



Strategic Portfolio Review

FY 2008

January 2007

Revision History

Date	Version	Summary of changes
January, 2007	1.0	Original Submission
March, 2007	1.1	Updates based on TIBWG Briefing

Synopsis

The Information Technology (IT) Strategic Portfolio Review (SPR) is an analysis of how fiscal year (FY) 2008 IT portfolio investments are aligned with HUD's Target Enterprise Architecture (EA). The SPR contains recommendations pertaining to HUD's IT portfolio that support the select process for FY 2009 budget, assist program areas in improving their overall program planning and FY 2009 business case submissions, and provide information for formulating and revising HUD's IT strategies, goals and objectives. The SPR analysis focuses on the major IT portfolio investments that align with the EA Mission Area, Business Service, and Enterprise Service segments identified in the EA Transition Plan¹. Findings and recommendations are provided for each segment. In addition, a set of portfolio-wide recommendations have been included.

DEMONSTRATED LEVEL OF EA PRACTICE MATURITY

This document supports the following level of EA practice maturity relative to the OMB EA assessment framework version 2.1.

Assessment Criteria	Level(s)	Document Reference	Summary Content
CPIC Integration	5	Use/5.2.4	Strategic Portfolio review to align program areas with Target EA

¹ Enterprise Architecture Transition Plan Version 1.0, July 29, 2005.

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1 Introduction

The Information Technology (IT) Strategic Portfolio Review (SPR) supports the HUD investment strategy² and maturity of the Enterprise Architecture (EA). It is an analysis of how fiscal year (FY) 2008 IT portfolio investments are aligned with HUD's Target EA. The SPR was performed by the HUD EA Team, in conjunction with the other Office of the Chief Information Officer (OCIO) functional owners, to improve HUD's investment decision-making and IT management. It contains findings and recommendations pertaining to HUD's IT portfolio to support the select process for FY 2009 budget preparation.

The findings and recommendations for the investments in the portfolio are organized by the HUD Mission Areas, Business Services, and Enterprise Services segments identified in the EA Transition Plan³. In addition to the segment findings and recommendations, the SPR also identifies portfolio-wide recommendations that impact all of the investments in HUD's Portfolio.

The recommendations are intended to:

- identify changing business priorities;
- eliminate or consolidate duplicative investments, where practical;
- assist in HUD modernization planning;
- coordinate development and migrations across business areas;
- assist business areas in further developing their segment architectures;
- reduce technology diversity;
- align system requirements and migration plans;
- prioritize investment funding towards modernization initiatives; and
- improve performance measures.

1.1 PURPOSE

The SPR provides information used to improve HUD's investment decision-making and IT management. It identifies items required for program areas to become more aligned with the EA and assists program areas in improving their planning and business case submissions. It also provides information for formulating and revising HUD's IT strategies, goals and objectives.

1.2 INTENDED AUDIENCE

The primary stakeholder groups for the SPR are listed below:

TIBWG and TIBEC – The Technology Investment Board Working Group (TIBWG) and Technology Investment Board Executive Committee (TIBEC), comprised mainly of

² OCIO War Room Analysis, 2006.

³ Enterprise Architecture Transition Plan Version 1.0, July 29, 2005.

Business Program Sponsors, drive all decision-making associated with the select, control and evaluate cycle of HUD's IT investment portfolio. The SPR is approved by the TIBEC and used as input by the board members when making investment decisions.

Program Areas and IT Project Teams – HUD staff that author, or contribute to the creation or update of the Office of Management and Budget (OMB) Exhibit 300 (E300). They use the approved SPR when developing program plans and Exhibit 300s.

ITIM Staff – ITIM staff review business cases and provide tailored guidance and feedback to Business Program Sponsors and Project Managers. The SPR is used as input in the business case review process.

EA Practice – HUD's Chief Architect and EA Team develop the Target EA and monitor the transition to the Target EA. The SPR is used to identify both strategic and tactical opportunities for moving HUD's portfolio toward the Target EA.

2 SPR Methodology

To conduct the SPR the following IT Portfolio artifacts were examined:

- HUD Strategic Portfolio Review, 2005
- EA Team Strategic Portfolio Review Guide, 2006
- HUD Strategic Portfolio Review: Part I, 2006
- HUD Strategic Portfolio Review: Part II, 2006
- HUD Strategic Portfolio Review Recommendations (TIBWG and TIBEC), 2006
- OCIO War Room Analysis, 2006
- OCIO Correlative Analysis of IT Portfolio, 2006
- OMB Exhibit 53 for FY 2008, 2007
- Summary of Spending for FY 2008, 2007
- Agency Investment Evaluation (E300 Scores), 2007
- IT Portfolio Master Schedule, 2007
- HUD Performance Architecture, 2007
- EA Team Strategic Portfolio Review Planning Guide, 2007
- HUD Annual Performance Plan Fiscal Year 2007
- Federal Transition Framework: Enterprise Architecture Integration Summary and Strategy, 2007
- Program Area IT documentation (system documents, Blueprints, Strategic Plans, etc...)

The FY 2008 IT Portfolio was examined with regards to compliance with the ITIM investment strategy and HUD EA documentation⁴, with specific focus on the Vision 2010 Implementation Plan. Past SPR recommendations were reviewed to determine progress and relevancy to this year's SPR recommendations. In addition, the following criteria were established and used when evaluating the IT Portfolio:

Number of business cases submitted – The number of business cases submitted by a business area can be an indicator of how successfully a business area has progressed in consolidating their investments. It is a goal to eventually have a single investment for each segment.

Milestones on IT Portfolio Master Schedule – For most business areas, it is desirable to have at least one major milestone per quarter. This may be adjusted based on the amount of funding involved and the current type of activity for the business area. For example, large investments would be expected to have more milestones than small investments. Also, business areas that have a lot of development and enhancement activity will have more milestones than a business area that is mostly steady state. Based on such factors, an evaluation can be conducted on the appropriateness of the number of milestones for a particular investment.

