

**INVESTMENT ACTION PLAN STANDARD OPERATING PROCEDURE (SOP)**

**Process Purpose:**

The purpose of the Investment Action Plan Standard Operating Procedure (SOP) is to define the process and roles/responsibilities related to reviewing an agency's request for an investment for new or modernized technology or services in functional areas that have a designated Quality Service Management Office (QSMO) per OMB Memorandum M-19-XX, *Centralized Mission Support Capabilities for the Federal Government*. This SOP documents how an agency will coordinate with the Office of Management and Budget (OMB), the General Services Administration (GSA), the respective Quality Service Management Office (QSMO), and Standards Leads teams to determine the most efficient path forward.

This SOP is established to help the government meet key objectives for the QSMOs as defined below:

**Standardize processes and data**

- Reduce the number of system software instances, duplicative feeder systems (e.g., property, fixed assets), and interfaces to the system;
- Leverage and integrate existing enterprise risk management efforts, including strategic planning and internal control processes;

**Reduce operation and maintenance costs**

- Consolidate the number of data centers hosting the system software;
- Consolidate business functions within and across agencies;

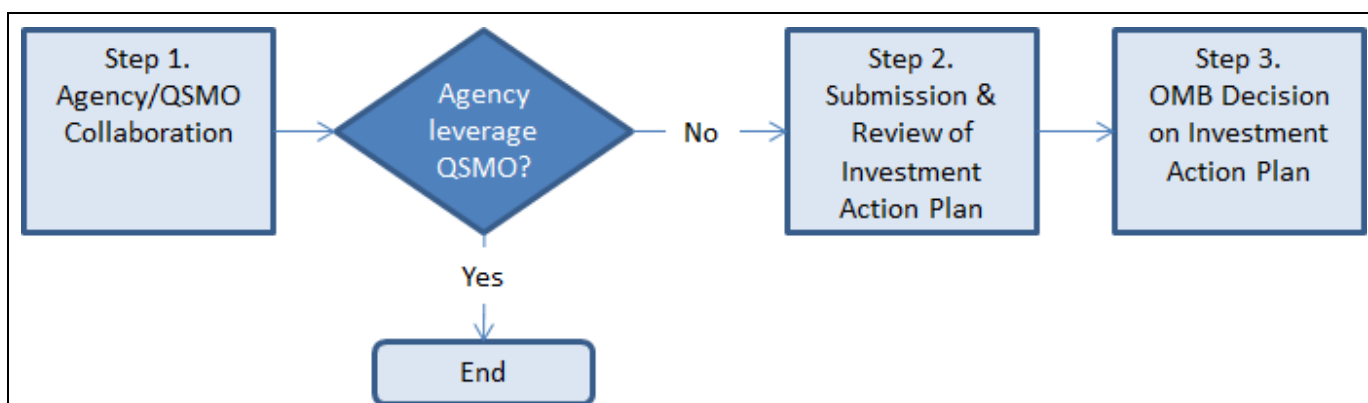
**Modernize and automate processes**

- Move agencies off of outdated and unsupported software;
- Adopt new technologies and centralized solutions; and

**Improve customer satisfaction**

**Process Overview and Scope:**

Per Memo M-19-XX, each agency is expected to seek OMB's approval of proposed acquisitions (threshold to be determined by the respective QSMO) for technology or services related to functions where a QSMO is designated (see <https://ussm.gsa.gov> for full list). In addition to providing a path for using QSMO solutions, the below Investment Action Plan SOP also provides a path for agencies to apply for an exception to the QSMO solution. The SOP includes three key steps: (1) Agency/QSMO Collaboration, (2) Investment Action Plan Submission and Review, and (3) OMB Decision.



It is important to note that all agencies begin the process at Step 1 working to identify their business needs and reviewing those with the QSMO. Steps 2 and 3 are only needed if an agency requests approval to acquire a solution outside of the QSMO services. The Agency's request for an exception to the QSMO-provided solution is conducted through the submission of the Investment Action Plan as shown in Step 2. This process shall precede any formal budget submission from the agency. The Investment Action Plan must be approved by the agency's Senior Accountable Point of Contact (SAPOC), Chief Information Officer (CIO) and OMB, and must demonstrate that a separate procurement for these services results in better value, considering price, timeline, and other factors as needed.

