



Joint Task Force National Capital Region Medical **INSTRUCTION**

NUMBER 8115.02
SEP 10 2012

J-6

SUBJECT: Information Management (IM)/Information Technology (IT) Portfolio
Management (PfM) Implementation

References: See Enclosure 1

1. PURPOSE. This Instruction, in accordance with the authorities in JTF CAPMED Directive 5106.02; JTF CAPMED Instruction 5025.02; and JTF CAPMED Directive 8115.01 (References (a), (b) and (c)), and the guidance in Deputy Secretary of Defense Memorandum; Department of Defense (DoD) Directive 8115.01; and DoD Directive 5144.1 (References (d), (e), and (f)), implements policy and describes responsibilities for the management of Joint Task Force National Capital Region Medical (JTF CapMed) IT investments as portfolios within JTF CapMed (to include, but not be limited to the JTF CapMed Executive Council (see Reference (b)), Clinical Business Informatics Advisory Group (CBIAG) and Joint Medical Treatment Facilities (MTFs) and Centers) that focus on improving capabilities and mission outcomes consistent with subtitle 11101 of title 40, United States Code; Office of Management and Budget Circular No. A-130; and DoD Directive 8000.01 (References (g), (h), and (i)).

2. APPLICABILITY. This Instruction applies to:

a. JTF CapMed and all Joint MTFs and Centers in the National Capital Region (i.e., Fort Belvoir Community Hospital, Walter Reed National Military Medical Center, and the Joint Pathology Center).

b. All current and planned JTF CapMed IT investments that are part of the Global Information Grid (GIG) per Reference (i) and DoD Directive 8100.02 (Reference (j)).

3. DEFINITIONS. See Glossary

4. POLICY. This Instruction implements the policies established in Reference (e) and describes procedures for managing JTF CapMed IT investments as portfolios.

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5. RESPONSIBILITIES

a. JTF CapMed Chief Information Officer (CIO). The JTF CapMed CIO shall ensure that JTF CapMed CBIAG and Joint MTFs and Centers are in compliance with this Instruction, meet the intent and priorities of the Commander, JTF CapMed (CJTF) and Deputy Commander, JTF CapMed (DCJTF), and may also issue JTF CapMed issuances to supplement the policies and procedures contained herein.

b. JTF CapMed Director of Logistics and Facilities (J-4), Director for Resources (J-8), and Director for Communications IM/IT (J-6) in coordination with the CBIAG and Joint MTFs and Centers Senior Leadership. The JTF CapMed Director of Logistics and Facilities (J-4), Director for Resources (J-8), and Director for Communications IM/IT (J-6), in coordination with the CBIAG and Joint MTFs and Centers Senior Leadership, shall collaboratively develop additional guidance for integration of IT PFM activities into the processes governed by Chairman of the Joint Chiefs of Staff Instruction 3170.01E, DoD Directive 7045.14, and DoD Directive 5000.1 (References (k), (l), and (m)).

c. Other responsibilities assigned by Reference (e) shall be carried out using the procedures identified in this Instruction.

6. PROCEDURES. See Enclosures 2 through 8.

7. RELEASABILITY. UNLIMITED. This Instruction is approved for public release and is available on the Internet from the JTF CapMed Web Site at: www.capmed.mil.

8. EFFECTIVE DATE. This Instruction is effective immediately.



SCOTT WARDELL

Executive Director for Administrative Operations
By Direction of the Commander

Enclosures

1. References
 2. Procedures
 3. Analysis
 4. Selection
 5. Control
 6. Evaluation
 7. Executive Council, CBIAG, and Joint MTF and Center Levels Governance
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ENCLOSURE 1

