities are those initiatives that support core/priority mission functions, aligning activities, processes and resources to support mission-related performance goals. For this IT Strategic Plan, strategic priorities include mission critical or cross-cutting initiatives. Mission critical initiatives are those initiatives that contribute to the achievement of Department strategic (business) goals and objectives.

IT initiatives that address cross-cutting issues can be defined in three ways:

- Issues that every VA office or program must address in the course of managing information technology.
- Those issues that are interdependent, involve relationships among organizations and require a cooperative solution.
- Specific problems or opportunities that currently need to be addressed at the Department level, as opposed to abstractions or classes of problems. These issues stem from the “One VA” concept

Examples of cross-cutting issues that conform to this definition include,

but are not limited to: data sharing, transfer of technology, and best practices within and outside the Department.



VA MISSION CRITICAL INITIATIVES

There are 10 initiatives critical to VA’s mission and the efficient operation of VA business needs. They include existing operations initiatives, as well as initiatives in progress, are described in the table below.

VA Mission Critical Initiatives

Burial Operations Support (BOSS)	BOSS provides benefit delivery automation support to NCA facilities nationwide to automate all of the manual, paper-intensive record keeping, information and forms processing associated with interments. BOSS integrates NCA processing with VBA and VA IRM systems throughout the country.
Compensation and Pension (C&P) Benefits Replacement System	This replacement for the C&P system that resides on legacy hardware and software will provide greater access to claimant information through a state-of-the-art automated environment.
Electronic Commerce	This set of Office of Acquisition and Materiel Management initiatives provides VA with an “out-of-the-box” contracting and procurement solution, as well as a web-based business opportunity system for companies wishing to do business with VA.
Government Computer-Based Patient Record System (GCPR)	The project is a joint effort of the Department of Veterans Affairs, the DoD, and the Indian Health Service. The GCPR project includes: a common information model that provides a basis for understanding and interpreting disparate information and institutional legacy systems; a technological suite providing an open and scalable architecture; and a unifying image of virtual longitudinal patient records across geographically dispersed hubs and nodes.
HR-LINK\$	HR-LINK\$ is in the process of implementation. HR-LINK\$ will be VA’s integrated human resources and payroll system. It will encompass personnel and payroll transactions, related accounting for payroll, and personnel statistical information. HR-LINK\$ is a commercial off-the-shelf product—the federalized PeopleSoft Human Resources Management and Payroll System.
Information Security Program	The VA Information Security Program provides the actions and funding necessary to ensure adequate security for VA’s information systems and data.

Integrated Financial Management System (IFMS)	IFMS will replace our existing core financial management system and selected other applications that collect and feed financial information to the core system with an integrated, Department-wide commercial off-the-shelf core financial and logistics system.
Virtual VBA	This is a pilot for a project to create an electronic work environment for VBA's (C&P) veterans claims processing. This electronic environment—Virtual VBA—will scan all original veterans benefits claims into an imaging system creating an electronic folder. By having C&P electronic folders accessible throughout the claims and appeals process, this initiative will directly improve the quality of service to the 2.7 million veterans who rely on C&P to deliver benefits and services.
Veterans Health Information Systems and Technology Architecture (VistA)	VistA is VHA's main health care information system. It encompasses the Decentralized Hospital Computer Program (DHCP), as well as the complete information environment at VA medical facilities, providing clinical and administrative applications, workstations, and personal computers with graphic user interfaces.
Voice, Video and Data Communications Transition Program	This project will move all long distance voice services and video transport services from an expiring contract vehicle (FTS 2000) and will also move all wide area network services from an expiring contract vehicle (IDCU—Integrated Data Communications Utility) to a new contract—FTS 2001.

