

Exhibit 300: Part I: Summary Information and Justification (All Capital Assets)

I.A. Overview

1. Date of Submission:	8/25/2006
2. Agency:	Department of State
3. Bureau:	RM/DCFO/GFMS Global Financial Management System
4. Name of this Capital Asset:	Joint Financial Management System (JFMS)
5. Unique Project (Investment) Identifier: (For IT investment only, see section 53. For all other, use agency ID system.)	014-00-01-01-01-1510-00
6. What kind of investment will this be in FY2008? (Please NOTE: Investments moving to O&M ONLY in FY2008, with Planning/Acquisition activities prior to FY2008 should not select O&M. These investments should indicate their current status.)	Mixed Life Cycle
7. What was the first budget year this investment was submitted to OMB?	FY2005

8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap:

The Joint Financial Management System (JFMS) investment is a cooperative effort by the Department of State and the U.S Agency for International Development (USAID) to improve service and save money through collaboration on financial systems and functions. At issue was the pursuit of separate implementations of the same COTS financial system software when a common financial management system would improve efficiency based on joint integration of systems, strategic planning and joint operations. JFMS has created a common financial platform for State and USAID to manage all domestic and overseas financial management activities. The JFMS investment combines the former State Department Global Financial Management System (GFMS) and USAID Phoenix investments onto a common financial management platform located at the State Department Financial Services Center in Charleston, SC. along with a common COOP facility at the State Department's Beltsville facility. The first portions of JFMS are now operational for USAID and State. USAID is in production on the new system both domestically and overseas. State is in production at 168 posts overseas and is in the final stages of deployment domestically. This OMB 300 covers the costs associated with the remaining DME for State's domestic deployment and the Steady State costs associated with USAID and State for the components of JFMS already in production. As a result of this collaborative effort, the following benefits will be realized: * Joint performance testing * Joint 23x6 computer operations * Co-licensing and co-hosting of application and system software * Co-hosting of COOP facilities.

9. Did the Agency's Executive/Investment Committee approve this request?	Yes
a. If "yes," what was the date of this approval?	8/4/2006
10. Did the Project Manager review this Exhibit?	Yes
12. Has the agency developed and/or promoted cost effective, energy efficient and environmentally sustainable techniques or practices for this project.	Yes
a. Will this investment include electronic assets (including computers)?	Yes
b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only)	No

1. If "yes," is an ESPC or UESC being used to help fund this investment?	
2. If "yes," will this investment meet sustainable design principles?	
3. If "yes," is it designed to be 30% more energy efficient than relevant code?	
13. Does this investment support one of the PMA initiatives?	Yes
If "yes," check all that apply:	Financial Performance, Expanded E-Government, Competitive Sourcing, Right Sized Overseas Presence
13a. Briefly describe how this asset directly supports the identified initiative(s)?	JFMS supports three of the five Government-wide initiatives in the PMA. JFMS has at its very core objective, many of the key objectives stated in the PMA, especially using an IT investment in a joint, multi-agency system to "break down obsolete bureaucratic divisions" and (eliminate) "wasteful and redundant investments". The three PMA initiatives supported include Financial Management; Expanding Electronic Government and Competitive Sourcing as well as Right Sized Overseas Presence.
14. Does this investment support a program assessed using the Program Assessment Rating Tool (PART)? (For more information about the PART, visit www.whitehouse.gov/omb/part .)	No
a. If "yes," does this investment address a weakness found during the PART review?	No
b. If "yes," what is the name of the PART program assessed by OMB's Program Assessment Rating Tool?	
c. If "yes," what PART rating did it receive?	
15. Is this investment for information technology?	Yes
If the answer to Question: "Is this investment for information technology?" was "Yes," complete this sub-section. If the answer is "No," do not answer this sub-section.	
For information technology investments only:	
16. What is the level of the IT Project? (per CIO Council PM Guidance)	Level 3
17. What project management qualifications does the Project Manager have? (per CIO Council PM Guidance):	(1) Project manager has been validated as qualified for this investment
18. Is this investment identified as "high risk" on the Q4 - FY 2006 agency high risk report (per OMB's "high risk" memo)?	Yes
19. Is this a financial management system?	Yes
a. If "yes," does this investment address a FFMI compliance area?	No
1. If "yes," which compliance area:	
2. If "no," what does it address?	Consolidation of USAID and State Department financial management systems onto a common platform at the State Department's Charleston Financial Center and the Beltsville COOP facility. Cost savings generated by sharing of services contracts, licensing and operations staff, plus benefits of consolidated performance testing, release management, and joint technology upgrades. Enterprise licensing covers both agencies for all overseas financial operations.

