Business Case

Table of Contents

Section A: Investment Summary Information

Investment Name
FEMA - PIVOT

Unique Investment Identifier
024-000007128

Investment Description

FEMA-PIVOT; FEMA-National Flood Insurance Program (NFIP) IT Pivot Investment was initiated as a transformation investment to replace the NFIP legacy Systems, products, and services. System provides automated capability to process millions of transactions--Flood Insurance Policies and other data in near real-time, standard processes, and provide enhanced reporting and data analytics. Reduce impact of flooding by providing affordable insurance, encouraging communities to adopt and enforce floodplain management regulations. The Pivot Program has been created to support the development and implementation of a solution that fully meets FEMA's legal, business, financial, and management requirements.

Agency
Department of Homeland Security

Point of Contact
Eric Hysen - CIO
email Not Provided

Investment Type
Major IT Investments

Bureau
Federal Emergency Management Agency

Mission Support
Not Applicable

Shared Service Category
Not Applicable

Shared Service Identifier
Not Applicable

TMF Initiatives
Not Applicable

Date Investment First Submitted
09/28/2021

Date of Last Investment Detail Update
08/30/2023

Section B: Investment Detail

1. Briefly describe the investment's return on investment, including benefits internal and external to the government and outcomes achieved or planned.

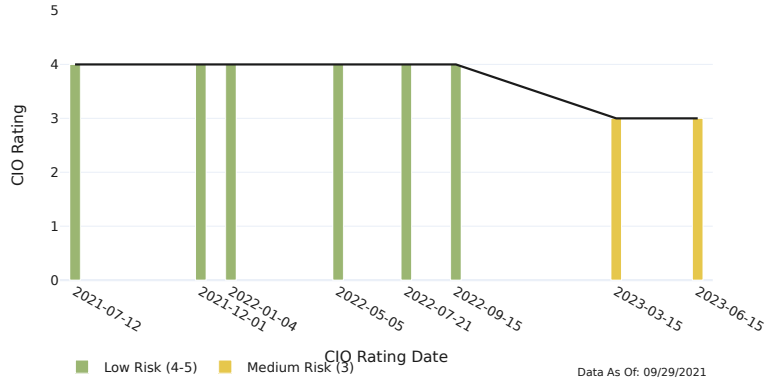
   The Pivot Program continues to progress through the O&M phase of it's lifecycle. As a part of the AoA, an ROI was calculated over a 10year period based on forecasted costs. For the selected alternative, the expected 10-year ROI was 204%. The Hybrid Approach was chosen in the AoA and is expected to deliver the largest benefits because it has the highest overall score by a large margin, demonstrating low cost while simultaneously meeting most of the NFIP's business needs and minimizing risks. Because the COTS solutions within the Hybrid Approach are "best of breed" solutions, they also tend to have larger federal implementations and are compliant with most applicable federal security standards. Most importantly, Hybrid Approach has a high level of strategic alignment with both the benefits and desired outcomes by this program. The recent Pivot's LCCE conducted with CAD, approved by CFO remains below the cost parameters established in the Pivot Acquisition Program Baseline (APB). The adjusted Pivot LCCE total is approximately $57.8M BY17 (9.5%) below the established cost Objective. See attached LCCE.