Relationship between VA Mission Critical Systems and IT Goals and Objectives

Goal	Objectives	Supporting Program
1. Ensure proposed networks and technical infrastructure conform to established VA standards for seamless technology integration, interoperability and information accessibility and usability.	A. Develop a Veteran Centered IT Architecture to promote Department-wide interoperability and data sharing.	VistA Voice, Video and Data Communications Transition Program
	B. Ensure VA information assets are adequately protected against unauthorized access, theft, misuse, or loss.	Information Security Program
2. Support departmental strategic planning and performance goals.	A. Make planning, budgeting, and evaluation mutually dependent within the IT capital investment process.	Integrated Financial Management System
	B. Recruit and maintain an effective IT workforce that will position VA to leverage developing technologies that will provide new and enhanced services to veterans.	HR-LINKS
	C. Create high-leverage partnerships with Federal, state, and private sector IT leadership groups.	GCPR
3. Promote and manage VA cross-cutting initiatives for the benefit of the veteran.	A. Establish data standards for sharing and administration of VA corporate information.	Electronic Commerce
	B. Apply innovative technology to business functions and service delivery.	C&P Benefits Replacement Program Virtual VBA BOSS
4. Establish processes to support sound capital decision-making for IT.	A. Provide a portfolio of capital IT investments that maximizes return at an acceptable level of risk and sets investment priorities.	(Support for this objective comes not from a specific project but rather OI&T's management of capital investment review for IT proposals.)
	B. Maintain an integrated project team and process to support sound capital decision making.	(Support for this objective comes not from a specific project but rather OI&T's management of capital investment review for IT proposals.)

CROSS-CUTTING OPPORTUNITIES

The Department's cross-cutting issues and opportunities are specific and actionable. One or more IT initiatives will likely arise from each of them. VA is already undertaking some initiatives in these areas.

- Provide an infrastructure that will allow veterans to conduct businesses with VA electronically, to access and/or update personal information and to process transactions and provide a unified and consistent view of this information.
 - Internet home page
 - VA Corporate Information Repository
 - 800 telephone services
 - Kiosks
 - PKI
 - Common Customer Service Environment (CSE) Graphical User Interface
 - Expert system for determination of potential benefits eligibility
- Provide for employee and managerial self-servicing.
 - Direct access by employees to their records in human resources systems
 - E-mail and office automation tools that improve productivity individually or collaborative

- Provide for an infrastructure that will allow for internal (VA-wide) sharing of information.
 - Master Veteran Record (MVR)
 - Integrated Department-wide e-mail system
 - VA Web site
 - Intranet
 - Electronic record-keeping
 - Video-conferencing
 - Gateway-resident CSE transaction broker and interface engine
 - Workflow automation for process integration and standardization
- Coordinate and manage the flow of automated information between VA and other government and non-government agencies to set cross-agency priorities.
 - DoD initiatives (DD-214, transfer of medical records, discharge physical)
 - Social Security matching
 - Department of Treasury interfaces
 - State and local governments (video-conferencing, optical imaging, telemedicine)
 - National Veteran Service Organizations (video-conferencing), private hospitals (video conferencing, optical imaging, telemedicine)
 - State welfare agencies

- Create an electronic commerce technologies program to accelerate elimination of paper transactions.
 - Electronic funds transfer and Electronic Data Interchange (EDI)
 - SMART cards
 - Purchase cards
 - Electronic benefits applications
- Ensure that VA core systems and their services will not be disrupted.
 - Risk Assessments
 - Contingency planning
 - Security planning
- Ensure access to service record and eligibility data, to include:
 - Enrollment
 - Beneficiary Identification and Record Locator System (BIRLS)
 - Authoritative Copy of Record for customer ID data
 - Electronic imaging, indexed storage, and VA-wide retrieval on demand of claim folders
- Ensure state-of-the-art wide area network capacity and services to meet existing and future business needs.
- Consolidate and integrate business processes across organizations through the use of information technology.

Appendix A– ONE VA VISION OF INFORMATION TECHNOLOGY ENHANCED CUSTOMER SERVICE –IT ENHANCED FUNCTIONAL CAPABILITIES

VA INFORMATION TECHNOLOGY (IT) STRATEGIC PLAN

IT ENHANCED FUNCTIONAL CAPABILITIES

Customer Service

1. *Telephone-based, One VA Veteran Service Representatives (VSRs).* Accessed through national and regional automated call distribution systems, well-trained Veteran Service Representatives (VSRs) operating in regional customer service centers provide first-level, telephone-based services to veterans and their families that span all VA lines of business.

