

Exhibit 300 (BY2010)

PART ONE

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OVERVIEW

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1. Date of Submission:  
2009-04-10
2. Agency:  
015
3. Bureau:  
45
4. Name of this Capital Asset:  
e-Services
5. Unique Project Identifier:  
015-45-01-11-01-4691-00
6. What kind of investment will this be in FY2010?  
Mixed Life Cycle
7. What was the first budget year this investment was submitted to OMB?  
FY2001 or earlier
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.  
E-Services is a suite of Web-based, self assisted services that allow authorized individuals to do business with the IRS electronically, the e-Services products are currently available to tax practitioners, payers and other third parties include: Registration, Application for Tax Preparer Tax Identification Number (PTIN), Tax Identification Number (TIN) Matching, e-File Application, Disclosure Authorization (DA), Electronic Account Resolution (EAR), Transcript Delivery System (TDS), Reporting Agents, and Automated Electronic Fingerprinting.
9. Did the Agency's Executive/Investment Committee approve this request?  
yes
- 9.a. If "yes," what was the date of this approval?  
2007-08-16
10. Did the Program/Project Manager review this Exhibit?  
yes
11. Program/Project Manager Name:  
Zuech, Natalie  
Program/Project Manager Phone:  
801-620-7267  
Program/Project Manager Email:  
Natalie.Zuech@irs.gov
- 11.a. What is the current FAC-P/PM certification level of the project/program manager?  
Waiver Issued
- 11.b. When was the Program/Project Manager Assigned?  
2007-06-10
- 11.c. What date did the Program/Project Manager receive the FACP/PM certification? If the certification has not been issued, what is the anticipated date for certification?  
2009-04-30
12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project.  
no
- 12.a. Will this investment include electronic assets (including computers)?  
no

12.b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only)  
no

13. Does this investment directly support one of the PMA initiatives?  
yes

If yes, select the initiatives that apply:

Competitive Sourcing  
Expanded E-Government

13.a. Briefly and specifically describe for each selected how this asset directly supports the identified initiative(s)? (e.g. If E-Gov is selected, is it an approved shared service provider or the managing partner?)

Expanded E-Government and Competitive Sourcing are two initiatives that apply to e-services investment. E-Services established a Web portal-based family of services to promote the goal of conducting IRS transactions with taxpayers and tax practitioners electronically. Delivering online electronic services. In the process of identifying resources to support this investment it was identified cost effective to competitive outsource this investment.

14. Does this investment support a program assessed using the Program Assessment Rating Tool (PART)?  
yes

14.a. If yes, does this investment address a weakness found during the PART review?  
yes

14.b. If yes, what is the name of the PARTed program?  
10002233 - Internal Revenue Service Taxpayer Service

14.c. If yes, what rating did the PART receive?  
Effective

15. Is this investment for information technology?  
yes

16. What is the level of the IT Project (per CIO Council's PM Guidance)?  
Level 2

17. What project management qualifications does the Project Manager have? (per CIO Council's PM Guidance)  
(2) Project manager qualification is under review for this investment

18. Is this investment identified as high risk on the Q4 - FY 2008 agency high risk report (per OMB memorandum M-05-23)?  
yes

19. Is this a financial management system?  
no

19.a.2. If no, what does it address?

The e-Services investment aligns to the Treasury Architecture Plan through the Taxation Management vertical Line of Business. e-Services is found in "Taxation Management" within Appendix D of Treasury's FY2006 IT Portfolio Alignment Summary. e-Services aligns to the IRS Enterprise Transition Plan, Volume 1, Section 4.1.2 "Strategic Assessment".

20. What is the percentage breakout for the total FY2010 funding request for the following? (This should total 100%)

Area	Percentage
Hardware	0
Software	28
Services	69
Other	3

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?  
yes

22. Contact information of individual responsible for privacy related questions.

Name  
Thomas Curran  
Phone Number  
215-516-7662  
Title  
Supervisor Information Technology

Email  
Thomas.Curran@irs.gov

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

yes

24. Does this investment directly support one of the GAO High Risk Areas?

yes

## SUMMARY OF SPEND

1. Provide the total estimated life-cycle cost for this investment by completing the following table. All amounts represent budget authority in millions, and are rounded to three decimal places. Federal personnel costs should be included only in the row designated Government FTE Cost, and should be excluded from the amounts shown for Planning, Full Acquisition, and Operation/Maintenance. The total estimated annual cost of the investment is the sum of costs for Planning, Full Acquisition, and Operation/Maintenance. For Federal buildings and facilities, life-cycle costs should include long term energy, environmental, decommissioning, and/or restoration costs. The costs associated with the entire life-cycle of the investment should be included in this report.