Section C: Investment and Contracts

Contracts

- HSFE3017F0227
- 70FA3020C00000001
- 70FA3020F00000611
- 70FA3022F00000251

Section D: Historic CIO Rating



CIO Rating	Date	Comments
3	Jun 15, 2023	Pivot received a red rating in the final FISMA scorecard. The most recent Life Cycle Cost Estimate (LCCE) requires an update. The program is working with the Cost Analysis Division to update the LCCE and receive approval from FEMA leadership. The program is tracking a risk associated with timely releases of applications and microservices concurrently. To mitigate this risk, the program is leveraging delivery automation, that will improve the development process.
3	Mar 15, 2023	Annual expenses improved after re-platforming and movement to the FEMA Cloud Environment. The most recent LCCE conducted in is 30 months old and requires an update. The Program plans to provide an update in Q4 FY23. Staffing is adequate and there are no staffing vacancies. The program reports no ongoing GAO or OIG audits. The program does not have any contract or contractor performance issues to report. The program received a red rating in the final FISMA scorecard.
4	Sep 15, 2022	The program was tasked by the FEMA Office of the Chief Information Officer to build the FEMA Cloud Environments (FCE) ? Google Cloud environment. The authority to Operate the package has been submitted for the FCE ? Google Cloud and is currently under review by DHS leadership.? The program has migrated most applications from the U.S. Department of Agriculture Digital Services Infrastructure Center to the FCE ? Google Cloud. The data migration is expected to be completed in Q1 FY2023.
4	Jul 21, 2022	Enterprise capabilities of FEC will be migrated to GCE. FEC offers 2 FCE – Azure and AWS. Pivot will be the first system to migrate to GCE, ATO Q4FY22. The program is in planning stages for the next generation of PART. Program plans to analyze how reporting and data analytics could be separated into different environments to improve efficiencies. Pivot improved to a green rating in weakness remediation on the FISMA Scorecard. The system has an ISCM waiver for all other rated categories.
4	May 05, 2022	Pivot was rated red in weakness remediation on the FISMA scorecard. The program maintains POA&Ms for six medium level vulnerabilities that have contributed to the red score. Risk acceptance memorandums have been submitted for three POA&Ms, two of the three other POA&Ms have been closed. The program is working with FEMA OCIO to stand-up and receive ATO approval for FCE–Google Cloud by June 22, with an ATP to allow Pivot to go-live by Oct 22. Pivot will undergo full ATO assessment in FY23.
4	Jan 04, 2022	A new PM has been assigned to the program that continues to support all operations. The program has completed its Cloud Analysis of Alternatives which researched three prospective cloud service providers and analyzed the technological options available, as well as the associated costs of implementation. The program has selected Google Cloud as the new hosting provider, which will support the Pivot system's future upgrade path to the OpenShift 4.0 technology stack.
4	Dec 01, 2021	Aug'21, the Pivot program is in the process of finalizing a Cloud Analysis of Alternatives (AoA). The program's current hosting provider, the U.S. Department of Agriculture Digital Infrastructure Services Center data center, is not able to support the Pivot system's future upgrade path to the OpenShift 4 technology stack. If the program transitions to a cloud service provider, then the Pivot system will require a new ATO.
4	Jul 12, 2021	May'21, the Pivot program is developing an Analysis of Alternatives to research and analyze the options available to Pivot for a cloud provider. The program's current hosting provider, the U.S. Department of Agriculture Digital Infrastructure Services Center data center does not have an upgrade path to support the Pivot system's existing OpenShift technology stack. Additionally, service costs at the USDA DISC data center are much higher than the costs associated with a cloud solution.

Data Last Updated On: 09/29/2021

Section E: Investment Spending

Table 1: Distribution by Spending Type

Spending Type	PY 2022	CY 2023	BY 2024
DME Costs	0	0	0
O&M Costs	24.681	25.031	25.618
Total	24.681	25.031	25.618

Table 2: Distribution by Cost Pools

Cost Pools	PY 2022	CY 2023	BY 2024
External Labor	4.005	4.05	4.133
Facilities & Power	0	0	0
Hardware	1.335	1.35	1.378
Internal Labor	2.431	2.531	2.659
Internal Services	0	0	0
Other	1.78	1.8	1.837
Outside Services	12.682	12.825	13.087
Software	2.448	2.475	2.525
Telecom	0	0	0
Total	24.681	25.031	25.619

Cost in millions (M)

Table 3: Distribution by IT Towers

IT Towers	PY 2022	CY 2023	BY 2024
Application	12.417	12.552	12.803
Compute	0	0	0
Data	0	0	0
Data Center	5.823	5.939	6.058
Delivery	3.871	3.948	4.029
End User	0	0	0
IT Management	0	0	0
Network	0	0	0
Output	0	0	0
Platform	0	0	0
Security & Compliance	2.57	2.592	2.728
Storage	0	0	0
Total	24.681	25.031	25.618

Cost in millions (M)