System retirements – As new systems are deployed using new technologies and part of the HUD technology base becomes obsolete, some of HUD's existing systems should be retired. The number of systems retired annually is a function of the current

⁴ <http://www.hud.gov/offices/cio/ea/newea/resources/>

number of systems, the amount of funding for new investments, and the ability to provide functionality in newer systems that make older systems redundant or unnecessary. System retirements and milestone for migration should be indicated on the IT Portfolio Master Schedule.

Use of Technical Reference Model (TRM) in system development – As investments and systems are planned, developed and deployed, they are required to adhere to the approved technology and product standards in the TRM. The Configuration Change Management Board (CCMB) is the body that approves standards and manages the content of the TRM. For new investments and major upgrades, full TRM compliance is expected.

Prior year's investment scores for investments in business area – How well a business area's investments were scored by OMB is a reflection of the quality of their business case. Scores below a three will be evaluated for specific improvements to increase scores in future business case submissions.

Milestone execution/frequency of meeting milestones – For business areas, this is a look back at the frequency a business area has in meeting the milestones that are on the IT Portfolio master schedule. If a business area is unable to complete milestones as scheduled, it can be a problem in either the planning used to create the milestone or in the performance of the activities that would complete the milestone. Working with the program areas, the EA team is able to ensure that future milestones have an improved execution rate.

Quality of strategic performance measures - For most business areas, it is desirable to have at least one performance measure in each performance measurement category. However, business area performance measures should be strategic and focused on program outcomes rather than system inputs and outputs. The specific number of performance measures should be determined based on the amount of funding involved and the current type of activity within the program area. In addition, business case performance measures should be in alignment with the performance measures reported in the HUD Annual Performance Plan.

The outcome of the review was compiled and the findings and recommendations captured in the following section were generated.

3 Findings and Recommendations

The findings and recommendations for the investments in the portfolio are organized by the HUD Mission Areas, Business Services, and Enterprise Services segments identified in the EA Transition Plan⁵. Not all segments are currently active, therefore, the SPR focused on investments aligned to the following segments:

- Mission Areas
 - Multifamily Housing Finance
 - Single Family Housing
 - Rental Housing Assistance
 - Fair Housing
- Business Services
 - Financial Management
 - Grants Management
 - Human Resources Management
- Enterprise Services
 - Electronic Document and Records Management

In addition to the segment findings and recommendations, the SPR also identifies portfolio-wide recommendations that impact all of the investments in HUD's Portfolio.

3.1 PORTFOLIO-WIDE

3.1.1 Findings

The portfolio-wide assessment focused on the following areas:

- Investment Consolidation
- Performance Measures
- Business and Enterprise Services
- Federal Transition Framework
- Segment Architecture (Business Modernization Plan)

3.1.1.1 Investment Consolidation

There were considerable gains made in consolidating investments according to the Mission Area, Business Service and Enterprise Service segments. The two best examples of consolidation occurred in the Financial Management Business Service and Multifamily Housing Finance Mission Area. Specifically, for 2008, the Financial Management area consolidates 27 investments into 4, with the majority of the investments rolling up into either the HUD Financial Management Business Service investment or the FHA Financial Operations Modernization investment. Multifamily Housing Finance did well also by consolidating 12 investments into 4, with the majority of the investments rolling up into the iREMS investment. These segments saw immediate benefits from consolidation including fewer OMB Exhibit 300s, ease in developing and tracking strategic performance measures, and more flexibility in making funding decisions within the segment. Although gains have been made in consolidating

⁵ Enterprise Architecture Transition Plan Version 1.0, July 29, 2005.

the investments, there are additional consolidation opportunities, particularly in the Rental Housing and Fair Housing segment investments.

3.1.1.2 Performance Measures

In the past year, the EA team has worked with several business areas to improve their performance measures as part of developing the HUD Performance Architecture. Most of the performance measures are now mapped to specific milestones that are tracked on the IT Portfolio Master Schedule. Business areas have been encouraged to use the same strategic performance measures in their 2009 OMB Exhibit 300s. This will assist in better alignment between the investments and the EA. In addition, it will provide an improved line-of-sight between the investment and specific project milestones that will result in increase program performance.

Although there have been improvements made in performance measurements in relationship to project milestones, there is an opportunity to improve their alignment to performance indicators captured in the HUD Annual Performance Plan (APP). Ideally, the performance measures in the business cases will either be the same as one or more of the performance measures in the APP or directly contribute to one or more APP performance measures.

3.1.1.3 Business and Enterprise Services

The HUD Enterprise Architecture Transition Plan (EATP) defines 20 business services and 12 enterprise services that support HUD's business services and mission areas. Of the 12 enterprise services, only Electronic Document and Records Management (iManage project) has a sponsor and funding. Of the 20 business services only Grants Management, Human Resources and Financial Management have sponsorship and funding. Without sponsorship and funding to coordinate, develop and maintain the enterprise and business services, multiple solutions are being developed and maintained by the program areas. Program areas are distracted from focusing on their core business by concerns regarding the business and enterprise services. This may result in failures to capitalize on mission area opportunities and also on opportunities for technology economies of scale savings and interoperability with other HUD mission areas. In addition, allowing each program area to develop and maintain their independent service solutions hinders the ability to migrate to and capitalize on a Service Oriented Architecture (SOA).

3.1.1.4 Federal Transition Framework

HUD is aggressively monitoring the OMB information on the development of the Federal Transition Framework (FTF). Specifically, the Human Resources, Financial Management and Grants Management business areas are active participants in their respective Cross Agency Initiatives (CAIs) and are in discussions or leveraging FTF catalog artifacts and solutions.