REFERENCES

- (a) JTF CAPMED Directive 5106.02, "Clinical and Business Informatics Advisory Group (CBIAG) Charter," August 12, 2011
- (b) JTF CAPMED Instruction 5025.02, "Joint Task Force National Capital Region Corporate Decision Making Process," February 16, 2010
- (c) JTF CAPMED Directive 8115.01, "Information Management (IM)/Information Technology (IT) Portfolio Management (Pm)," October 13, 2011
- (d) Deputy Secretary of Defense Memorandum, "Establishing Authority for Joint Task Force National Capital Region/Medical (JTF CapMed) and JTF CapMed Transition Team (Unclassified)," September 12, 2007
- (e) Department of Defense Directive 8115.01, "Information Technology Portfolio Management," October 10, 2005
- (f) Department of Defense Directive 5144.1, "Assistant Secretary of Defense for Networks and Information Integration/DoD Chief Information Officer (NII)/DoD CIO," May 2, 2005
- (g) Subtitle 11101 of title 40, United States Code (formerly Division E of the Clinger-Cohen Act of 1996)
- (h) Office of Management and Budget Circular No. A-130, "Management of Federal Information Resources," as amended
- (i) Department of Defense Directive 8000.01, "Management of the Department of Defense Enterprise," February 10, 2009
- (j) Department of Defense Directive 8100.02, "Use of Commercial Wireless Devices, Services, and Technologies in the Department of Defense (JTF CapMed) Global Information Grid (GIG)," April 14, 2004
- (k) Chairman of the Joint Chiefs of Staff Instruction 3170.01G, "Joint Capabilities Integration and Development System (JCIDS)," March 1, 2009
- (l) Department of Defense Directive 7045.14, "Planning, Programming and Budgeting System (PPBS)," May 22, 1984
- (m) Department of Defense Directive 5000.1, "The Defense Acquisition System," May 12, 2003
- (n) Department of Defense Transformation Planning Guidance, April 2003¹
- (o) Office of Management and Budget Circular A-11, "Preparation, Submission and Execution of the Budget," Revised November 2, 2005
- (p) Department of Defense Directive 8320.02, "Data Sharing in a Net-Centric Department of Defense," December 2, 2004
- (q) Department of Defense Net-Centric Data Strategy, May 9, 2003²

¹ Available at:

http://www.oft.osd.mil/library/library_files/document_129_Transformation_Planning_Guidance_April_2003_1.pdf

² Available at: <http://www.dod.cio-nii/docs/Net-Centric-Data-Strategy-2003-05-092.pdf>

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ENCLOSURE 2PROCEDURES1. JTF CAPMED IT PFM PROCESS

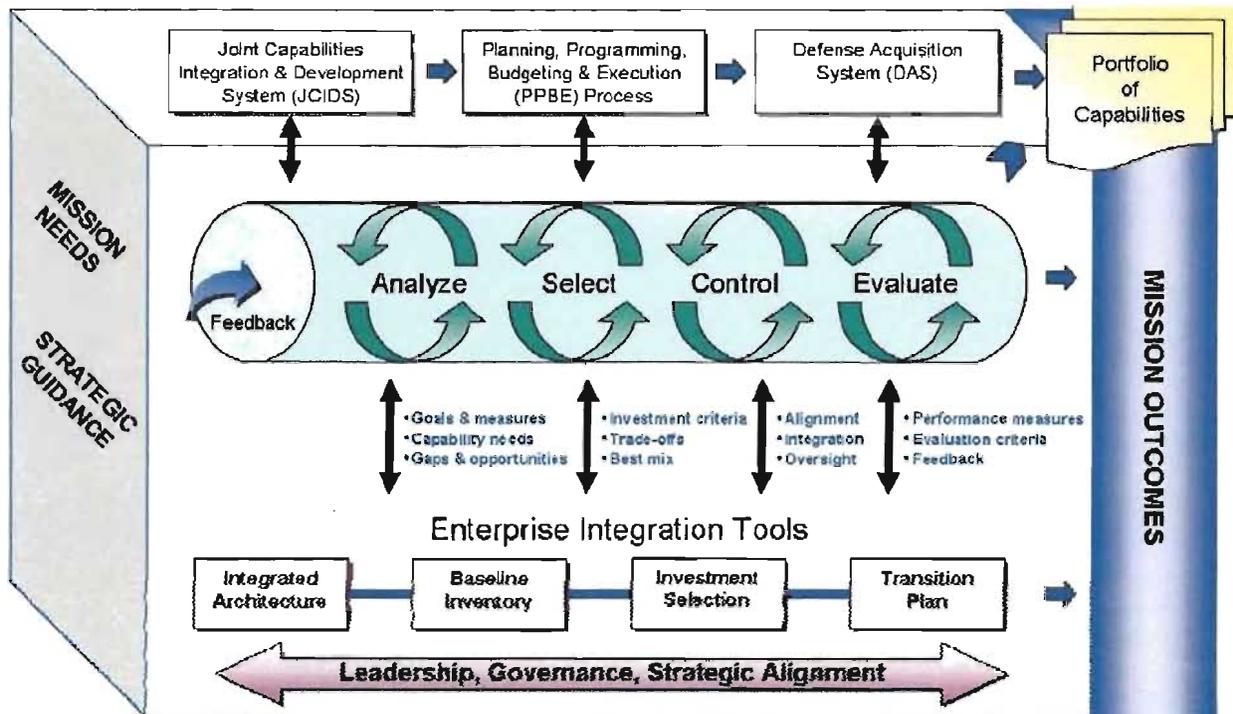
a. Achieving JTF CapMed's goals requires a fundamental change in the way IT is managed in the organization. Historically, IT resources have been managed and acquired as stand-alone systems rather than as integral parts of a net-centric capability. This has had the effect of allowing duplicative investment in systems or platforms that deliver the same or similar capabilities, limiting the ability to share information or fully incorporate Doctrine, Organization, Training, Materiel, Leadership and Education, Personnel, and Facilities (DOTMLPF) factors. Managing portfolios of capabilities aligns IT with the overall needs of the medical community, as well as the business activities which support the customers and healthcare clients. In support of JTF CapMed Executive Council, CBIAG, and Joint MTFs and Centers concepts, goals, measures, and integrated architectures, this Instruction describes the fundamental concepts necessary to align IT with Military Health System (MHS) and DoD policies.