2. *Common CSE Graphical User Interface.* As part of VA's automated Customer Service Environment (CSE), VSRs use a common, graphical user interface (GUI) as their dominant tool for gaining access to the information they need from a host of production systems in order to provide real-time, first-level customer response.

3. *Gateway-resident CSE Transaction Broker and Interface Engine.* As part of the VA CSE, a gateway-resident transaction broker and interface engine mediates real-time queries and real-time or delayed updates (initiated from the common CSE GUI) of the relevant VA production databases or replications of them.

4. *Expert System for Determination of Potential Benefits Eligibility.* VSRs and claims adjudicators use an automated eligibility determination expert system to help them determine a customer's potential eligibility for any or all VA benefits and services. The system automatically matches the customer's profile with the statutory eligibility rules of each benefit program or service.

5. *Internet E-mail between Customers and VA.* VA provides its customers the opportunity to communicate with VSRs and functional specialists, including primary health care providers, through Internet-based electronic mail. Functional specialists control the distribution

of their own e-mail addresses.

Customer Self-service

6. *Telephone-based Self-service.* Customers and VSOs can call a single toll-free number to gain access to a range of telephone-based self-service transactions enabled by VA's automated Customer Service Environment (CSE), 24 hours a day, 7 days a week.

7. *Internet-based Self-service.* Customers or VSOs can use a personal computer from home, from a public building, or from a VSO office and, with verifiable identification, gain access to VA self-service transactions through the Internet that are supported by the CSE, 24 hours a day, 7 days a week.

8. *Dynamic Fact-Based Approach and Digital Certificates for Authentication of Self-service Users.* Identification and authentication of veterans requesting access to veteran-confidential self-service transactions is accomplished for both telephone and Internet access through a dynamic fact-based approach, and supplemented with digital certificate technology for Internet access.

Internal Data Sharing and Exchange

9. *Authoritative Copy of Record for Customer ID Data.* A single VA production system maintains the authoritative copy of record of all veteran identification and basic eligibility determination data that is needed by multiple lines of business. A software module in the CSE automatically ensures that the authoritative copy of record and all full or partial copies of it that are maintained by other VA systems are kept in sync.

10. *Fully Compatible, Interoperable E-mail within VA.* All organizations of VA and its partners can readily send and receive secure electronic mail to/from each other, including attachments of compound documents containing any type of data.

11. *Electronic Imaging, Indexed Storage and VA-wide Retrieval On Demand of Claims Folders and Medical Records.* For all active health care patients and benefits claimants, VA routinely creates scanned images of any hardcopy medical records and all documents that support their claims and health care, indexing and storing them for fast electronic dissemination and retrieval on demand by authorized VA professionals, VSOs, or customers.

12. *Widespread Use of Video-Conferencing.* Every VA facility is equipped with interoperable and compatible, conference style and/or desktop video-conferencing technology, making substantial use of this technology for geographically remote clinical consultations and patient examinations (telemedicine), and to conduct meetings and hearings related to claims adjudication and appeal.

13. *Workflow Automation for Process Integration and Standardization.* VA uses network-based, interoperable, and compatible workflow automation software to manage the interdependent activities of standard, high volume, customer service processes (e.g., claims and appeals processing, common clinical procedures).

14. *Complete Data Communications Connectivity and Interoperability.* The VA data communications infrastructure of its WAN and all LANs enables complete VA-wide connectivity and interoperability, providing seamless transport of all types of data among all its processing platforms.

External Data Sharing and Exchange - Federal Government

15. *Robust Electronic Exchange of Veteran Personnel and Medical Data with DoD.* VA electronically acquires from DoD, both on demand and through rule-based dissemination a) the fully automated medical records of all veterans who become patients in the VA

health care system, records that conform to a standard format used by DoD and VA, and b) all personnel data about veterans and their dependents that is pertinent to qualifying and servicing them as VA customers.