Currently, the Human Resources business area uses an e-Government Center of Excellence (CoE) to provide information technology hosting and operational support. It is a market-driven approach based on a shared services model that maximizes economies of scale while benefiting from the use of Government and industry best

practices. Since the FTF is intended to be a repository of such best practices, it is appropriate for the Human Resources segment to continually track FTF information related to Human Resources and technology to coordinate with any new and future developments.

The Grants Management business area is looking at either becoming or making use of a CoE for Grants Management. As such, it shares a similar need for utilizing the FTF to track best practices and coordinate its efforts with others in the Government.

The Financial Management business service is currently investigating the ability to move to a CoE.

There are additional FTF CAIs that correlate to HUD business and enterprise services. These HUD business and enterprise services are missing opportunities to leverage best practices and artifacts captured in the FTF catalog.

3.1.1.5 Segment Architecture (Business Modernization Plan)

Current OMB guidance, most notably the Federal Enterprise Architecture Program EA Assessment Framework v2.1, places a greater emphasis on the development of segment architectures (Business Modernization Plans). HUD has developed a number of segment architectures (known as segment blueprints), but many of them require updating.

Recently, HUD has reviewed the process used to develop the blueprints and the blueprints themselves to identify weaknesses and lessons learned. This information was used in the development of the Segment Architecture Development Guidance. The new guidance provides detailed instructions for the creation of artifacts that will enable a standard method of planning for a segment. It puts an emphasis on transition planning, data architecture, and performance measures, three areas where HUD will most benefit from making improvements.

3.1.2 Recommendations

These overall portfolio-wide recommendations apply across HUD's horizontal and vertical Mission Areas, Business Services and Enterprise Services. They summarize the results of the individual reviews and form a basis for detailed recommendations in the investment groupings.

Continue to consolidate common business functionality from different IT investment into the appropriate business case and align project resources accordingly – While concrete progress has been made and benefits realized from Mission Area and Business Service consolidation, there is still more than can be done. Program areas need to consolidate further, ideally into a single investment for a Mission Area and Business Service, or provide justification as to why this cannot be accomplished in the current investment cycle. An example of a potential consolidation would be the acquisition management investments (HIAMS, SPS, HPS, and ProDoc) found under the financial management program area.

Improve performance measures – Despite substantial work on developing a HUD performance architecture many of the program areas lack strategic performance measures at the Mission Area/segment level. It is hoped that consolidation will help improved the ability of business areas to develop these measures. This investment cycle, HUD will need to have strategic performance measures from all business areas and have them directly related to program milestones on the IT Portfolio Master Schedule. Also, performance measures should be in alignment with those in the HUD APP.

Identify sponsors for Business and Enterprise Services – Program areas are making redundant and overlapping investments in these areas due to the lack of an enterprise solution. For identify management in particular, the OMB directives on HSPD-12, the e-Government work in e-Authentication, WASS modernization, and the need for a consistent approach to security creates great urgency for near term coordination on an enterprise solution.

In addition to Identity Management the following business and enterprise services should they be funded and have sponsors identified in the next budget cycle:

- Portal
- Business Partner Management
- Loan Insurance

These are the business and enterprise services that have the greatest impact on the mission areas or are services that are being focused on by OMB.

Leverage FTF Catalog – The best practices and artifacts captured in the FTF catalog should be used to accelerate the development of HUD business and enterprise services and foster alignment with other agencies performing the same or similar services. The Federal Transition Framework: Enterprise Architecture Integration Summary and Strategy⁶ identifies the HUD segments that have related Cross Agency Initiatives.

Update and maintain segment architectures (Business Modernization Plans) using the new Segment Architecture Development guidance – HUD has committed to a segment architecture approach to building out its enterprise architecture and justifying IT investment decisions to the Office of Management and Budget (OMB). New guidance has been developed to improve the development of segment architectures. Each segment architecture should be updated to reflect the changes that have occurred since they were developed and to align them with the new guidance.

Establish enterprise technology services (ETS) – This would better equip HUD to develop enterprise capabilities across program areas. Enterprise technology services would improve coordination across and within segments, improve coordination of modernization and legacy efforts, and assist in improving the sequencing of tasks throughout HUD.

⁶ Federal Transition Framework: Enterprise Architecture Integration Summary and Strategy, 2007.

Develop guidance for integrating Enterprise and Business Services into Mission Areas (Governance Model) – In order to move towards a service-based organization, there needs to be an organization to develop and manage SLAs, processes, standard operating procedures, and guidance for defining how program areas can make use of services such as iManage and eGrants. Specifics on who is responsible for obtaining licenses, paying acquisition and maintenance costs, and managing enterprise capacity need to be agreed upon in a more efficient manner than on a case by case basis.

3.2 MISSION AREA SEGMENTS

3.2.1 Multifamily Housing Finance

HUD's Multifamily Housing Finance (MFHF) Mission Area encompasses the processes, systems, and technologies that enable HUD to provide mortgage insurance to HUD-approved lenders to facilitate the construction, rehabilitation, purchase and refinancing of multifamily housing properties and healthcare facilities. It provides capabilities that promote the migration of renters of multifamily units to ownership through the administration of vouchers for down payments or mortgage payments, as well as certain capital grant programs dedicated to the building or maintenance of multifamily dwellings.

The current HUD IT portfolio includes the following Multifamily Housing Finance investments:

- Integrated Real Estate Management System (IREMS)
 - Active Partners Performance System (APPS)
 - Development Application Processing (DAP)
 - Mark-to-Market
 - Mortgage Delinquency Default System (MDDR)
 - Real Estate Management System (REMS)
 - Neighborhood Networks
 - Multifamily Integration
 - Online Property Integrated Information Suite (OPIIS)
- Multifamily Insurance System (MFIS)
- Multifamily Claims System (MFCS)
- Hospital Mortgage Insurance Management Information System (HMIMIS)
- Title V System

3.2.1.1 Findings

Upon review of the IT Portfolio materials listed in Section 2, the following findings were identified for the Multifamily Housing Finance segment:

- Last version of the segment architecture was published on March 2, 2006.
- Many of the Multifamily Housing Finance systems/investments consolidated under the Integrated Real Estate Management System (iREMS) business case for FY 2008.