b. Since publication of the Transformation Planning Guidance in 2003 (Reference (n)), the DoD, MHS, JTF CapMed, and all of its CBIAG and Joint MTFs and Centers have moved at an accelerating pace toward capabilities-based planning, resource allocation, and acquisition, based on the principles of joint interoperability and network-centric warfare. The Joint Capabilities Integration & Development Systems (JCIDS) (Reference (k)) restructured the requirements generation process to focus on capability gaps and redundancies, and institutionalized functional analyses to determine the best mix of investments based on cost and operational effectiveness. The Planning, Programming, Budgeting and Execution (PPBE) process added a new emphasis on the use of performance metrics based on outputs and return on investment. The Defense Acquisition System (DAS) guidance was updated to integrate better with the JCIDS process, develop roadmaps for capabilities, adopt industry best practices, and establish a knowledge-based approach which requires program managers to attain the right knowledge at critical junctures so they can make informed program decisions throughout the acquisition and implementation process. The JTF CapMed IT PFM process continues this evolution from emphasis on individual systems to overall mission capability. As with any evolution, the maturity and completeness of IT PFM practices within the JTF CapMed will develop over time.

c. Consistent with the Office of Management and Budget (OMB) Capital Planning and Investment Control guidance within Reference (h), the Department of Defense and all of its components - including JTF CapMed - shall use four continuous integrated activities to manage its portfolios: analysis, selection, control, and evaluation. The overall process is iterative, with results being fed back into the system to guide future decisions. Figure 1 shows the Department of Defense's major portfolio activities, their key products and outcomes, and their relationships to the decision-making processes.

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Figure 1. DoD IT PFM Decision Support Interactions



(1) Analysis is the activity in which CBIAG and Joint MTFs and Centers, in collaboration with JTF CapMed Executive Council Leadership, establish performance goals, identify gaps and opportunities, provide for continuous improvement, and explore functional and technical options as documented in current capabilities and future integrated architectures. The Analysis activity addresses the critical front-end requirements for strategic planning, performance and results management, benchmarking, elimination of unnecessary functions, process improvement, and definition of capabilities and gaps. It creates a directional foundation for the other activities. Reference (f) requires that analysis be performed. Enclosure 3 provides processes and procedures for analysis (Reference (g)).

(2) Selection is the activity that identifies the best mix of investments within available resources to meet integrated JTF CapMed Executive Council, CBIAG, and Joint MTFs and Center strategic goals. Portfolio selection decisions are made using integrated architectures, transition plans, technical criteria, and programmatic trade-offs to satisfy performance measures and achieve desired outcomes. Enclosure 4 provides processes and procedures for selection.