Additionally, M-19-XX provides guidance to legacy Shared Service Providers (SSPs) offering services for which there is a pre-designated or designated QSMO. Specifically, the guidance addresses the requirement to propose a joint business case with the QSMO to accept any new customers, expand services to existing customers, or make investments in technology or services for these functions. See Appendix B: *Legacy SSP and QSMO Joint Business Case Guidance* for specific guidance relating to the joint business case that will be developed by the QSMO and Legacy SSP, and approved by OMB in consultation with the Shared Solutions Governance Board (SSGB), as needed.

## Review Process

1. Agency/QSMO Collaboration <sup>1</sup>	Output:	Owner:
<b>1.1. Requesting Agency Defines Business Needs</b> <ul style="list-style-type: none"> <li>Requesting Agency submits the Vision and appropriate funding documentation in support of the agency's Capital Planning and Investment Control (CPIC) process</li> <li>Requesting Agency provides appropriate documentation to define their business needs, as determined by the QSMO, (see <a href="#">Business Needs Workbook</a>) by:               <ul style="list-style-type: none"> <li>reviewing the standard business activities and capabilities</li> <li>documenting additional mission critical and unique</li> </ul> </li> </ul>	<a href="#">IT Major Business Case</a>  <a href="#">Business Needs Workbook</a>	Requesting Agency SAPOC  Requesting Agency CXO <sup>2</sup> and CIO

<sup>1</sup> The QSMO may develop further engagement guidance for agencies based on specific functional expertise and strategic goals.

<sup>2</sup> The relevant CXO for the functional area, such as the CFO for a financial management system, or the CHCO for the human resources system.

<p>capabilities</p> <ul style="list-style-type: none"> <li>o defining transaction counts and migration needs</li> </ul> <p><a href="#">M3 Activity 1.12</a> provides additional guidance and a link to the Business Needs Workbook</p>		
<p><b><u>1.2. Agency/QSMO Collaboration</u></b></p> <ul style="list-style-type: none"> <li>• Requesting Agency meets with QSMO to present business needs and gain a strong understanding of QSMO offerings and timelines</li> <li>• QSMO assesses if QSMO solutions meet Requesting Agency needs and provides a recommendation with supporting rationale for proposed path forward</li> </ul>	<p>Updated <a href="#">Business Needs Workbook</a> with QSMO input</p> <p>QSMO Recommendation for Path Forward</p>	<p>Requesting Agency Business Owner/PMO</p> <p>Relevant QSMO</p>
<p><b><u>1.3. Requesting Agency Determines whether to Leverage QSMO</u></b></p> <ul style="list-style-type: none"> <li>• If Requesting Agency determines to leverage the QSMO solution, then no further action in this SOP is required. Otherwise, proceed to Step 2 and 3</li> </ul>		
<b>2. Investment Action Plan Submission and Review</b>	<b>Output:</b>	<b>Owner:</b>
<p><b><u>2.1. Agency Investment Action Plan Submission</u></b></p> <ul style="list-style-type: none"> <li>• Requesting Agency Senior Accountable Point of Contact (SAPOC) submits Investment Action Plan and required supporting documentation relating to request to pursue a non-QSMO solution to OMB Resource Management Office (RMO) and relevant OMB Management Office (see Appendix A for <a href="#">Investment Action Plan Guidance</a>)</li> </ul>	<p><a href="#">Investment Action Plan</a></p>	<p>Requesting Agency SAPOC</p>
<p><b><u>2.2. Investment Action Plan Dissemination</u></b></p> <ul style="list-style-type: none"> <li>• OMB Management Office disseminates Agency's Investment Action Plan (including supporting documentation) from Step 2.1 and QSMO Recommendation from Step 1.3 to stakeholders requesting feedback within 10 business days. Stakeholders should leverage list of <a href="#">Key Considerations during Investment Action Plan Review</a> found in Appendix A II</li> </ul> <p>Stakeholders include:</p> <ul style="list-style-type: none"> <li>• OMB RMO</li> <li>• OMB Agency Liaison</li> </ul>	<p>Initial Feedback on Investment Action Plan</p>	<p>Relevant OMB Management Office</p>