b. If "yes," please identify the system name(s) and system acronym(s) as reported in the most recent financial systems inventory update required by Circular A-11 section 52

Central Financial Management System (CFMS) Regional Financial Management System (RFMS) Global Financial Management System (GFMS)

20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)

Hardware	13
Software	5
Services	75
Other	7

21. If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and included in your agency inventory, schedules and priorities? N/A

23. Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval? Yes

I.D. Performance Information

In order to successfully address this area of the exhibit 300, performance goals must be provided for the agency and be linked to the annual performance plan. The investment must discuss the agency's mission and strategic goals, and performance measures must be provided. These goals need to map to the gap in the agency's strategic goals and objectives this investment is designed to fill. They are the internal and external performance benefits this investment is expected to deliver to the agency (e.g., improve efficiency by 60 percent, increase citizen participation by 300 percent a year to achieve an overall citizen participation rate of 75 percent by FY 2xxx, etc.). The goals must be clearly measurable investment outcomes, and if applicable, investment outputs. They do not include the completion date of the module, milestones, or investment, or general goals, such as, significant, better, improved that do not have a quantitative or qualitative measure.

Agencies must use Table 1 below for reporting performance goals and measures for all non-IT investments and for existing IT investments that were initiated prior to FY 2005. The table can be extended to include measures for years beyond FY 2006.

Performance Information Table 1:

Fiscal Year	Strategic Goal(s) Supported	Performance Measure	Actual/baseline (from Previous Year)	Planned Performance Metric (Target)	Performance Metric Results (Actual)
2004	Information resources-fully modernized, secure and advantageous IT infrastructure and information systems, relying on commercial services and approaches. Establish and maintain infrastructure to support policy objectives.	Establish joint requirements for JFMS and develop joint implementation steps and timelines. Obtain official agreement	No joint requirements, implementation steps and timelines	Completion of joint requirements analysis and official acceptance of a joint implementation plan not later than October 1, 2004	Completed Planning Documents: -Project Charter - Project Management Plan - Work Breakdown Structure (WBS) - Risk Management Plan

2004	Information resources-fully modernized, secure and advantageous IT infrastructure and information systems, relying on commercial services and approaches. Establish and maintain infrastructure to support policy objectives.	Coordinate State and USAID contracts with financial vendor	Independent Financial system contracts with same vendor	Achieve identical (lowest) rate/hour	Achieved 10% reduction in USAID vendor labor rates for financial system implementation
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All new IT investments initiated for FY 2005 and beyond must use Table 2 and are required to use the Federal Enterprise Architecture (FEA) Performance Reference Model (PRM). Please use Table 2 and the PRM to identify the performance information pertaining to this major IT investment. Map all Measurement Indicators to the corresponding "Measurement Area" and "Measurement Grouping" identified in the PRM. There should be at least one Measurement Indicator for at least four different Measurement Areas (for each fiscal year). The PRM is available at www.egov.gov.