(3) Control is the activity focused on acquiring the capabilities selected for the portfolio. It consists of acquisition and oversight activities at the portfolio level that complement and supplement traditional single-system, single-platform acquisition and oversight activities. CBIAG and Joint MTFs and Centers shall conduct periodic reviews of the programs and systems within their purview to ensure acquisitions continue to meet selection criteria and architectural goals, and remain consistent with transition plans. These periodic reviews should consider how developing system functionality meets or contributes to corresponding capability performance

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goals, and how changes in the expected performance of each investment impact the portfolio performance and capability. Enclosure 5 provides processes and procedures for control.

(4) Evaluation is the activity focused on measuring and assessing the outcomes of portfolio investments to determine whether expected benefits were achieved. Primary mechanisms for evaluation are post-implementation reviews (see OMB Circular A-11 (Reference (o))) and other types of assessments. Evaluation results feed back into the other activities of IT PFM to guide all investment decisions and recommendations. CBIAG and Joint MTFs and Centers lead the evaluation of outcomes and are primarily responsible for seeing that planned benefits are attained. Enclosure 6 provides processes and procedures for evaluation.

(5) IT PFM is a key enabler of information sharing. In accordance with JTF CapMed Directive 8320.02 (Reference (p)), PFM enables data sharing across the JTF CapMed Enterprise, supports cross-CBIAG and Joint MTFs' and Centers' communities of interest, and ensures data-sharing agreements are implemented by the respective stakeholders. These activities should maximize return on investment for the Enterprise by reusing accessible data rather than recreating existing data.

(6) IT PFM is an ongoing, collaborative, cross-cutting, and flexible process, performed by stakeholder teams representing all life-cycle activities (e.g., capabilities, resources, acquisition, operations, deactivation, and retirement/reutilization or demilitarization) that are driven by mission outcomes. JTF CapMed IT PFM practices shall interface with, and be incorporated into, DoD principal decision support processes - JCIDS, PPBE, and DAS (see Figure 1). JTF CapMed IT PFM will leverage existing decision support processes and decision bodies whenever possible.

2. GOVERNANCE AND INTERFACES

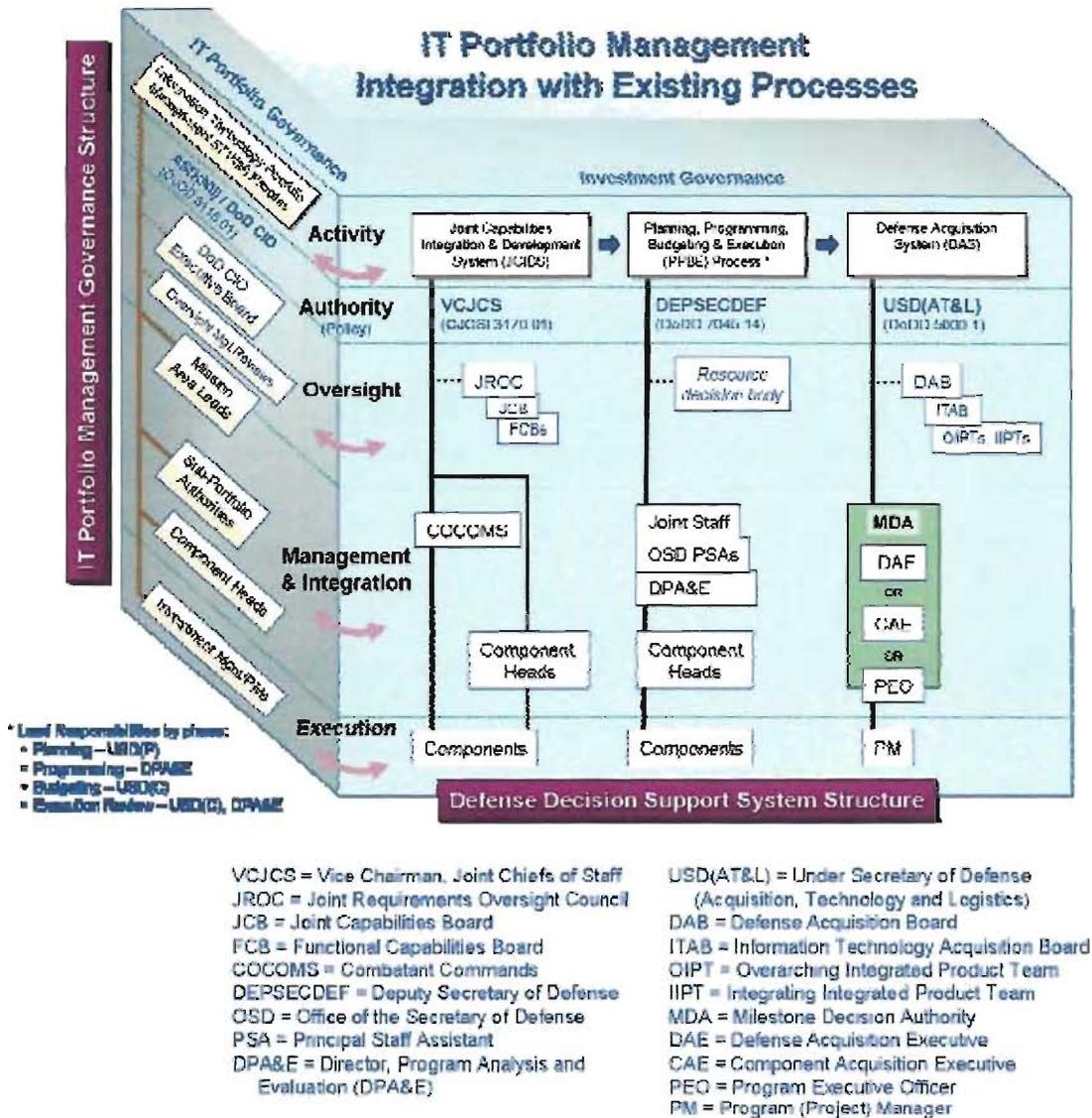
a. The JTF CapMed's IT PFM process provides a balanced strategy for making decisions and recommendations based on Enterprise strategic planning, integrated architectures, and outcome-based performance measures to achieve desired mission capabilities. Effective implementation of the JTF CapMed IT PFM strategy requires a robust governance structure, enabled by consistent, repeatable processes at all levels to foster greater management efficiency, better communications, and effective collaboration. The IT PFM governance process leverages existing JTF CapMed services and MHS and DoD policies to ensure collections of related IT capabilities and services are managed as portfolios to maximize their contribution to the Enterprise.