- Alignment between business case performance measurements and HUD Annual Performance Plan (APP) Fiscal Year 2007 performance indicators is not clearly defined.
- Functionality included in the investment doesn't align with the Multifamily Housing Finance segment scope.

3.2.1.2 Recommendations

The following recommendations were identified for the Multifamily Housing Finance segment:

- Formalize a Business Modernization Plan (Segment Architecture) using HUD's standard methodology.
- Revisit performance measurements to determine relationship with APP performance indicators.
- The investment name in the IT portfolio should be changed to 'Multifamily Housing Finance' rather than 'iREMS'.
- Collaborate with PIH to establish an integrated project-based asset management business model.
- Coordinate APPS modernization with HUD Business Partner Management segment planning to ensure incorporation into enterprise solution.
- Align financial management functions (i.e. MFIS, MFCS, and HMIMIS) with the financial management business area.
- Identify and coordinate transition of subsidy contract administration functionality to RHA, once RHA supports contract administration functionality.
- Develop an enterprise repository of property and tenant data.
- Align Grants Management functions from DAP with the grants management business area.

3.2.2 Single Family Housing

HUD's Single Family Housing Mission Area encompasses the processes, systems, and technologies that enable HUD to provide mortgage insurance to lenders on loans for the development/purchase/refinancing of new or existing homes, condominiums, and manufactured housing, financing of houses needing rehabilitation, and for reverse equity mortgages to elderly homeowners. Secondary activities within this Mission Area include the administration of subsidies (i.e., vouchers) for use toward down payments or mortgage payments, as well as certain grant programs dedicated to the building or maintenance of single family dwellings.

The current HUD IT portfolio includes the following Single Family Housing investments:

- Single Family Integration
 - Approval and Recertification Tracking System (ARTS)
 - Computerized Home Underwriting Management System (CHUMS)
 - Consolidated Single Family Statistical System (CSFSS)
 - Credit Alert Interactive Voice Response System (CAIVRS)
 - Disposition Program Compliance System
 - FHA Connection
 - Home Equity Conversion Mortgage (HECM)

- Institutional Master File
- Housing Counseling System (HCS)
- Lender Assessment Subsystem (LASS)
- Single Family Acquired Asset Management System (SAMS)
- Single Family Default Monitoring System (SFDMS)
- Single Family Housing Enterprise Data Warehouse (SFHEDW)
- Single Family Neighborhood Watch
- Single Family Insurance Claims Subsystem
- Single Family Insurance System (SFIS)
- Single Family Mortgage Notes System (NOTES)
- Single Family Premium Collection Subsystem-Periodic (SFPCS-P)
- Single Family Premium Collection Subsystem-Upfront (SFPCS-U)
- Title I Insurance and Claims System (Title I)
- Debt Collection Asset Management System (DCAMS)
- Distributive Shares & Refund Subsystem (DSRS)

3.2.2.1 Findings

Upon review of the IT Portfolio materials listed in Section 2, the following findings were identified for the Single Family Housing segment:

- Last version of the segment architecture was published on September 2, 2005.
- Many of the Single Family Housing systems/investments consolidated under the Single Family Integration business case for FY 2008.
- Alignment between business case performance measurements and HUD Annual Performance Plan (APP) Fiscal Year 2007 performance indicators is not clearly defined.
- FHA Connection functionality overlaps HSPD-12, WASS modernization, proposed HUD Identity Management segment functionality.
- Functionality included in the investment doesn't align with the Single Family Housing segment scope.
- Loan insurance functionality could be leveraged by Multifamily Housing Finance and, potentially, Rental Housing Assistance if it was designed and developed as a sharable business service.

3.2.2.2 Recommendations

The following recommendations were identified for the Single Family Housing segment:

- Formalize a Business Modernization Plan (Segment Architecture) using HUD's standard methodology.
- Revisit performance measurements to determine relationship with APP performance indicators.
- Coordinate FHA Connection modernization plans with HUD Portal and Identity Management plans through Enterprise Technology Services (ETS).
- The investment name in the IT portfolio should be changed to 'Single Family Housing' rather than 'Single Family Integration'.
- Consolidate the Single Family Housing business case to include systems associated with the Mission Area functionality (i.e., DSRS and Notes).

- Align the financial management functions (i.e. SFPCS-U and SFPCS-P) and grants management functions (i.e. HCS) with the appropriate business areas.
- Establish Loan Insurance as a business service and develop a business modernization plan.

3.2.3 Rental Housing Assistance

The Rental Housing Assistance Mission Area encompasses the processes, systems, and technologies that allow HUD to provide decent and affordable rental housing to low-to-medium income families, primarily through the use of grants and subsidies (e.g., tenant and project based vouchers). Additional capabilities allow HUD to insure loans used for the development, purchase, refinance, and rehabilitation of rental housing; provide financial vehicles such as direct loans to fund the construction, purchase, operation, and maintenance of rental housing for the elderly and disabled; and develop housing strategies for individuals with HIV/AIDS.