<ul style="list-style-type: none"> <li>• Shared Solutions Governance Chair (SSGC)</li> <li>• OSSPI Director</li> <li>• Relevant Standards Lead</li> </ul>		
<p><b><u>2.3. Meeting with Requesting Agency and Investment Review Board</u></b></p> <ul style="list-style-type: none"> <li>• OMB, GSA, QSMO, and Requesting Agency meet to answer questions, address gaps, and gain clarity where needed about the Investment Action Plan. If needed, an updated Investment Action Plan is resubmitted to IRB by Requesting Agency</li> <li>• Investment Review Board (IRB) discusses Requesting Agency's request and QSMO Recommendation. IRB recommends path forward to OMB for next steps, including potential conditions that would be attached to the decision memo (see Appendix A III for a List of Potential Stipulations)</li> </ul> <p><b><u>Investment Review Board Membership</u></b></p> <ul style="list-style-type: none"> <li>• OMB Relevant Management Office</li> <li>• OMB Resource Management Officer</li> <li>• OMB Relevant Agency Liaison (OFCIO)</li> <li>• SSGC</li> <li>• QSMO(s)</li> <li>• Standards Lead</li> <li>• OSSPI</li> </ul>	Investment Review Board Recommendations	All Stakeholders
<b>3. OMB Decision</b>	<b>Output:</b>	<b>Owner:</b>
<p><b><u>3.1. OMB RMO Decision</u></b></p> <ul style="list-style-type: none"> <li>• RMO reviews IRB recommendations, in conjunction with budget request and Agency CPIC documentation to provide recommendation to approve or disapprove Investment Action Plan. If recommendation is to approve, RMO shares additional conditions with OMB Management, as needed</li> </ul>	OMB RMO Approval	OMB RMO
<p><b><u>3.2. SSGB Awareness - optional</u></b></p> <ul style="list-style-type: none"> <li>• OSSPI provides an update to SSGB on the Investment Action Plan recommendations from RMO and IRB and gets advisement, as needed</li> </ul>	SSGB Input	SSGC
<p><b><u>3.3. OMB Decision</u></b></p> <ul style="list-style-type: none"> <li>• OMB Management Office reviews RMO</li> </ul>	OMB Decision Memo	SSGC

## Sharing Quality Services Cross-Agency Priority Goal

<p>recommendation and finalizes decision memorandum to include conditions (see Appendix A III for a <a href="#">List of Potential Conditions</a>), if applicable, in coordination with OMB RMO, SSGC, and the Deputy Director of Management (DDM)</p> <ul style="list-style-type: none"><li>● OMB Management Office distributes decision memo to Requesting Agency and stakeholders</li></ul>		
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## **Appendix A - Detailed Instructions**

### **I. Investment Action Plan Guidance for Requesting Agency**

The Investment Action Plan must include detailed and concrete evidence that supports the agency's justification for not using the QSMO solution and demonstrate why another option is needed to support improved operations and the long-term goals of the agency. The Requesting Agency must provide supporting documentation as detailed below.

1. Agency's narrative justification to deviate from use of QSMO standard solutions set, including, at a minimum, expected benefits and cost savings (or an explanation of why additional cost is justified), expected operational end state, scope, and improved processes that will demonstrate efficiency, savings, and reduced risk for the agency
2. Agency CPIC documentation, including vision, expected benefits, and high-level timeline (see Phase 0 of the M3 playbook)
3. Full cost assessment, by FY, following the shared service financial model template
4. Overview of current system(s) including age, number, and expected plan to decommission; contracts; and security risks (if applicable)
5. Documented business needs including alignment to [government-wide standards](#) and unique requirements
6. QSMO recommendation and supporting rationale for path forward
7. Agency leadership endorsements of the Investment Action Plan request including the names and job titles of agency executives who support this request. At minimum, this list must include the Agency Head or his/her Deputy
8. Acquisition strategy for the alternative solution
9. Workforce impact assessment
10. Name of program owner at Agency

## **II. Key Considerations During Investment Action Plan Review**

Reviewers should use the questions below during their review of the Investment Action Plan submitted by the Requesting Agency or Legacy SSP.

### **Justification for Exception to QSMO**

- Why is the agency not able to use a QSMO solution?
- How will this impact the QSMO operations? What are the agency's plans to migrate to the QSMO?
- Does the QSMO offer any reasonable alternatives that should be considered?

