

CAPITAL PLANNING AND INVESTMENT CONTROL

I. Purpose

A. This Directive establishes the Department of Homeland Security (DHS) policy for Information Technology (IT) Capital Planning and Investment Control (CPIC) and supplements Acquisition Directive 102-01.

B. CPIC is a decision-making process for capital investments and integrates strategic planning, architecture, security, programming, budgeting, procurement, and the management of the capital investment in support of agency missions and business needs. The term also applies to non-IT assets, including (but not limited to) construction, leases of capital assets, aircraft, vehicles, ships, and acquisition of real property per guidelines by the Office of Management and Budget Circular A-11.

II. Scope

A. This Directive applies throughout DHS.

B. This Directive hereby supersedes Management Directive 4200.1, "Information Technology Capital Planning and Investment Control and Portfolio Management."

III. Authorities

A. Public Law 104-013, "Paperwork Reduction Act"

B. Public Law 104-106, "National Defense Authorization Act for Fiscal Year 1996" (Clinger-Cohen Act of 1996, Title LI, Sections D and E)

C. Public Law 113-291, "Carl Levin and Howard P. McKeon National Defense Authorization Act for Fiscal Year 2015," Title VII, "Acquisition Policy, Acquisition Management, and Related Matters," Subtitle D, "Federal Information Technology Acquisition Reform"

D. Title 40, United States Code (U.S.C.), Section 11302, "Capital Planning and Investment Control"

- E. Title 40, U.S.C., Section 11303, "Performance-based and Results-based Management"
- F. Title 44, U.S.C., Chapter 35, "Coordination of Federal Information Policy"
- G. Title 44, U.S.C., Chapter 36, "Management and Promotion of Electronic Government Services"
- H. For Additional Authorities, see [Appendix A](#).

IV. Responsibilities

- A. The **Joint Requirement Council** reviews, validates, and approves Component-driven analyses of capabilities and requirements and makes recommendations to the Deputy Management Action Group (DMAG) for investment selection.
- B. The **DHS Chief Acquisition Officer (CAO)**:
 - 1. Exercises overall management, administration, and oversight of the Department's acquisition policies and procedures;
 - 2. Serves as Acquisition Decision Authority for Level 1, Level 2 and other specified acquisitions in accordance with Directive 102-01; and
 - 3. Establishes the Master Acquisition Oversight List in accordance with Directive 102-01.
- C. The **DHS Chief Information Officer (CIO)**:
 - 1. Establishes and oversees the CPIC process within the Department, as administered by the Enterprise Business Management Office (EBMO);
 - 2. Reviews all IT programs and coordinates the development and review of the DHS IT portfolio;
 - 3. Reviews the IT investments for the Information Technology Dashboard which provides visibility into program status;
 - 4. Oversees the Department's IT portfolio to meet investment targets;
 - 5. Establishes the necessary executive and technical review governance to comply with the CPIC requirements; and

6. Promotes accountability of CPIC stakeholders, committees, boards, and groups for CPIC process roles and responsibilities and enforces process compliance.

D. The **DHS Chief Financial Officer (CFO)**, conducts annual Program and Budget Reviews (PBR) as part of the Planning, Programming, Budgeting and Execution system. During PBR the CFO together with the DHS CIO, formally assess IT investment portfolio budget and program and present it to the appropriate governance body for their recommendation to the Secretary.

E. The **Component heads**:

1. Establish a CPIC process and governance structure, including a well-defined process of ownership and stakeholder roles and responsibilities;

2. Ensure implementation of the DHS CPIC process within their Components; and

3. Promote accountability of Component CPIC stakeholders, committees, boards, and groups for CPIC process roles and responsibilities and enforces process compliance.