The current HUD IT portfolio includes the following Rental Housing Assistance investments:

- Compliance and Monitoring
 - Voucher Management System (VMS)
 - Monitoring and Planning System (MAPS)
 - Compliance and Monitoring System (CCM)
 - Native American Management Information System (NAMIS)
- Tenant Rental Assistance Certification System
- Inventory Management
- Enterprise Income Verification
- Customer Assistance Sub-System (CASS)
- Financial Assessment Sub-System Public Housing (FASS PH)
- Financial Assessment Sub-System Federal Housing Association (FASS FHA)
- Integrated Assessment Sub-System (NASS)
- Management Assessment Sub-System (MASS)
- Physical Assessment Sub-System (PASS)
- Quality Assurance Subsystem (QASS)
- Resident Assessment Sub-System (RASS)
- Web Access Security Sub-System (WASS)
- National Housing Locator
- Development Coordination Group (DCG)

3.2.3.1 Findings

Upon review of the IT Portfolio materials listed in Section 2, the following findings were identified for the Rental Housing Assistance segment:

- Last version of the segment architecture was published on January 16, 2004.
- There are multiple investments associated to the segment.
- BPR project was not completed.

- Alignment between business case performance measurements and HUD Annual Performance Plan (APP) Fiscal Year 2007 performance indicators is not clearly defined.
- WASS modernization functionality overlaps HSPD-12, FHA Connection and proposed HUD Identity Management segment functionality.
- Property and tenant data captured in Inventory Management System (IMS) overlaps with property and tenant data captured in Multifamily Housing Finance Real Estate Management System (REMS).
- Multiple Help Desks are maintained for RHA.
- Functionality included in the investment doesn't align with the Rental Housing Assistance segment scope.

3.2.3.2 Recommendations

The following recommendations were identified for the Rental Housing Assistance segment:

- Identify a project lead and business sponsor(s) to lead Business Modernization.
- Formalize a Business Modernization Plan (Segment Architecture) using HUD's standard methodology and BPR artifacts.
- Consolidate current RHA investments where appropriate.
- Revisit performance measurements to determine relationship with APP performance indicators.
- Coordinate WASS modernization with HSPD-12, FHA Connection and HUD Identity Management to ensure a single enterprise solution.
- Collaborate with MFHF on the development of an enterprise repository for property and tenant data.
- Consolidate Customer Service (Help Desk) functions for RHA.
- Identify and coordinate transition of Section 8 program processing from Financial Management.
- Identify and coordinate transition of contract administration functionality from REMS.
- Identify and coordinate transition of subsidy management functionality (i.e. VMS) to Subsidies and Grants Information System (SAGIS).
- Consolidate RHA compliance and monitoring functionality under Compliance and Monitoring investment.
- Collaborate with MFH and PIH to establish an integrated project-based asset management business model.

3.2.4 Fair Housing

The Fair Housing (FH) Mission Area allows HUD to effectively promote, monitor, and enforce fair and equal housing opportunities, practices, and laws, respectively. In addition, this Mission Area equips HUD with the capabilities to develop policies and introduce legislation that ensure equal access to housing, and manage grants processes supporting fair housing programs. Also, within its purview is the monitoring of local housing agencies, as well as Government Sponsored Entities (GSEs) like Freddie Mac and Fannie Mae for compliance with fair housing laws and practices.

The current HUD IT portfolio includes the following Fair Housing investments:

- Fair Lending Portal
- Fair Housing and Equal Opportunity (FHEO)
- Title VIII Automated Paperless Office Tracking System (TEAPOTS)
- Client Information System

3.2.4.1 Findings

Upon review of the IT Portfolio materials listed in Section 2, the following findings were identified for the Fair Housing segment:

- No Fair Housing segment architecture has been developed.
- There are multiple investments associated to the segment.

3.2.4.2 Recommendations

The following recommendations were identified for the Fair Housing segment:

- Identify a project lead and business sponsor to formalize Business Modernization Planning (Segment Architecture).
- Formalize a Business Modernization Plan (Segment Architecture) using HUD's standard methodology.
- Consolidate current Fair Housing investments.

3.3 BUSINESS SERVICE SEGMENTS

3.3.1 Financial Management

The Financial Management business service encompasses a comprehensive set of accounting and finance processes, technologies, and services designed to manage HUD's financial control activities and flow of financial information across HUD's information systems. Specifically, this Business Function encompasses sub-functions (processes) and service components related to accounting, billing, collections and receivables, credit transactions, expense management, payment settlement, payments and financial management.

The current HUD IT portfolio includes the following Financial Management investments:

- HUD FMLOB
 - Audit Resolution Corrective Action Tracking System (ARCATS)
 - Easy Budget Formulation System (EZ Budget)
 - HUD Central Accounting and Program System (HUDCAPS)
 - HUD Integrated Financial Management Improvement Project (HIFMIP)
 - Loan Accounting System (LAS)
 - Program Accounting System & Line of Credit Control System (PAS/LOCCS)
 - Total Estimation and Allocation Mechanism/Resource Estimation and Allocation Process (TEAM/REAP)
 - Section 8 Budget Outlay Support System (BOSS)
- FHA Financial Operations Modernization

- Federal Housing Administration Subsidiary Ledger (FHA SL)
- Public Inquiry Communications Subsystem (PICS)
- HUD Integrated Acquisition Management System (HIAMS)
- HUD Procurement System (HPS)
- Small Purchase System (SPS)
- Ginnie Mae (GNMA)

3.3.1.1 Findings

Upon review of the IT Portfolio materials listed in Section 2, the following findings were identified for the Financial Management segment:

- Last version of the segment architecture was published on December 2005.
- Many of the Financial Management systems/investments consolidated under the HUD FMLOB business case for FY 2008.
- Alignment between business case performance measurements and HUD Annual Performance Plan (APP) Fiscal Year 2007 performance indicators is not clearly defined.
- HUD's Peoplesoft implementation has a lot of customization resulting in cost and schedule issues.
- Functionality included in the investment doesn't align with the Financial Management segment scope.