16. *Routine Electronic Data Exchange with Other Government Agencies.* VA professionals conduct interactive sessions with other government agency servers to assist individual customers in real time, and VA servers routinely communicate with servers of other government agencies, interchanging large data files to make automated adjustments to veteran data maintained by VA's benefit delivery systems.

17. *Automated Customer Income Verification.* Manual income verification processes are replaced with inter-

agency sharing of veterans' income data and benefit adjustments are automatically and retroactively applied.

External Data Sharing and Exchange - Non-Federal Government

18. *Direct Deposit of All Customer Benefit Payments.* VA uses electronic funds transfer technology to directly deposit monetary entitlements into the bank accounts of every qualifying veteran and veteran's dependents.

19. *Paperless Data Exchange with Commercial Partners.* In its business dealings with all commercial partners who provide benefits and services to VA customers on VA's behalf, VA exchanges all data electronically.

Customer Outreach and Feedback

20. *WWW for Customer Outreach.* VA uses the World Wide Web (WWW) as one method of information dissemination to the general veteran population.

21. *Built-in Customer Feedback Mechanisms.* VA's automated Customer Service Environment (CSE) has built-in customer feedback mechanisms that veterans and VSO representatives use to express their likes and dislikes about the actual delivery of benefits and services as well as the assistance they received from VA to obtain them. The data collected is fed to a customer complaint tracking and follow-up system.

Appendix B – Planning Timeline

VA INFORMATION TECHNOLOGY (IT) STRATEGIC PLAN

OCTOBER

The Office of Planning and Analysis Issues Call for VA Strategic Plans. This call for 5-year plans signals the beginning of the planning cycle.

DECEMBER

The CIO Investment Panel Confirms VA Strategic Plan. The Government Performance and Results Act (GPRA) for the first time puts into law the means for developing strategic plans and linking them to resource requests. VA's Strategic Plan will be confirmed or updated each December. IT is a key component, some would say an inseparable component, of all VA programs and of management's long-term vision concerning how to improve these programs. The focus of this VA IT Strategic Plan is on what needs to be done to accomplish VA's mission and meet customer expectations, while leaving program execution decisions up to the individual program offices.

JANUARY

The CIO Investment Panel Develops IT Strategic Plan. Though the IT Strategic Plan covers a five-year period, it will need to be reviewed for applicability each year. The IT Strategic Plan defines the Department's IT mission, goals, and objectives; cross-cutting opportunities that require a collaborative solution; and a process for IT investment decision-making. It provides a situation assessment, including a review of legislation, IT forces, and the current VA infrastructure. The result of this process is a Department level IT Portfolio

of strategic technology investments sponsored by the CIO Council and subsequently approved by the Department's Capital Investment Board (CIB). Performance gaps in the existing portfolio give rise to new strategic and cross-cutting opportunities.

FEBRUARY

The Office of Financial Management and the Office of Information and Technology Issue Call for Capital Plan Applications. This planning call defines the capital planning process, timetable, and information that must be submitted for each affected project. Projects that do not meet review thresholds and other criteria will be part of capital planning; however, they will not require CIB examination.

Those projects that meet threshold and other criteria will go forward to the CIB. Project sponsors will be required to complete IT Applications.

These data collection instruments ask for concise narrative statements describing each project, its objectives, expected benefits, risk management strategies and budget information. Completed Applications for each project must contain sufficient information for subsequent portfolio analysis steps. Though what is reported to OMB and Congress will be summarized, this backup material can be used to answer more detailed follow up questions. The Applications contain cost and performance specifics in support of the VA's Budget and Performance Plans.

The Office of Policy and Analysis Sends a Draft of the Strategic

Plan to OMB. The Strategic Plan will include a comprehensive mission statement; long-term goals for the Department and how they will be achieved; description of the relationship between annual performance goals in the Annual Performance Plan and the long-term goals in the Strategic Plan; and identification of external factors that could affect achievement of long-term goals.