Performance Information Table 2:

Fiscal Year	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results
2005	Customer Results	Customer Benefit	Customer Training	Number of trained operations staff on common platform.	5 Trained staff	Train 10 joint operations staff.	10 State and USAID operation staff have been cross trained on the common technical platform for migration of USAID to common technical environment. This training supports achieving benefits in Section 1.B.8 "standardized policies and procedures."
2005	Mission and Business Results	Internal Risk Management and Mitigation	Continuity Of Operations	% reduction in the number of financial systems COOP plans	2 COOP plans	50% reduction to 1 consolidated COOP plan	50% reduction achieved. Established common COOP operation located at State Department's BIMC facility.
2005	Processes and Activities	Management and Innovation	Compliance	% reduction in data warehouse licenses	2 Data Warehouse software licenses.	50% reduction	50% reduction achieved. Procurement completed for joint Data warehouse software. Prototype developed and reviewed with bureaus. The new warehouse will support the benefits described in Section 1.B.8 "better reporting of financial information".
2005	Technology	Reliability and Availability	Availability	Double system availability time from 11 hours per day to 23 hours per day.	12 x 5 joint availability	23 x 6 joint availability	Availability doubled. A 23 x 6 operation was established in Charleston. This increased availability of the financial system and benefits worldwide users as described in Section 1.B.8 giving them greater access to data.
2006	Customer Results	Service Accessibility	Access	Number of USAID Missions connected to JFMS	0 Overseas Missions	51 overseas Missions	51 Overseas USAID Missions can now connect to JFMS in Charleston
2006	Customer Results	Service Coverage	Service Efficiency	System Availability	95% system uptime during published operating hours	98% during published operating hours(23 x 6 1/2 hours per day)	99.4% system uptime23 x 6 1/2 hours per day
2006	Mission and	Financial	Accounting	% reduction in financial	2 financial system	50% reduction to 1	50% reduction achieved.Successfully

	Business Results	Management		production computer operations from two sites to one.	computer operations in USAID Washington and Charleston, SC	financial systems computer operation located in Charleston, SC	reduced financial system operations to one operation in Charleston, SC.
2006	Processes and Activities	Productivity and Efficiency	Efficiency	% reduction in financial system COOP operations from two sites to one.	2 COOP sites	50% reduction to 1 COOP site located at BIMC	Consolidated USAID/State Department financial system COOP operation at one site in BIMC.
2006	Technology	Financial (Technology)	Licensing Costs	Licensing Costs - Consolidate licensing, use enterprise licenses agreements where practical. Achieve cost avoidance of separate USAID overseas licenses. Potential \$2-3M in cost avoidance.	\$0 License Cost Avoidance	\$2-3M License Cost Avoidance	USAID overseas users now under State Department's Enterprise Licensing agreement. USAID no longer pays vendor for these license costs.
2007	Customer Results	Customer Benefit	Customer Training	Number of domestic State users trained on new financial system	0 trained	Train 500 + domestic end users.	
2007	Customer Results	Timeliness and Responsiveness	Response Time	Increase performance of data warehouse load cycle by 50%.	4 hours	2 hours	
2007	Mission and Business Results	Financial Management	Cost Accounting / Performance Measurement	Bureaus using Managerial Cost Accounting module.	No Bureaus using Managerial Cost Accounting module	Managerial Cost Accounting Module in use by 2-3 Bureaus	
2007	Processes and Activities	Financial (Processes and Activities)	Costs	State overseas and domestic financial systems on the same COTS software.	2 COTS software packages	1 COTS software package	
2007	Technology	Information and Data	Data Storage	Timeliness of updates from production database to secondary SAN	24 hour update cycle	Continuous Mirror update to secondary SAN (every few minutes)	
2008	Customer Results	Service Quality	Accuracy of Service or Product Delivered	User Group Survey Results	No User Survey	User Survey conducted for all domestic users.	
2008	Mission and Business Results	Financial Management	Reporting and Information	Data Warehouse Coverage	Financial Data Only	Incorporate Access to Intergated Acquisition and Managerial Cost data	
2008	Processes and Activities	Quality	Errors	Number of rejects between overseas and domestic databases	10%	5%	
2008	Technology	Financial (Technology)	Operations and Maintenance Costs	Service and Maintenance Fees for legacy Domestic COTS software	\$ 300,000/year	Reduce to \$0	

I.E. Security and Privacy

In order to successfully address this area of the business case, each question below must be answered at the system/application level, not at a program or agency level. Systems supporting this investment on the planning and operational systems security tables should match the systems on the privacy table below. Systems on the Operational Security Table must be included on your agency FISMA system inventory and should be easily referenced in the inventory (i.e., should use the same name or identifier).