3.3.1.2 Recommendations

The following recommendations were identified for the Financial Management segment:

- Formalize a Business Modernization Plan (Segment Architecture) using HUD's standard methodology.
- Leverage cross-agency materials (Federal Transition Framework) when planning the Financial Management segment.
- Revisit performance measurements to determine relationship with APP performance indicators.
- The investment name in the IT portfolio should be changed to 'Financial Management' rather than 'HUD FMLOB'.
- Move non-financial management functionality to appropriate business areas:
 - Identify and coordinate transition procurement applications (HIAMS, SPS, HPS) into new Acquisitions Management segment.
 - Continue transition of section 8 program functionality.
 - Identify and coordinate transition of mortgage insurance functionality to appropriate segments.
 - Identify and coordinate transition of correspondence tracking functionality to Electronic Document and Records Management segment (iManage).
- Consolidate financial management functions (i.e. SFPCS-U, SFPCS-P, MFIS, MFCS, HMIMIS) into the financial management business area.
- Develop standard operating procedures that provide the details regarding how another Mission Area, Business Service or Enterprise Service can use Financial Management services.

3.3.2 Grants Management

The Grants Management Business Function focuses on the processes, systems and technologies that support the administration and management of Grants Management programs (i.e., evaluating, scoring, awarding, monitoring grant programs). The scope of HUD's Grants Management activities is limited to back-office grant processes, ensuring little or no duplication with the Grants.gov functionality, which is a front-end portal allowing grantees access to grants information.

The current HUD IT portfolio includes the following Grants Management investments:

- Grants Management
 - Disaster Recovery Grant Reporting System (DRGR)
 - Economic Development System (EDSYS)
 - Empowerment Zones/Enterprise Community System (EZ/EC System)
 - Integrated Disbursement and Information System (IDIS)
 - Grants Management Process System (GMP)
 - Special Needs Assistance Program Support (SNAPS)
 - Subsidies and Grants Information System (SAGIS)

3.3.2.1 Findings

Upon review of the IT Portfolio materials listed in Section 2, the following findings were identified for the Grants Management segment:

- Last version of the segment architecture was published on February 24, 2006.
- Grants Management is developing requirements and planning a new modernization effort.
- There is a communication disconnect between legacy systems and current planning activities.
- Alignment between business case performance measurements and HUD Annual Performance Plan (APP) Fiscal Year 2007 performance indicators is not clearly defined.
- Functionality included in the investment doesn't align with the Grants Management segment scope.

3.3.2.2 Recommendations

The following recommendations were identified for the Grants Management segment:

- Formalize a Business Modernization Plan (Segment Architecture) using HUD's standard methodology.
- Leverage cross-agency materials (Federal Transition Framework) when planning the Grants Management segment.
- Revisit performance measurements to determine relationship with APP performance indicators.
- Identify and coordinate transition of Grants Management functionality from Single Family Housing (i.e. HCS) and Multifamily Housing Finance (i.e. DAP).
- Identify and coordinate transition of subsidy management functionality from RHA (i.e. VMS) to Subsidies and Grants Information System (SAGIS).

- Identify and coordinate transition of Section 8 program processing from Financial Management.
- Develop standard operating procedures that provide the details regarding how another Mission Area, Business Service or Enterprise Service can use Grants Management services.
- Complete Grants enterprise data model.

3.3.3 Human Resources Management

The Human Resource Management Business Function segment encompasses a comprehensive suite of processes, services and technologies to fully support the management of human resources across HUD. It makes available all HR information to managers and supervisors for workforce planning and employee development, and helps to ensure HUD employees are used in the most effective manner possible. Specifically, sub-functions, processes, and service components related to career development and retention, contingent workforce management, education and training, personnel administration, recruiting, retirement management, skills management, time reporting and workforce acquisition and optimization reside within this segment.

The current HUD IT portfolio includes the following Human Resources Management investments:

- HUD Integrated Human Resources and Training System (HIHRTS)
- Equal Employment Opportunity TRACS (EEOTRACS)

3.3.3.1 Findings

Upon review of the IT Portfolio materials listed in Section 2, the following findings were identified for the Human Resources Management segment:

- Last version of the segment architecture was published on April 1, 2005.
- Most of the Human Resources Management functionality is outsourced to the Department of Treasury.
- Human Resources Management plans to provide HIHRTS data mart and reporting capability to HUD applications and users.
- Alignment between business case performance measurements and HUD Annual Performance Plan (APP) Fiscal Year 2007 performance indicators is not clearly defined.

3.3.3.2 Recommendations

The following recommendations were identified for the Human Resources Management segment:

- Formalize a Business Modernization Plan (Segment Architecture) using HUD's standard methodology.
- Leverage cross-agency materials (Federal Transition Framework) when planning the Human Resources Management segment.
- Revisit performance measurements to determine relationship with APP performance indicators.

- Develop standard operating procedures that provide the details regarding how another Mission Area, Business Service or Enterprise Service can use Human Resource services.

3.4 ENTERPRISE SERVICE SEGMENTS

3.4.1 Electronic Document and Records Management

The Electronic Document and Records Management Enterprise Service enables HUD to effectively manage all of its documents and records in a consistent, legal, and logical manner, from creation to final disposition, using a common set of tools, standards and policies. The core objective of Document Management is to promote collaboration and sharing, and capture much of HUD's knowledge in digital format.

The current HUD IT portfolio includes the following Electronic Document and Records Management investments:

- iManage
 - Albany Financial Operations Center System (AFOCS)
 - Administrative Law Judge Monitoring System (ALJ System)
 - Enforcement Center Imaging System (ECIS)
 - Exec. Sec. Legacy System
 - HUD Client Information and Policy System (HUDClips)
 - HUD Communications Manager (HCM)
 - HUD Integrated Performance Reporting System (HIPRS)
 - Interstate Land Sales/Real Estate Settlement Procedures Act Compliance Tracking System (ILS/RESPA)
 - Office of the Secretary Technical Support (Sec. Tech. Support)
 - Presentation Graphics
 - Quality Assurance Document Library System (QADLS)
 - Single Family/Multifamily Mortgage Sales Library
 - Direct Distribution System (DDS)
 - HUD Travel Management System (HTMS)
 - Administrative Client Request/Response System (ACCRS)

3.4.1.1 Findings

Upon review of the IT Portfolio materials listed in Section 2, the following findings were identified for the Electronic Document and Records Management segment:

- There is an active HERS IPT that is focusing on HUD's enterprise document and record management needs and priorities.
- Last version of the segment architecture was published on April 30, 2006.
- There are multiple investments associated to the segment.
- Alignment between business case performance measurements and HUD Annual Performance Plan (APP) Fiscal Year 2007 performance indicators is not clearly defined.