APRIL

The Office of Financial Management Issues Calls for Budget and Performance Plans. These calls are issued by the Office of Budget and ask for detailed fiscal and performance information about projects requiring appropriations from Congress. The budget will also provide the financial blueprint for all Department projects. Information is provided for all VA efforts, including capital projects. To maintain consistency, data provided for the budget and performance plan should match data being submitted in IT Applications.

The Office of Policy and Analysis Sends Strategic Plan to OMB and Congress. At this point in the process, recommendations from OMB have been reviewed and the Strategic Plan updated accordingly. The final Strategic Plan is then sent to OMB and the Congress.

MAY

The CIO Investment Panel Evaluates IT Initiatives. This analytical step begins with the CIO Investment Panel using information contained in the IT Applications contrasted with the previous year's Portfolio as a baseline. Over a period of years, the accumulated

Applications provide an historical record of actual progress juxtaposed against cost and performance targets.

Existing and proposed projects are evaluated against performance, affordability, life cycle cost, technology integration issues, risk and management capacity criteria. These criteria may be updated annually as the VA Strategic Plan changes and/or the evaluation process is refined. The selection process focuses on a complete portfolio of IT investments that must compete for funding, not just new projects. Even though sponsoring organizations will have chosen projects based on appropriate criteria to advance through the capital investment process, the CIO Investment Panel selection process may still remove some initiatives.

Project evaluations are conducted by a Departmental cross-organizational team. The result of this analysis is a Departmental consensus position—as opposed to an aggregation of separate analyses conducted by OI&T. The outcome will be a ranking of projects and supporting analyses that can be used by senior managers to make the actual portfolio decisions. Though projects will have undergone a selection process within their sponsoring organizations prior to submission as IT capital investments, there may be some that still fall out of the capital investment process.

Present IT Portfolio to CIO Council. The CIO Council will review the IT Portfolio package, which contains all source documentation, including IT Applications, IT scoring sheets, and any relevant reports (e.g., GAO reports, congressional interest documents, and in-process and post-implementation review findings). In addition, the package will include an analysis by the CIO Investment Panel of the portfolio of IT investments and Project Criteria Ranking Sheet, which is a summary of the scoring of all proposed investments. After its own comparisons and tradeoffs, the Council will recommend a strategic mix of IT projects (new, ongoing, mission-critical, infrastructure, cross

functional, administrative and R&D) for presentation to the CIB.

JUNE

Present Portfolio to CIB. The CIO Council will present its recommendations for the IT portion of the Capital Investment Portfolio, which will include its assessment of existing investments, as well as recommendations for new or revised undertakings.

CIB Approves Capital Plan. The CIB will assemble to review and approve or disapprove investment plans for the Department's major capital assets. For purposes of capital planning and programming, computer hardware and software are considered capital assets. (A capital asset is defined as: land, structures, equipment and intellectual property [including software] that is used by the federal government and has an estimated useful life of two years or more.) The CIO Council's IT investment portfolio, gap analysis and supporting documentation will be an input to the Board's decision-making process.

The Office of Financial Management and the Office of Information and Technology Review Budget and Performance Plans. The results of the Board's decisions will be contrasted with the Department's Budget and Performance Plan to ensure consistency of the presentation to OMB.

AUGUST

The Office of Financial Management Sends Draft Capital Plan to OMB. At this point, references to IT strategies, performance and priority projects *must* agree.

OMB's Capital Programming Guide suggests the following elements be included in agency capital plans: statement of mission, strategic goals and objectives and annual performance plans; description of the planning phase; baseline assessment of

the existing portfolio; justification for spending for proposed new capital assets; plans for proposed capital assets once in use; summary of risk management plan; and coordination with OMB guidance.

SEPTEMBER

The Office of Financial Management Sends Capital Plans and Budget and Performance Plans to OMB. After the budget is defined, there will always be instances where new requirements are introduced by legislation or otherwise. In those "exceptions," funding will be absorbed by an organization, or the CIO Council and the CIB will need to revisit investment plans for the Department.