All systems supporting and/or part of this investment should be included in the tables below, inclusive of both agency owned systems and contractor systems. For IT investments under development, security and privacy planning must proceed in parallel with the development of the system/s to ensure IT security and privacy requirements and costs are identified and incorporated into the overall lifecycle of the system/s.

Please respond to the questions below and verify the system owner took the following actions:

1. Have the IT security costs for the system(s) been identified and integrated into the overall costs of the investment:	Yes
a. If "yes," provide the "Percentage IT Security" for the budget year:	1
2. Is identifying and assessing security and privacy risks a part of the overall risk management effort for each system supporting or part of this investment.	Yes

8. Planning & Operational Systems - Privacy Table:

Name of System	Is this a new system?	Is there a Privacy Impact Assessment (PIA) that covers this system?	Is the PIA available to the public?	Is a System of Records Notice (SORN) required for this system?	Was a new or amended SORN published in FY 06?
Global Financial Management System (GFMS)	No	Yes.	Yes.	Yes	No, because the existing Privacy Act system of records was not substantially revised in FY 06.
Joint Financial Management System (JFMS) - ITAB #872	No	Yes.	Yes.	Yes	No, because the existing Privacy Act system of records was not substantially revised in FY 06.
Regional Financial Management System (RFMS)	No	Yes.	Yes.	Yes	No, because the existing Privacy Act system of records was not substantially revised in FY 06.

I.F. Enterprise Architecture (EA)

In order to successfully address this area of the business case and capital asset plan you must ensure the investment is included in the agency's EA and Capital Planning and Investment Control (CPIC) process, and is mapped to and supports the FEA. You must also ensure the business case demonstrates the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

1. Is this investment included in your agency's target enterprise architecture?	Yes
a. If "no," please explain why?	
2. Is this investment included in the agency's EA Transition Strategy?	Yes

a. If "yes," provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment.

Joint
Financial
Management
System
(JFMS)

b. If "no," please explain why?

3. Service Reference Model (SRM) Table:

Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to <http://www.whitehouse.gov/omb/egov/>.

Agency Component Name	Agency Component Description	Service Domain	FEA SRM Service Type	FEA SRM Component	FEA Service Component Reused Name	FEA Service Component Reused UPI	Internal or External Reuse?	BY Funding Percentage
Data Warehouse	Support the archiving and storage of large volumes of data	Back Office Services	Data Management	Data Warehouse			No Reuse	5
Activity Based Management	Support a defined, specific set of Finance-related tasks for a given objective	Back Office Services	Financial Management	Activity-Based Management			No Reuse	3
Auditing	Support the examination and verification of records for accuracy	Back Office Services	Financial Management	Auditing			No Reuse	5
Billing and Accounting	Support the charging, collection and reporting of an organization's accounts	Back Office Services	Financial Management	Billing and Accounting			No Reuse	55
Credit/Charge	Support the use of credit cards or electronic funds transfers for payment and collection of products or services	Back Office Services	Financial Management	Credit / Charge			No Reuse	2
Currency Translation	Support the calculations and difference between multiple mediums of exchange	Back Office Services	Financial Management	Currency Translation			No Reuse	5
Debt Collection	Support the process of accounts receivable	Back Office Services	Financial Management	Debt Collection			No Reuse	3
Expense Management	Support the management and reimbursement of costs paid by employees or an organization	Back Office Services	Financial Management	Expense Management			No Reuse	2
Internal Controls	Support the methods and procedures used by the organization to safeguard its assets, produce accurate accounting data and reports, contribute to efficient operations, and encourage staff to adhere to management policies and mission requirements	Back Office Services	Financial Management	Internal Controls			No Reuse	4
Payment/Settlement	Support the process of accounts payable	Back	Financial	Payment /			No Reuse	15