3.4.1.2 Recommendations

The following recommendations were identified for the Electronic Document and Records Management segment:

- Formalize a Business Modernization Plan (Segment Architecture) using HUD's standard methodology.
- Collaborate with cross departmental business areas to establish value propositions that address business area opportunities.
- Leverage cross-agency materials (Federal Transition Framework) when planning the Electronic Records and Management segment.
- Revisit performance measurements to determine relationship with APP performance indicators.
- Consolidate current Electronic Document and Records Management investments.
- Develop standard operating procedures that provide the details regarding how another Mission Area, Business Service or Enterprise Service can use Human Resource services.

4 Conclusion

The next step for this Strategic Portfolio Report (SPR) is to present it to the TIBWG and TIBEC for approval. Once approval is received, one-on-one sessions will be conducted with the segment owner(s) to review the findings and recommendations and develop a plan for implementation. Periodic sessions will be conducted to monitor the implementation and to adjust plans according to changing needs and findings.

Appendix A Investment to Segment Mapping

Segment	Segment Type	Program Area	PCAS	ITIM Investment Name
Multifamily Housing Finance	Mission Area	HSG	1768000	IREMS
Multifamily Housing Finance	Mission Area	HSG	251460	APPS
Multifamily Housing Finance	Mission Area	HSG	251760	REMS
Multifamily Housing Finance	Mission Area	HSG	251800	DAP
Multifamily Housing Finance	Mission Area	HSG	251840	MDDRS
Multifamily Housing Finance	Mission Area	HSG	251850	Mark-to-Market
Multifamily Housing Finance	Mission Area	HSG	306660	MF Integ
Multifamily Housing Finance	Mission Area	HSG	712930	Neig. Networks
Multifamily Housing Finance	Mission Area	HSG	1467920	OPIIS
Multifamily Housing Finance	Mission Area	HSG	251300	MF Insur. Sys
Multifamily Housing Finance	Mission Area	HSG	251330	MF Claims Sys
Multifamily Housing Finance	Mission Area	CPD	252290	Title V System
Multifamily Housing Finance	Mission Area	HSG	251560	HMIMIS
Rental Housing Assistance	Mission Area	PIH-REAC	411990	Rental Hsg Assistance
Rental Housing Assistance	Mission Area	PIH-REAC	302075	National Housing Locator
Rental Housing Assistance	Mission Area	HSG	251780	TRACS
Rental Housing Assistance	Mission Area	PIH-REAC	1667960	Inventory Mgmt
Rental Housing Assistance	Mission Area	PIH-REAC	1667980	Oversight and Monitoring
Rental Housing Assistance	Mission Area	PIH-REAC	1667990	EIV
Rental Housing Assistance	Mission Area	PIH-REAC	307870	PASS
Rental Housing Assistance	Mission Area	PIH-REAC	307680	RASS
Rental Housing Assistance	Mission Area	PIH-REAC	307800	CASS
Rental Housing Assistance	Mission Area	PIH-REAC	307820	FASS-PH
Rental Housing Assistance	Mission Area	PIH-REAC	307810	FASS-FHA

Segment	Segment Type	Program Area	PCAS	ITIM Investment Name
Rental Housing Assistance	Mission Area	PIH-REAC	307830	MASS
Rental Housing Assistance	Mission Area	PIH-REAC	307860	NASS
Rental Housing Assistance	Mission Area	PIH-REAC	307880	QASS
Rental Housing Assistance	Mission Area	PIH-REAC	307940	WASS
Rental Housing Assistance	Mission Area	PIH-REAC	307790	Tenant Eligibility Sub-system (TASS)
Rental Housing Assistance	Mission Area	PIH-REAC	307900	Development Coordination Group (DCG)
Single Family Housing	Mission Area	HSG	663400	SF Integration
Single Family Housing	Mission Area	HSG	251250	HECM
Single Family Housing	Mission Area	HSG	251360	SAMS
Single Family Housing	Mission Area	HSG	251370	Neighborhood Watch
Single Family Housing	Mission Area	HSG	251380	SFHEDW
Single Family Housing	Mission Area	HSG	251390	Housing Counseling
Single Family Housing	Mission Area	HSG	251400	CHUMS
Single Family Housing	Mission Area	HSG	251410	Institution Master File
Single Family Housing	Mission Area	HSG	251420	ARRTS
Single Family Housing	Mission Area	HSG	251440	CAIVRS
Single Family Housing	Mission Area	HSG	251680	FHA Connection
Single Family Housing	Mission Area	HSG	307890	LASS
Single Family Housing	Mission Area	HSG	712890	Disposition Property Ctrl Sys
Single Family Housing	Mission Area	HSG	251270	CSFSS
Single Family Housing	Mission Area	HSG	251280	SFDMS
Single Family Housing	Mission Area	HSG	663400F	SF Integration
Single Family Housing	Mission Area	HSG	251140	SFIS
Single Family Housing	Mission Area	HSG	251080	SF Insurance Claims Subsys
Single Family Housing	Mission Area	HSG	251210	SFPCS-P
Single Family Housing	Mission Area	HSG	251170	DSRS

