

Exhibit 300 (BY2009)

PART ONE	
OVERVIEW	
1. Date of Submission:	2007-09-10
2. Agency:	015
3. Bureau:	45
4. Name of this Capital Asset:	Integrated Customer Communications Environment (ICCE)
5. Unique Project Identifier:	015-45-01-11-01-2225-00
<i>6. What kind of investment will this be in FY2009?</i>	
Mixed Life Cycle	
<i>7. What was the first budget year this investment was submitted to OMB?</i>	
FY2004	
<i>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.</i>	
<p>The Integrated Customer Communications Environment (ICCE) provides customer service applications through toll-free telephone service and the Internet in Spanish and English. The toll-free telephone service provides automated self-service applications allowing taxpayers to help themselves and applications that route taxpayers to live Customer Service Representatives (CSRs). The Internet component allows taxpayers to check refund status. The IRS uses CSRs to provide toll-free telephone taxpayer assistance in support of the IRS mission. Limited resources resulted in increased taxpayer dissatisfaction but technological advances in the Internet and telecommunications provide a vehicle that allows the IRS to serve its customers more effectively and efficiently. ICCE is an Operational System indicating that the project remains aligned with the Department of Treasury's and IRS's strategic goals and missions, and continues to meet taxpayer needs. The IRS ensures that Operational Systems are executed in a disciplined, well-managed, and consistent manner through oversight, quality control, and executive review. In 2002, ICCE made refund status available through the Internet. This was the first step in IRS meeting Congressional mandates to provide taxpayers with secure online access to account information by 2006. The ICCE team continues to identify appropriate automated self-service features to incorporate into future releases and anticipates including taxpayer electronic agreements in FY2009. ICCE will make technology improvements in the web and telecommunications arenas. ICCE platforms and subsystems will be configured in a more efficient and effective manner, growing a common foundation to support the internet and telephony systems. ICCE is creating a common infrastructure to support both the web and telephone environment. Efficiencies will be achieved through consolidation of VRUs and system platforms resulting in more automation over the web and it is easier to maintain a web-based system. These changes allow for more efficient use of CSRs and decreases maintenance costs. Due to the automation of taxpayer services the government and the taxpayers realize significant time savings as a result of the ICCE project.</p>	
<i>9. Did the Agency's Executive/Investment Committee approve this request?</i>	
yes	
<i>9.a. If "yes," what was the date of this approval?</i>	
2007-08-16	
<i>10. Did the Project Manager review this Exhibit?</i>	
yes	
<i>11. Project Manager Name:</i>	
Farrell, William P.	
<i>Project Manager Phone:</i>	
202 283 5082	
<i>Project Manager Email:</i>	
william.p.farrell@irs.gov	
<i>11.a. What is the current FAC-P/PM certification level of the project/program manager?</i>	

TBD	
12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project.	
yes	
12.a. Will this investment include electronic assets (including computers)?	
yes	
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:	
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?)	
ICCE increases access to taxpayer information and facilitates faster and improved services to the citizens.	
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?	
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)	
(1) Project manager has been validated as qualified for this investment	
18. Is this investment identified as high risk on the Q4 - FY 2007 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 ICCE project allows taxpayers to access tax laws via telephone, obtain status of tax filings, and refund status.	
20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)	
Hardware	0
Software	0
Services	97
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.	

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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

	PY-1 & Earlier	PY	CY
	-2006	2007	2008
Planning Budgetary Resources	28.119	0.000	0.000
Acquisition Budgetary Resources	104.981	4.560	1.350
Maintenance Budgetary Resources	163.509	8.311	8.047
Government FTE Cost	42.072	4.110	5.256
# of FTEs	44	48	48

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?

yes

2.a. If "yes," how many and in what year?

The project is anticipating an increase of 13 FTE between FY07 and FY09

3. If the summary of spending has changed from the FY2008 President's budget request, briefly explain those changes.

There are two changes encompassed in this document. The first change consists of changes to the FY08 and FY09 costs. The FY08 CR resulted in IRS management allocating ICCE project funding at \$14.653 from \$17.893M resulting in a reduction of \$3.24M. However, this reduction will not have a significant impact on the scope, schedule, functions, and/or performance of the project because the project "scrubbed" all outstanding requirements and the budget submitted at the end of FY07. This extensive review resulted in a validated reduction of projected funding requirements for FY08. FY09 projected costs decreased from \$21.152 to \$14.977M. Again although this is a large reduction in the project's planned funding requirements there will not be any adverse effects on the scope, schedule, functions, and/or performance of the project due to the extensive review of all outstanding requirements currently known by the project. Also with the

completion of the infrastructure replacement, DME costs are substantially lower in FY08 and in the following years because the project is beginning to realize the lifecycle cost savings resulting from the infrastructure and technology replacement.