OCTOBER

The Office of Financial Management Reports VA Annual Performance to Congress.



IT ORGANIZATIONAL ROLES AND RESPONSIBILITIES

Several individuals and groups have roles in IT strategic planning. They are the Department CIO, CIO Council, Administration CIOs, CIO Investment Panel, and the VA CIB. Following is a discussion of the roles and responsibilities of those individuals and groups as they relate to the VA IT strategic planning process:

Department CIO – The Department CIO chairs the CIO Council. The incumbent serves as the principal advisor to the Secretary on all IT matters, coordinates and manages the Department-wide implementation of the Clinger-Cohen Act of 1996, and provides oversight for IT.

Administration CIOs – VBA and VHA each have CIOs. These individuals provide direction, leadership, and management over information management activities at the Administration level. The Administration CIOs serve as an independ-

ent and objective lever between the business components and IT components.

CIO Council – The CIO Council was established to provide a corporate forum for Departmental IT management. The CIO Council supports the CIO’s efforts, and provides advice and corporate perspective for IT plans and investments. The CIO Council membership is comprised of the VHA and VBA CIOs, and representatives from NCA, the Office of Financial Management (OFM), the Office of Planning and Analysis (OP&A) and the Board of Veterans Appeals (BVA). The CIO Council is chaired by the VA CIO.

VA CIO Investment Panel – The CIO Investment Panel, on behalf of the CIO Council, develops the VA IT Strategic Plan and provides advice and counsel regarding IT investment proposals submitted as part of the Capital Investment Process. This Work Group is composed of representatives from VHA, VBA, NCA, OP&A, OFM, Office of Budget, Office of Acquisition and Materiel Management (OA&MM) and the Office of Information and Technology (OI&T). Members were designated by the CIO or CIO Council.

VA Capital Investment Board - The VA CIB was established to ensure that all VA capital investment

decisions support the Department’s and administrations strategic plans, goals, and objectives.

In summary, a VA IT Strategic Plan requires a combination of top-down direction, horizontal cooperation and data-driven analyses. The CIO and the CIO Council provides leadership and direction, ensuring that both business and IT objectives are met. The CIB determines which IT investments will be included in the Agency Capital Plan (ACP).

Appendix C – Bibliography of Planning Documents

VA INFORMATION TECHNOLOGY (IT) STRATEGIC PLAN

<ul style="list-style-type: none">➤ "Evaluating Information Technology Investments: A Practical Guide," November, 1995.➤ GSA's "An Analytical Framework for Capital Planning and Investment Control for Information Technology," May, 1996.➤ OMB's "Circular A-11 Part 3: Planning, Budgeting, and Acquisition of Fixed Assets," July, 1996.➤ The Raines Rules, "Funding Information Systems Investments," October, 1996.	<ul style="list-style-type: none">➤ GSA's "Performance-Based Management: Eight Steps to Develop and Use Information Technology Performance Measures Effectively," December, 1996.➤ GAO's "Assessing Risks and Returns: A Guide for Evaluating Federal Agencies' IT Investment Decision-Making," (GAO/AIMD-10.1.13), February, 1997.➤ OMB's "Capital Programming Guide: Version 1.0," July, 1997 (OMB Circular A-11, Part III, Appendix).➤ GAO's "Leading Practices in Capital Decision Making," (GAO/AIMD-99-32), December, 1998.	<ul style="list-style-type: none">➤ GAO's "Information Management Reform: Effective Implementation Is Essential For Improving Federal Performance" (GAO/T-AIMD-96-132).➤ GAO's "Information Technology Investment: Agencies Can Improve Performance, Reduce Costs, and Minimize Risks" (GAO/AIMD-96-94).➤ GAO's "Information Security: Serious Weaknesses Place Critical Federal Operations and Assets at Risk" (GAO/AIMD-98-92).➤ GAO's "Information Security: Computer Hacker Information Available on the Internet" (GAO/AIMD-96-108).
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