b. JTF CapMed IT PFM governance authorities are exercised in two distinct ways: through management process guidance and investment program oversight. According to Reference (e), IT investments must be planned, justified, and managed as part of a portfolio of related IT capabilities. However, IT PFM governance authority to effect changes to specific DoD IT investments is manifested through the existing JCIDS, PPBE, and DAS processes. While the JTF CapMed CIO and CBIAG provide governance to directly oversee and enforce the processes through which JTF CapMed IT PFM activities are implemented, their influence over specific

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DoD IT investment decisions depends on close working relationships with their counterparts in the JCIDS, PPBE, and DAS governance structure, as depicted in Figure 2.

Figure 2. IT PfM Integration with Existing Processes



c. IT PfM Process Guidance

(1) DoD Portfolios of IT investments are managed at the DoD Enterprise, Mission Area, and Component levels as depicted in Figure 2. Investments at all levels must consider DOTMLPF processes, leading practices, and culture. The full benefits of IT cannot be realized if IT is isolated from these other factors.

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(2) The corresponding governance structure for the DoD IT PFM process is depicted on the left side of Figure 2. All participants are ultimately responsible to the DoD CIO for implementation of portfolio processes described in this Instruction.

(3) The Executive Council level includes all JTF CapMed CBIAG and Joint MTFs and Centers (see Reference (b)). The DCJTF, in consultation with the CJTF, establishes the Executive Council's strategic direction. The JTF CapMed CIO and PFM Manager oversee the implementation of this Instruction and lead cross-CBIAG governance forums. The Executive Council will ensure that conflicts or disagreements among CBIAG or Joint MTFs or Centers are adjudicated.

(4) The CBIAG represent the major capability areas of the JTF CapMed. The Primary responsibility of CBIAG is to establish the strategic direction that aligns with the CJTF strategic priorities; and provide guidance to the Joint MTFs and Centers. The CBIAG review the portfolios to ensure that they are properly aligned with the decisions made at the Executive Council. A CBIAG Transition Plan will guide the implementation of capabilities across the CBIAG level. (This Instruction does not distinguish between a Transition Plan and a Roadmap; either term may be used.) The Transition Plan should also address the transition to shared data in accordance with the DoD Net-Centric Data Strategy (Reference (q)). In concert with the other IT portfolio governance authorities depicted in Figure 2 and others (e.g., MHS), CBIAG oversee their CBIAG and corresponding Joint MTFs and Centers to ensure strategic direction is implemented.