### **Business Risk**

- What operational efficiencies, audit findings, etc. will be addressed by the alternative solution? How does this compare to how they will be addressed by the QSMO solution?
- What is the "burning platform" forcing the timeline?
- When does the agency's contract for the current solution expire? Are there options for extension?
- Does the scope and operational end state make sense for the agency?
- Does the workforce assessment clearly identify impacted workforce and a strategy for addressing the impact?

### **Technical Risk**

- How old is the agency's current system?
- Does the current system have security risks/vulnerabilities?
- Will the implementation of the new solution result in reduced number of legacy systems (assuming the legacy systems will be decommissioned)?

### **Alignment to Standards**

- How are you aligning to the government-wide standards?
- Are there deviations or unique requirements? Are they justified by legislation?

### **Program Management and Cost**

- Is there a sponsor for the program and does the program have cross-CXO support?
- Is the cost reasonable in comparison to similar programs?
- Is there a clear implementation plan in place that demonstrates an agile, phased approach?

### **III. Potential Conditions for Approval**

- Modernize and standardize business processes and data interchanges to the maximum extent possible, using technology to automate when cost effective to do so
- Standardize business processes and data with a view towards eliminating duplicative feeder systems and the number of core financial, acquisition, and property system instances within the Agency
- Reduce operation and maintenance costs through consolidation of applications within the agency and making use of existing shared and centralized services
- Adopt existing data interchanges between the core system and other standard applications to the maximum extent practicable
- Approach the project with modular technology and applications to remain consistent with the expected SaaS outcomes
- Coordinate directly with the Quality Service Management Offices identified for targeted functions to align and coordinate activities to reduce duplication, leverage common resources, and accelerate path forward for both the agency and government-wide QSMO efforts
- Further justify (i.e., business case) the need for modernizing the financial system and obtain agreement to proceed
- Further planning work needs to be done related to process improvement, data cleansing, program management, etc.
- Follow the M3 process (Modernization Framework) to ensure that a clear vision and change management approach are articulated early and in partnership with the QSMO
- The contract shall be structured in such a way to allow for an “off ramp” whereby the Agency can transition off its contract vehicle and move to government-wide solutions when they become available, and when it is cost effective to do so
- The contract shall be constructed in a modular fashion and is aligned with all OMB IT acquisition guidance and policies
- The contract shall be established to only provide services to the agency and no other federal agencies
- The contract requires the vendor to adopt all standards established by the Federal Integrated Business Framework (FIBF) and must ensure that the vendor is contractually required to address any new or modified standards into future software releases
- Customization must be limited, to the maximum extent practicable, and any need for customization must be approved by the standards lead and OMB
- The IT requirements for multiple functional areas are modular rather than integrated to afford the agency maximum practicable opportunity for competition and flexibility should other solutions become available during the acquisition planning and award, and to avoid a customized, vendor specific solution
- Implementation shall follow a phased, agile approach to reduce risk and increase the likelihood of success



### Sharing Quality Services Cross-Agency Priority Goal

- Conduct a comprehensive workforce impact assessment to identify any individuals impacted by improved business processes or technology and identify strategies to address impact

## **APPENDIX B**

### ***Legacy Shared Service Provider (SSP) & QSMO Joint Business Case Guidance***

#### **Process Purpose:**

Per OMB memo M-19-XX *Centralized Mission Support Capabilities for the Federal Government*, “legacy providers offering services for which there is a pre-designated or designated QSMO must propose a joint business case with the QSMO to accept any new customers, expand services to existing customers, or make investments in technology or services for these functions. These joint business cases must be approved by OMB, in consultation with the SSGB as needed.” This Appendix provides guidance and process steps to the Legacy SSPs and QSMOs in developing their joint business cases.

#### **Process Steps:**

Steps 1-5 must be completed in place of Steps 1.1-2.1 documented in the *Investment Action Plan Standard Operating Procedure*. The Legacy SSP and the QSMO are the owners of these steps, and the output is a Joint Business Case as defined in the “Process Guidance” section below.