		Office Services	Management	Settlement				
Issue Tracking	Receive and track user-reported issues and problems in using IT systems, including help desk calls	Support Services	Systems Management	Issue Tracking	Issue Tracking	014-00-02-00-01-1100-00	Internal	1

Use existing SRM Components or identify as "NEW". A "NEW" component is one not already identified as a service component in the FEA SRM.

A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 53 submission.

'Internal' reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. 'External' reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government.

Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the funding level transferred to another agency to pay for the service.

4. Technical Reference Model (TRM) Table:

To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component	FEA TRM Service Area	FEA TRM Service Category	FEA TRM Service Standard	Service Specification (i.e. vendor or product name)
Billing and Accounting	Component Framework	Business Logic	Platform Dependent	BMC Control-M
Billing and Accounting	Component Framework	Business Logic	Platform Dependent	Momentum Financial Application
Issue Tracking	Component Framework	Business Logic	Platform Dependent	Remedy (Internal UTT System)
Data Warehouse	Component Framework	Data Management	Reporting and Analysis	Business Objects XI
Billing and Accounting	Service Interface and Integration	Integration	Middleware	BEA Web Logic
Billing and Accounting	Service Platform and Infrastructure	Hardware / Infrastructure	Network Devices / Standards	CISCO Routers
Data Warehouse	Service Platform and Infrastructure	Hardware / Infrastructure	Peripherals	Network Appliance SAN
Auditing	Service Platform and Infrastructure	Hardware / Infrastructure	Peripherals	Spectra Logic Tape Management
Billing and Accounting	Service Platform and Infrastructure	Hardware / Infrastructure	Servers / Computers	HP Servers (360/560/740)
Data Warehouse	Service Platform and Infrastructure	Software Engineering	Test Management	Mercury LoadRunner
Billing and Accounting	Service Platform and Infrastructure	Software Engineering	Test Management	Mercury Winrunner
Billing and Accounting	Service Platform and Infrastructure	Support Platforms	Platform Dependent	Windows Enterprise Server 2003

Service Components identified in the previous question should be entered in this column. Please enter multiple rows for FEA SRM Components supported by multiple TRM Service Specifications

In the Service Specification field, Agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate.

5. Will the application leverage existing components and/or

Yes

applications across the Government (i.e., FirstGov, Pay.Gov, etc)?

a. If "yes," please describe.

The JFMS system will interface with a number of Shared Service Provider systems including eTravel and ePayroll as well as links to the central US Treasury disbursement process. JFMS has created a common financial platform for State and USAID to manage all domestic and overseas financial management activities. The JFMS investment combines the former State Department Global Financial Management System (GFMS) and USAID Phoenix investments onto a common financial management platform located at the State Department Financial Services Center in Charleston, SC. along with a common COOP facility at the State Department's Beltsville facility. The first portions of JFMS are now operational for USAID and State. USAID is in production on the new system both domestically and overseas. State is in production at 168 posts overseas and is in the final stages of deployment domestically. This OMB 300 covers the costs associated with the remaining DME for State's domestic deployment and the Steady State costs associated with USAID and State for the components of JFMS already in production. In addition, this investment supports the continued processing of all ICASS related financial transactions currently being processed by the State Department through RFMS for some 40 USG agencies with an overseas presence.

6. Does this investment provide the public with access to a government automated information system? No

a. If "yes," does customer access require specific software (e.g., a specific web browser version)?

1. If "yes," provide the specific product name(s) and version number(s) of the required software and the date when the public will be able to access this investment by any software (i.e. to ensure equitable and timely access of government information and services).