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 FY 2009.

	Fiscal Year	Strategic Goal Supported	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results
1	2007	Manage the U.S. Government's Finances Effectively	Mission and Business Results	Taxation Management	toll free CSR level of srvc measures the number of successfully handled calls from taxpayers	87.3%	82.0%	82.1% as of 9/30/07
2	2007	Manage the U.S. Government's Finances Effectively	Customer Results	Customer Satisfaction	Toll Free Taxpayer Satisfaction is measured by surveying callers from each IRS call center site after completing a call	93.0%	94.0%	94.3 AS OF 9/30/07
3	2007	Manage the U.S. Government's Finances Effectively	Processes and Activities	Productivity	Calculate the number of taxpayers who will use the Internet applications to request refund status and any other web services products.	24.8M	27.3M	31.8M as of 9/30/07
4	2007	Manage the U.S. Government's Finances Effectively	Technology	Availability	Percentage of time the ICCE system is available to the taxpayer	93%	94%	94.3 as of 9/30/07
5	2008	Manage the U.S. Government's Finances Effectively	Mission and Business Results	Taxation Management	toll free CSR level of srvc measures the number of successfully handled calls	82.1	82.5	

					from taxpayers			
6	2008	Manage the U.S. Government's Finances Effectively	Customer Results	Customer Satisfaction	Toll Free Taxpayer Satisfaction is measured by surveying callers from each IRS call center site after completing a call	94.3	94.5	
7	2008	Manage the U.S. Government's Finances Effectively	Processes and Activities	Productivity	Calculate the number of taxpayers who will use the Internet applications to request refund status and any other web services products.	31.8M	32M	
8	2008	Manage the U.S. Government's Finances Effectively	Technology	Availability	Percentage of time the ICCE system available to the taxpayer	94	94.5	
9	2009	Manage the U.S. Government's Finances Effectively	Mission and Business Results	Taxation Management	toll free CSR level of srvc measures the number of successfully handled calls from taxpayers	87.3	88%	
10	2009	Manage the U.S. Government's Finances Effectively	Customer Results	Customer Satisfaction	Toll Free Taxpayer Satisfaction is measured by surveying callers from each IRS call center site after completing a call	95%	96%	
11	2009	Manage the U.S. Government's Finances Effectively	Processes and Activities	Productivity	Calculate the number of taxpayers who will use the Internet applications to request refund status and any other web services products.	24.8M	27.3M	
12	2009	Manage the U.S. Government's Finances	Technology	Availability	Percentage of time the ICCE system is available to the	95%	96%	

		Effectively			taxpayer			
13	2010	Manage the U.S. Government's Finances Effectively	Mission and Business Results	Taxation Management	toll free CSR level of srvc measures the number of successfully handled calls from taxpayers	87.3	82.0	
14	2010	Manage the U.S. Government's Finances Effectively	Customer Results	Customer Satisfaction	Toll Free Taxpayer Satisfaction is measured by surveying callers from each IRS call center site after completing a call	96%	97%	
15	2010	Manage the U.S. Government's Finances Effectively	Processes and Activities	Productivity	Calculate the number of taxpayers who will use the Internet applications to request refund status and any other web services products.	24.8M	27.3M	
16	2010	Manage the U.S. Government's Finances Effectively	Technology	Availability	Percentage of time the ICCE system is available to the taxpayer	96%	97%	

EA

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.*

Integrated Customer Communications Environment (ICCE). ICCE is referenced in the Enterprise Transition Plan, Volume 1: Enterprise Transition Strategy (IRS).