Segment	Segment Type	Program Area	PCAS	ITIM Investment Name
Single Family Housing	Mission Area	HSG	251190	NOTES
Single Family Housing	Mission Area	HSG	251220	SFPCS-U
Single Family Housing	Mission Area	HSG	251310	DCAMS
Single Family Housing	Mission Area	HSG	251320	Title I
Fair Housing	Mission Area	FHEO	308160	TEAPOTS
Fair Housing	Mission Area	FHEO	308210	FHEO Maint. Project
Fair Housing	Mission Area	FHEO	663500	Fair Lending Portal
Fair Housing	Mission Area	FHEO	309150	Client Information System
Financial Management	Business Service	CFO	1768010	HUD FMLOB
Financial Management	Business Service	CFO	202540	PAS/LOCCS
Financial Management	Business Service	CFO	202620	HUDCAPS
Financial Management	Business Service	CFO	202670	REAP/TEAM
Financial Management	Business Service	CFO	202740	LAS/CFO Rec. Maint
Financial Management	Business Service	CFO	203390	EZ Budget
Financial Management	Business Service	CFO	307840	BOSS
Financial Management	Business Service	CFO	360690	ARCATS
Financial Management	Business Service	CFO	411740	HIFMIP
Financial Management	Business Service	HSG	410350	FHA Financial Operations Modernization
Financial Management	Business Service	HSG	410350	FHA SL
Financial Management	Business Service	HSG	251200	PICS
Financial Management	Business Service	OPC	202800	HPS
Financial Management	Business Service	OPC	307780	SPS
Financial Management	Business Service	GNMA	411000	Ginnie Mae Maintenance
Financial Management	Business Service	OPC	1767980	HIAMS
Grants Management	Business Service	ADM	964750	HUD eGrants
Grants Management	Business Service	CPD	252190	Econ Dev Init.

Segment	Segment Type	Program Area	PCAS	ITIM Investment Name
Grants Management	Business Service	CPD	252200	IDIS
Grants Management	Business Service	CPD	252210	GMP Sys Maint
Grants Management	Business Service	CPD	252220	DRGR
Grants Management	Business Service	CPD	252230	SNAPS
Grants Management	Business Service	CPD	252240	EZ/EC System
Grants Management	Business Service	PIH-REAC	1667970	Subsidies and Grants Information System (SAGIS)
Human Resources Management	Business Service	ADM	202750	HIHRTS
Human Resources Management	Business Service	DEPSEC/S EC	203470	EEOTRACS
Electronic Document and Records Management	Enterprise Service	ADM	663580	HERS (ERM)
Electronic Document and Records Management	Enterprise Service	ADM	203080	ACRRS
Electronic Document and Records Management	Enterprise Service	ADM	203070	HCM
Electronic Document and Records Management	Enterprise Service	ADM	203090	HUDClips
Electronic Document and Records Management	Enterprise Service	ADM	252030	Exec Sec Legacy Sys Maint
Electronic Document and Records Management	Enterprise Service	HSG	252510	SF/MF Mortgage Sales Library
Electronic Document and Records Management	Enterprise Service	HSG	306700	ILS/RESPA
Electronic Document and Records Management	Enterprise Service	DEPSEC/S EC	307450	HIPRS
Electronic Document and Records Management	Enterprise Service	ADM	410940	DDS

Segment	Segment Type	Program Area	PCAS	ITIM Investment Name
Electronic Document and Records Management	Enterprise Service	ADM	411140	Presentation Graphics
Electronic Document and Records Management	Enterprise Service	CFO	307660	HTMS
Electronic Document and Records Management	Enterprise Service	DEPSEC/S EC	252010	Sec Tech Support
Electronic Document and Records Management	Enterprise Service	DEPSEC/S EC	308720	ALJ Sys Maint
Electronic Document and Records Management	Enterprise Service	ENFC	202920	ECIS
Electronic Document and Records Management	Enterprise Service	HSG	306680	QADLS
Electronic Document and Records Management	Enterprise Service	HSG	410890	AFOCS
Administrative Management	Business Service	ADM	307690	FIRMS
Administrative Management	Business Service	DEPSEC/S EC	308340	Labor Relations
Information and Technology Management	Business Service	OCIO	304290	System Engineering Support
Information and Technology Management	Business Service	ADM	304080	Email
Information and Technology Management	Business Service	DEPSEC/S EC	411200	Internet/Intranet
Information and Technology Management	Business Service	OCIO	1067780	Department IT Infrastructure
Information and Technology Management	Business Service	OCIO	309680	IT Security
Information and Technology Management	Business Service	OCIO	1717970	Integ. IT Mgmt
Information and Technology Management	Business Service	OCIO	303820	EA

Segment	Segment Type	Program Area	PCAS	ITIM Investment Name
Information and Technology Management	Business Service	OCIO	308580	Data Mgmt
Information and Technology Management	Business Service	OCIO	309390	ITIM
Information and Technology Management	Business Service	OCIO	309420	Dept E-Government Program
Information and Technology Management	Business Service	OCIO	663510	CIO Legacy Sys Maint
Information and Technology Management	Business Service	DEPSEC/S EC	308600	Public Access Technologies
Enforcement	Business Service	ENFC	202940	DECMS
Enforcement	Business Service	ENFC	561490	ECPCIS
Administrative Management	Business Service	ADM	251770	Admin Legacy Sys Maint.
Geospatial Data Management and Analysis	Enterprise Service	OCIO	307650	Geocode Service Center
Planning and Resource Allocation		HSG	306690	FHA Survey
N/A		OCIO	308330	ICB Track Sys
N/A		OGC	411300	OGC Sys Maint
N/A		PD&R	309460	PD&R Maint
N/A		HSG	252600	EDI
N/A		OCIO	663030	EDDS
N/A		PD&R	302070	Enterprise Integration
N/A			999999	Other Small Projects