Exhibit 300: Part II: Planning, Acquisition and Performance Information

II.A. Alternatives Analysis

Part II should be completed only for investments identified as "Planning" or "Full Acquisition," or "Mixed Life-Cycle" investments in response to Question 6 in Part I, Section A above.

In selecting the best capital asset, you should identify and consider at least three viable alternatives, in addition to the current baseline, i.e., the status quo. Use OMB Circular A- 94 for all investments, and the Clinger Cohen Act of 1996 for IT investments, to determine the criteria you should use in your Benefit/Cost Analysis.

1. Did you conduct an alternatives analysis for this project?	Yes
a. If "yes," provide the date the analysis was completed?	8/20/2004
b. If "no," what is the anticipated date this analysis will be completed?	
c. If no analysis is planned, please briefly explain why:	

4. What specific qualitative benefits will be realized?

This extraordinary level of cooperation, between State and USAID in the area of financial management systems and the subsequent migration of JFMS into the State Department SSC, results in significant qualitative benefits because a joint worldwide financial management application and its associated hardware and software infrastructure have been implemented. In addition, through a unique agreement with the COTS software supplier, many of the custom State/USAID features developed as part of this project have been

baselined into the software package for reuse by other federal departments. This will be important to the further expansion and maintenance of the Financial Management SSC. This agreement will reduce both State's and USAID's long-term maintenance costs, as well as provide benefits to other federal agencies requiring these capabilities. As a result of this collaborative effort, the following qualitative benefits will be realized: * Joint financial system planning * Joint performance testing, release management and technical training * Joint 23x6 computer operations * Collaboration on reporting and reporting tools In addition, there are also other collaborative activities underway between State and USAID that have direct impact on JFMS. These other collaboration efforts include: * Joint Enterprise Architecture (EA) planning (which includes JFMS) * Joint Strategic Planning * Collaboration on overseas telecommunications and rollout * Procurement planning (in addition to financial systems work) * Joint Acquisition Management System

II.B. Risk Management

You should have performed a risk assessment during the early planning and initial concept phase of this investment's life-cycle, developed a risk-adjusted life-cycle cost estimate and a plan to eliminate, mitigate or manage risk, and be actively managing risk throughout the investment's life-cycle.

1. Does the investment have a Risk Management Plan?	Yes
a. If "yes," what is the date of the plan?	3/30/2006
b. Has the Risk Management Plan been significantly changed since last year's submission to OMB?	No

c. If "yes," describe any significant changes:

2. If there currently is no plan, will a plan be developed?	
a. If "yes," what is the planned completion date?	
b. If "no," what is the strategy for managing the risks?	

3. Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule:

The JFMS PMO has implemented the following process for evaluating investment risks against plan. The process is one of constant evaluation of the overall project's status against a baseline plan that is reviewed monthly with the Deputy Chief Financial Officer (DCFO). A five year rolling cost forecasting system is used for all tasks within the JFMS program. This 5 year forecast adjusts actual vs forecasted amounts on a monthly basis in order to present the most up-to-date picture of life cycle costs. These costs are then reflected as monthly updates to actual costs contained in the eCPIC system. In addition, all contractor estimates are risk adjusted based on previous contractor performance using a low/medium/high estimation process. The steps to support this risk assessment and life cycle cost adjustment activity include: * Development of an appropriately detailed WBS * Development of a cost, schedule, and performance baseline based on the WBS * Regularly scheduled, detailed, project status reports that provide insight into work accomplished and actual costs * Analysis of report data to determine cost, schedule and performance variances from the baseline * Assessment of project health and identification of corrective actions as appropriate * Development of revised baselines as needed and justified To verify that the contractors are following this standard, all contractors submit deliverables that are directly related to the above process including Work Breakdown Structures (WBS), Organizational Breakdown Structures (OBS), a timed phased budget, and monthly EVMS reports.