All amounts represent Budget Authority

Note: For the cross-agency investments, this table should include all funding (both managing partner and partner agencies).

Government FTE Costs should not be included as part of the TOTAL represented.

Cost Type	Py-1 & Earlier -2007	PY 2008	CY 2009	BY 2010
Planning Budgetary Resources	4.890	0.039	1.842	0.046
Acquisition Budgetary Resources	4.123	1.050	1.060	1.166
Maintenance Budgetary Resources	19.147	10.860	6.589	8.963
Government FTE Cost	2.856	3.141	4.389	3.830
# of FTEs	23	26	29	32

Note: For the cross-agency investments, this table should include all funding (both managing partner and partner agencies).

Government FTE Costs should not be included as part of the TOTAL represented.

2. Will this project require the agency to hire additional FTE's?

no

## PERFORMANCE

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 (indicators) 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 measure.

Agencies must use the following table to report performance goals and measures for the major investment and use the Federal Enterprise Architecture (FEA) Performance Reference Model (PRM). 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 each of the four different Measurement Areas (for each fiscal year). The PRM is available at

www.egov.gov. The table can be extended to include performance measures for years beyond the next President's Budget.

	<b>Fiscal Year</b>	<b>Strategic Goal Supported</b>	<b>Measurement Area</b>	<b>Measurement Grouping</b>	<b>Measurement Indicator</b>	<b>Baseline</b>	<b>Planned Improvement to the Baseline</b>	<b>Actual Results</b>
<b>1</b>	2007	Effectively Managed U.S. Government Finances	Mission and Business Results	Taxation Management	Reduce the time it takes to process an Electronic tax Return Originator (ERO) application	28 plus days to process Electronic tax Return Originator (ERO) application	5 days.	1 day.
<b>2</b>	2007	Effectively Managed U.S. Government Finances	Processes and Activities	Errors	Reporting Agent Error Rate	4% current Error Rate.	1 % error rate reduction	1 % error rate reduction met in Q4 2007
<b>3</b>	2007	Effectively Managed U.S. Government Finances	Customer Results	New Customers and Market Penetration	Total number of Transcript requests via e-Services TDS	7,869,228 Transcript Requests in 2006	8,656,150 Transcripts requested a 10% increase	9,074,845 Transcripts requested as August 6, 2007, a 15% increase.
<b>4</b>	2007	Effectively Managed U.S. Government Finances	Technology	Functionality	downtime for e-Services Applications	Currently, the system could take up to 2 weeks to fix a problem with the application.	1day turn around using a monitoring system to be proactive, and minimize the down time.	1 day turnaround time met.
<b>5</b>	2008	Effectively Managed U.S. Government Finances	Technology	Functionality	Reduce down time on the Employee User Portal/Registered User Portal to meet internal and external customer expectations.	Greater than 1 week turnaround time	1 day	1 day (Q 2 Complete)
<b>6</b>	2008	Effectively Managed U.S. Government Finances	Customer Results	New Customers and Market Penetration	Expand the delivery of transcripts to small volume clients	Baseline threshold of 3 electronic returns must be filed to qualify for transcript delivery services (TDS)	Reducing the electronic filing threshold to 3.	Goal is being supported and is expected to be delivered in the 4th quarter FY08.
<b>7</b>	2008	Effectively Managed U.S. Government Finances	Mission and Business Results	Taxation Management	Improve turnaround time for Disclosure Authorization processing	25 day turnaround time for processing DA request.	5 day turnaround time for processing DA request	5 day turn around (Q2 complete)
<b>8</b>	2008	Effectively Managed U.S. Government Finances	Processes and Activities	Errors	Reduce human Error Rate by Third Parties when requesting transcripts from	Currently, there are no drop downs to pre populated fields which has attributed to a 4% Human	Provide drop down that will pre populated fields which will reduce the Human Error	2% error rate reduction (Q2 Completed)