Data Last Updated On: 08/30/2023

Section F: Project Detail

Table 1: Project Details

Project Name	Project UID	Status	Project Life Cycle Cost ($M)	Cost Variance (%)	Start Date	End Date	Schedule Variance (%)	Schedule Variance (Days)	TMF Initiative
Post FOC Year 1 (Period 2)	8	Complete	0	0	2021-04-01	2021-09-30	0	0	Not Applicable
PIVOT Post FOC Year 2-Period 1	9	Complete	0	0	2021-10-01	2022-03-31	0	0	Not Applicable
PIVOT Post FOC Year 2-Period 2	10	Completed	0	0	2022-04-01	2022-09-30	0	0	Not Applicable
PIVOT Post FOC Year 3 Period 1	11	Completed	0	0	2022-10-01	2023-03-31	0	0	Not Applicable

Low Medium High

Table 2: Project Related Details

Post FOC Year 1 (Period 2)

1. Are information technology investments adequately implementing incremental development methodology? (Y/N)
2. What is the frequency of incremental development iterations? (ex. 1 month, 3 months, 6 months, 12 months or greater)
3. Please describe the iterative development methodology being employed. (500 characters or less)

PIVOT Post FOC Year 2 - Period 1

1. Are information technology investments adequately implementing incremental development methodology? (Y/N)

   Yes

2. What is the frequency of incremental development iterations? (ex. 1 month, 3 months, 6 months, 12 months or greater)

   Weeks

3. Please describe the iterative development methodology being employed. (500 characters or less)

   agile.

PIVOT Post FOC Year 2 - Period 2

1. Are information technology investments adequately implementing incremental development methodology? (Y/N)
2. What is the frequency of incremental development iterations? (ex. 1 month, 3 months, 6 months, 12 months or greater)

   Months

3. Please describe the iterative development methodology being employed. (500 characters or less)

   agile.

PIVOT Post FOC Year 3 Period 1

1. Are information technology investments adequately implementing incremental development methodology? (Y/N)

   Yes

2. What is the frequency of incremental development iterations? (ex. 1 month, 3 months, 6 months, 12 months or greater)

   Weeks

3. Please describe the iterative development methodology being employed. (500 characters or less)

   agile.

Section G: Performance Metrics

Metric Description	Performance Measurement Category	Unit of Measure	Reporting Frequency	Agency Baseline Capability	Measurement Condition	Target 2023 CY	Latest Actual Result	Date of Latest Actual Result	Met Target
System Availability: Maintain system availability (% of time system is operationally available) System Availability (to include survivability due to cyber-attack ? 98% (? 99%). This threshold includes all system downtime, including Mean Time Between Service Incidents (MBTI) and Mean Time Between Failures (MTBF) Enhanced reliability, sustainability, and scalability	Strategic and Business Results	Percentage	Annual	99.88	Over target				
Cybersecurity Weakness Remediation 100% of critical and high vulnerabilities identified in ST&E and adversarial assessments will be remediated prior to deployment into operations. In addition, 85% (Objective is 90%) of non-critical, non-high vulnerability remediation will meet timeliness and quality checks. To maintain consistent ATO status and compliance with approved KPP	Strategic and Business Results	Percentage	Semi-Annual	100	Over target	100	100	2022-10-26 00:54:21	MET
Overall Customer Satisfaction:- Percentage of programmatic users surveyed that agree or strongly agree that their business processes are easier to accomplish, compared to operations performed using the legacy systems. Population: Users who log on to the PIVOT system.	Customer Satisfaction	Percentage	Annual	75	Over target				
Track the Flood Insurance in Force: Provide accurate reporting of policies in force as of a day prior to the current date.	Strategic and Business Results	Percentage	Monthly	100	Over target	100	100	2023-08-29 23:51:34	MET
Data Analysis: Data Analysis provides insight to customer satisfaction about data access, insights, and quality. Calculation: Percentage of users surveyed that agree or strongly agree that they have better access to NFIP data and analytical capabilities across the program. Metric Direction: Increase. Population: Percentage of programmatic users	Customer Satisfaction	Percentage	Annual	68	Over target	80	83	2022-10-26 00:54:23	MET