1. Legacy SSP or QSMO identifies need for Joint Business Case
2. Legacy SSP and QSMO meet to discuss initial thoughts to accept any new customers, expand services to existing customers, or make investments in technology or services based on the Legacy SSP’s existing solution(s)
3. Legacy SSP develops initial business case to justify requested action and submits to QSMO
4. QSMO reviews the initial business case and works with Legacy SSP to either develop a Joint Business Case or disapproves the initial business case. Once the Joint Business Case is developed, the QSMO submits the Joint Business Case along with a memorandum to OMB requesting OMB approval to execute the action defined in the Joint Business Case. If the QSMO does not recommend approval of the initial business case (and is not able to negotiate an agreed upon Joint Business Case with the Legacy SSP), the Legacy SSP may escalate the draft business case to the relevant OMB Management Office for appeal. If the OMB Management Office does not support the initial business case, then the Legacy SSP may appeal to the SSGB. The decision of the SSGB is final, and there is no further appeal
5. If a Joint Business Case is developed, then the Legacy SSP and QSMO submit the Joint Business Case and supporting documentation to the relevant OMB Management Office
6. The Legacy SSP and QSMO meet with the Investment Review Board (IRB) and the IRB makes a recommendation (as defined in Steps 2.2-2.3 of the *Investment Action Plan SOP*)
7. The OMB RMO makes a recommendation, SSGB is updated as needed, and the OMB Management Office reviews RMO recommendation and finalizes decision memorandum

in coordination with OMB RMO, SSGC, and DDM (as defined in Steps 3.1-3.3 of the *Investment Action Plan SOP*)

**Joint Business Case Guidance:**

The Joint Business Case shall define how the approval of an alternative solution to that of the QSMO would aid the Federal government in meeting its key objectives of standardizing processes and data, reducing operations and maintenance costs, modernizing and automating processes, and improving customer experience and overall satisfaction. Additionally, the Joint Business Case must include justification for one or more of the below options<sup>3</sup> with the respective supporting documentation. Refer to the [Modernization and Migration Management \(M3\) Playbook](#) for the Business Needs Workbook and Major IT Business Case guidance referenced below.

- Option 1: Accept New Customer(s)
  - Customer's narrative justification as to why it should deviate from use of QSMO standard solutions set
  - Customer's defined business needs and QSMO feedback (i.e., completed Business Needs Workbook) from the Investment Action Plan SOP
  - Customer's funding documentation in support of the Capital Planning and Investment Control (CPIC) process (i.e. Major IT Business Case) including vision, expected benefits, and high-level timeline
  - Full cost assessment, by FY, following the shared service financial model template
  - Overview of new customer(s) profile
  - Expected benefit to result from implementation of new customer and how it aligns with the QSMO objectives
  - Expected business outcomes and improved processes that will demonstrate efficiency and savings for the customer agency
  - Legacy SSP's leadership endorsements of the request including the names and job titles of agency executives who support the request
  - Workforce impact assessment
  - Name of program owner at Legacy SSP
- Option 2: Expand Services to Existing Customers of the Legacy SSP
  - Customer Agency's narrative justification as to why it should deviate from use of QSMO standard solutions set
  - Customer's Business Needs Workbook (inclusive of QSMO feedback)-from the Investment Action Plan SOP
  - Business Case documentation from the Customer Agency's CPIC process including vision, expected benefits, and high-level timeline

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<sup>3</sup> OMB Memo M-19-XX, *Centralized Mission Support Capabilities for the Federal Government* refers to the specific actions of a Legacy SSP that require a joint business case.

## Sharing Quality Services Cross-Agency Priority Goal

- Full cost assessment, by FY, following the shared service financial model template
  - Overview of existing customers' profiles
  - Expected benefit to result from expanding service for existing customer(s)
  - Expected business outcomes and improved processes that will demonstrate efficiency and savings for the customer agency
  - Legacy SSP's leadership endorsements of the request including the names and job titles of agency executives that support the request
  - Workforce impact assessment
- Option 3: Make Investments in Technology or Services (for functions which are part of the designated QSMO)
  - Acquisition strategy
  - Major IT Business Case including vision, expected benefits, and high-level timeline
  - Full cost assessment, by FY, following the shared service financial model template
  - Overview of current system, contracts, and security risks (if applicable) and expected benefit to result from implementation of new solution
  - Expected business outcomes and improved processes that will demonstrate efficiency and savings for the agency and how it aligns with the QSMO objectives
  - Legacy SSP's leadership endorsements of the request including the names and job titles of agency executives that support the request
  - Workforce impact assessment
  - Name of program owner at Legacy SSP