					IRS.	Error Rate.	Rate by 2%.	
9	2009	Effectively Managed U.S. Government Finances	Processes and Activities	Errors	Improve the Quality of Application Performance	Currently, defect 25% of the defect tickets are due to code/implementation errors	Reduce code/implementation by 20%	
10	2009	Effectively Managed U.S. Government Finances	Mission and Business Results	Continuity Of Operations	Improve System Capacity	Currently the e-Services application has increased its users therefore, the user base causing capacity, concerns with slowing down the system	Migrate to a new platform by 2010, 2009 start 25% of migration activities to allow for increase usage	
11	2009	Effectively Managed U.S. Government Finances	Customer Results	Response Time	Improve turnaround on resolution of defect ITAMS tickets for e_Services applications	30 plus days to process defect tickets	Reduce turn around for defects to 15 days	
12	2009	Effectively Managed U.S. Government Finances	Technology	Availability	Develop and Improve Applications to provide Increased availability of the application to the Third Party Filers	Current Architecture limits the expansion for the number of increased users.	Reduce 75% of existing system fragility and limited expandability to provide a larger broad base system for user	
13	2010	Effectively Managed U.S. Government Finances	Processes and Activities	Errors	Deliver new requirements that will improve e-Services applications	Deliver 3 capabilities	Deliver 3 capabilities	
14	2010	Effectively Managed U.S. Government Finances	Mission and Business Results	Taxation Management	Expand the delivery of transcripts	24 hr processing	hourly processing	
15	2010	Effectively Managed U.S. Government Finances	Customer Results	Delivery Time	Improve turnaround time for DA processing	1 day turn around	hourly processing	
16	2010	Effectively Managed U.S. Government Finances	Technology	IT Contribution to Process, Customer, or Mission	Reduce down time for e-Services	1 day turn around	Less than 1 hour	

### Enterprise Architecture

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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

2. Is this investment included in the agency's EA Transition Strategy?

yes

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

e-services

3. Is this investment identified in a completed (contains a target architecture) and approved segment architecture?

yes

3.a. If yes, provide the six digit code corresponding to the agency segment architecture. The segment architecture codes are maintained by the agency Chief Architect.

180-000

4. 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/>.

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

Reused Name and UPI: 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 or External Reuse?: 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.

Funding Percentage: 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.

	Agency Component Name	Agency Component Description	Service Type	Component	Reused Component Name	Reused UPI	Internal or External Reuse?	Funding %
1	Partner Relationship Management	Insuring that development of "two-way" transactions or interactions that build relationships across IRS organizational units and other external partners continue.	Customer Relationship Management	Partner Relationship Management			No Reuse	30
2	Personalization	Information is tailored and disseminated in a manner which meets the customer's needs.	Customer Preferences	Personalization			No Reuse	15

3	Content Publishing and Delivery	Important information regarding product availability, changes, as well as customer submission confirmation will be posted on the Internet or by e-mail notification as appropriate.	Content Management	Content Publishing and Delivery			No Reuse	10
4	Online Tutorials	On-Line guidance to assist customers in meeting specific application requirements.	Customer Initiated Assistance	Online Tutorials			No Reuse	5
5	Self-Service	Capability is provided to allow the customer to submit and obtain necessary information via Internet/Intranet access to applications.	Customer Initiated Assistance	Self-Service			No Reuse	30

5. 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: 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.

Service Specification: 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.

	SRM Component	Service Area	Service Category	Service Standard	Service Specification (i.e., vendor and product name)
1	Personalization	Service Access and Delivery	Service Requirements	Legislative / Compliance	PeopleSoft People Tools
2	Partner Relationship Management	Service Access and Delivery	Service Requirements	Legislative / Compliance	PeopleSoft People Tools
3	Content Publishing and Delivery	Service Access and Delivery	Delivery Channels	Internet	IBM - WebSphere
4	Content Publishing and Delivery	Service Access and Delivery	Service Requirements	Legislative / Compliance	PeopleSoft People Tools
5	Content Publishing and Delivery	Service Access and Delivery	Service Requirements	Hosting	IBM Various - SUN Os
6	Online Tutorials	Service Access and Delivery	Service Requirements	Legislative / Compliance	PeopleSoft People Tools
7	Self-Service	Service Access and Delivery	Service Requirements	Legislative / Compliance	PeopleSoft People Tools

6. Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)?

no

## PART TWO

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### RISK

You should perform a risk assessment during the early planning and initial concept phase of the investment's life-cycle, develop 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.

Answer the following questions to describe how you are managing investment risks.

1. Does the investment have a Risk Management Plan?

yes

1.a. If yes, what is the date of the plan?

2008-07-09

1.b. Has the Risk Management Plan been significantly changed since last year's submission to OMB?

no

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

e-Services have a risk management capability in place that requires bi-weekly meeting with active participation from the business customer, internal developers, and contractors. The Project Manager and project team work together to identify, manage and track risk in the Item Tracking Reporting and Control (ITRAC) system. Risk and mitigation strategies are captured in the ITRACs system.

### COST & SCHEDULE

1. Does the earned value management system meet the criteria in ANSI/EIA Standard 748?

yes

2. Is the CV% or SV% greater than  $\hat{A} \pm 10\%$ ?

no

3. Has the investment re-baselined during the past fiscal year?

no