F. The **Component Chief Information Officers**:

1. Manage the Component IT investment portfolio; and

2. Appoint the Component CPIC Administrators.

G. The **Component Chief Financial Officers**:

1. Develop and manage resource plans and execution; and

2. Produce and/or analyze financial information for Component and/or Department decisions.

H. The **DHS Chief Readiness Support Officer**:

1. Reviews non-IT programs, including construction, leases of capital assets, and acquisition of real property programs and coordinates the development and review of the DHS non-IT portfolio; and

2. Oversees development of the Department's non-IT business case submissions per guidelines established by OMB.

- I. The **Component Acquisition Executive (CAE)**:
 1. Implements, manages, and provides oversight of the Component's acquisition processes and as appropriate and coordinates those processes with contracting and procurement processes established by the Head of Contracting Activity; and
 2. Is assigned other duties as set forth per the CAE Designation Memorandum and as described in DHS Instruction 102-01-001, "Acquisition Management Instruction/Guidebook."

- J. The **CPIC Administrator Group (CAG)**:
 1. Ensures transmission of information on the CPIC process to the appropriate parties within the Component;
 2. Provides feedback to the DHS CPIC Branch Chief (within EBMO) on issues, concerns, and improvements;
 3. Reviews Major Business Cases for completeness before submission;
 4. Monitors Major Business Case scoring, and assists Program Management Offices (as necessary) to improve quality of the Major Business Cases; and reports status of Major Business Cases to the OCIO EBMO and to the CAE;
 5. Provides and prioritizes requirements for any systems that support the CPIC process; and
 6. Coordinates required approvals for the Information Technology Dashboard submissions which provide visibility into status of programs.

V. Policy and Requirements

- A. The Department conducts CPIC in accordance with all applicable legislation and OMB guidance. The CPIC process involves all DHS Components and leverages technology investments in support of the DHS mission and strategic plan.

- B. As required by the Clinger-Cohen Act, DHS employs a process for maximizing the value, and assessing and managing the risks of information technology capital investments. The process provides for:
 1. Selection, management, and evaluation of capital investments;

2. Integration with the Department's processes for budget, financial, and program management decisions; and

3. Inclusion of the minimum criteria to be applied in considering whether to undertake a particular investment.

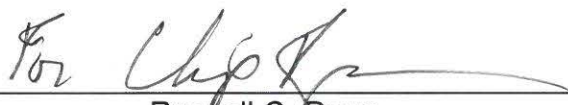
C. The DHS OCIO monitors Department-wide IT investments to ensure that they meet expectations for supporting the DHS mission. In addition, the DHS OCIO actively evaluates best practices from sources internal and external to the Department, for the purpose of improving the CPIC process where significant business value can be realized for stakeholders, customers, and citizens.

VI. Questions

Address any questions or concerns regarding this Directive to the Office of the Chief Information Officer (OCIO), Enterprise Business Management Office (EBMO) at EBMOCPIC@hq.dhs.gov.

Appendix:

[Appendix A](#): Additional Authorities



Russell C. Deyo
Under Secretary for Management

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Date

Appendix A: Additional Authorities

- A. Office of Management and Budget (OMB) Circular A-11, "Preparation, Submission, and Execution of the Budget"
- B. OMB Circular A-94, "Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs"
- C. OMB Circular A-123, "Management's Responsibility for Internal Control"
- D. OMB Circular A-127, "Financial Management Systems"
- E. OMB Circular A-130, "Management of Federal Information Resources"
- F. OMB Memorandum 10-27, "Information Technology Investment Baseline Management Policy"
- G. OMB Memorandum 10-31, "Immediate Review of Information Technology Projects"
- H. 25-Point Implementation Plan To Reform Federal Information Technology Management, U.S. Chief Information Officer, December 2010
- I. DHS Delegation 04000, "Delegation for Information Technology"
- J. DHS Secretary's Memorandum for DHS Leadership, "Joint Requirements Council"
- K. DHS Directive 102-01, "Acquisition Management Directive"
- L. Charter for Department of Homeland Security Joint Requirements Council