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

no

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	Assistance Request	ICCE allows customers to obtain the service they require through automated self-service applications via toll-free telephone service and the Internet	Customer Initiated Assistance	Assistance Request			No Reuse	20
2	Multi-Lingual Support	ICCE offers assistance in Spanish as well as English	Customer Initiated Assistance	Multi-Lingual Support			No Reuse	25
3	Online Help	The Internet-based Refund Status application provides online help	Customer Initiated Assistance	Online Help			No Reuse	10
4	Self-Service	ICCE allows customers to obtain the service they require through automated self-service applications via toll-free telephone service and the Internet	Customer Initiated Assistance	Self-Service			No Reuse	5
5	Call Center Management	ICCE routes callers to the appropriate assistance in the IRS call center environment	Customer Relationship Management	Call Center Management			No Reuse	5
6	Custom / Account Management	ICCE supports the retention and delivery of services to IRS customers	Customer Relationship Management	Customer / Account Management			No Reuse	5
7	Customer Analytics	ICCE includes capabilities to allow analysis of customer call volumes and Internet queries	Customer Relationship Management	Customer Analytics			No Reuse	5
8	Surveys	ICCE includes capabilities that allow surveying of customers who use the telephone and	Customer Relationship Management	Surveys			No Reuse	5

	Internet-based services						
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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	Multi-Lingual Support	Service Access and Delivery	Access Channels	Web Browser	Microsoft Internet Explorer
2	Online Help	Service Access and Delivery	Access Channels	Other Electronic Channels	Netscape Communicator
3	Self-Service	Service Access and Delivery	Delivery Channels	Internet	Microsoft Internet Explorer, Netscape Communicator
4	Assistance Request	Service Access and Delivery	Service Requirements	Legislative / Compliance	Web content accessibility (JAWS)
5	Assistance Request	Service Access and Delivery	Service Transport	Supporting Network Services	SNMP, DHCP, DNS
6	Call Center Management	Service Access and Delivery	Service Transport	Service Transport	TCP, IP, HTTP, HTTPS, FTP
7	Assistance Request	Service Platform and Infrastructure	Support Platforms	Platform Independent	J2EE, SUN Solaris
8	Self-Service	Service Platform and Infrastructure	Support Platforms	Platform Dependent	Microsoft WindowsNT
9	Customer Analytics	Service Platform and Infrastructure	Delivery Servers	Web Servers	Apache, WebSphere
10	Customer / Account Management	Service Platform and Infrastructure	Delivery Servers	Application Servers	Apache WebSphere
11	Surveys	Service Platform and Infrastructure	Software Engineering	Integrated Development Environment	IBM WebSphere Studio, Visual Studio, SUN Workshop, Rational Enterprise Suite
12	Assistance Request	Service Platform and Infrastructure	Software Engineering	Software Configuration Management	Rational Clearcase
13	Self-Service	Service Platform and Infrastructure	Software Engineering	Test Management	Emperis Hammer Test Tools

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

yes

6.a. If yes, please describe.

Yes. The Internet Refund Status capabilities of ICCE are available through the FirstGov website. As additional applicable components or applications become available, the ICCE Project will evaluate their incorporation. At this time, the other customer service capabilities of ICCE are not supported by common components or applications available elsewhere in the government.

PART TWO

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?

2007-07-30

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:

Some enhancements to the Integrated Customer Communications Environment (ICCE) subsystems are driven by legislative mandates which cannot be predicted, resulting in annual recurring cost and schedule risks. The Project management team evaluates effort and costs associated with past legislative mandates when planning for future system enhancements. The ICCE investment will prioritize legislatively mandated changes over non-legislatively mandated changes. Investment's DME Cost and Schedule milestones are risk adjusted.

COST & SCHEDULE

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

no

2. Is the CV% or SV% greater than $\pm 10\%$?

yes

2.a. If yes, was it the?

CV

2.b. If yes, explain the variance.

FY'05 funding was not available until very late in the year so funds could only be obligated. In mid-FY'06 the SOW and task order were completed and implementation began during the 3rd quarter of FY06. The timeframe between FY'05 funding and FY'06 implementation did not take into account the applicable inflation rates. In addition, in late FY'06, the ICCE project was reclassified from a steady state to a mixed life cycle project. As a result, historical DME costs were not available which would have provided a basis for DME cost estimates. Also, the writer made an error in the FTE count for FY07 and FTE costs were off in FY 08.

2.c. If yes, what corrective actions are being taken?

Based on the actual data being kept now, ICCE will have a basis on which to determine or estimate the project's DME costs for FY 08 and the out years. The project office will apply the FY 07 DME costs against the work documents for FY 08 to better estimate the costs for legislative costs. The DME costs incurred due to the rust replacement will gradually, over time, dissipate and no corrective action can be taken to correct the DME costs associated with this one-time effort for the project.

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

no