(5) Joint MTFs and Centers align to the CJTF, DCJTF, and CBIAG priorities, vision, capabilities, concepts, outcome measures, and integrated architectures. Joint MTF and Center Authorities extend and supplement Executive Council and CBIAG direction and guidance consistent with the DCJTF priorities, and CBIAG architecture, investment strategies, and a Transition Plan. Investments are reviewed at the Joint MTF, Center, and CBIAG levels for their compliance with guidance and criteria. Each Joint MTF and Center Authority reviews and determines alignment of programs and budgets, and makes recommendations through the CBIAG to the Principal Staff Assistants to continue, modify, or terminate programs, or to initiate new starts to fill gaps. Joint MTF and Center Authorities will normally select a subset of investments within their portfolio for direct oversight based on dollar thresholds, special interests, and other factors. Responsibilities for monitoring the remaining investments may be delegated to the appropriate governance board within the Joint MTFs and Centers. Delegation shall be accompanied by appropriate guidance and reporting criteria to ensure a sufficient level of oversight.

(6) CBIAG and Joint MTFs and Centers manage their internal processes and influence external processes in other CBIAG and Joint MTFs and Centers with which they exchange information. All CBIAG and Joint MTF and Center requirements should be harmonized and consolidated so each CBIAG and each Joint MTF and Center can understand the totality of the JTF CapMed requirements they are responsible for during the selection and implementation of their portfolio. Mechanisms shall be in place to ensure that cross-CBIAG requirements have been addressed in portfolios. CBIAG must assign sponsors for those systems (new or existing) in the portfolio to ensure equities are addressed in the IT PFM process.

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(7) The JTF CapMed CIO, JTF CapMed Chief Financial Officer (CFO) and the Executive Council, along with other stakeholders, shall conduct annual Portfolio Oversight Management Reviews, aligned with the PPBE cycle, to gain a broad understanding of each CBIAG and Joint MTF and Center and their adherence to financial management criteria, GIG criteria, and Clinger-Cohen Act criteria specified in Reference (g). Key issues such as alignment to integrated architectures, elimination of duplicative systems, and investment justification are addressed in these high-level reviews. The results shall be documented and will be made available to the MHS, JCIDS, PPBE, and DAS processes for appropriate action.

d. Portfolio Investment Oversight

(1) DoD IT investments are considered, along with all other investments, through the DoD three principal decision support systems (JCIDS, PPBE, and DAS). The key governance relationships are depicted on the face of the cube in Figure 2. The IT PFM process does not supersede the existing authorities and policies in References (k), (l), and (m). However, CBIAG may highlight interface issues or recommend updates to MHS, JCIDS, PPBE, and DAS requirements.

(2) The JTF CapMed CIO, CBIAG, and Joint MTFs and Centers work with their MHS and DoD counterparts in the JCIDS, PPBE, and DAS processes to ensure that IT investments comply with portfolio guidance. Ultimately, as the JTF CapMed completes its transition to a capabilities-based planning framework, investment reviews and deliberations will take place at the Executive Council level with individual program reviews supplementing and complementing the portfolio and capability reviews. In the meantime, IT investment oversight will lead the way by formally adding a portfolio dimension to existing processes. Investments are not only judged individually, but also on the value, uniqueness, and cost-effectiveness of the IT capabilities they contribute to as part of the overall portfolio. Advice and recommendations from the CBIAG and Joint MTFs and Centers are a fundamental part of the decision process.

(3) Executive Council, CBIAG, and Joint MTF and Center guidance recommendations will also be considered for inclusion in the Strategic Planning Guidance by the JTF CapMed leadership.

e. Enclosure 7 provides additional guidance and details about IT PFM governance. Enclosure 8 provides detailed processes for Oversight Management reviews.

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ENCLOSURE 3ANALYSIS

1. Analysis is the activity in which CBIAG and Joint MTFs and Centers, in collaboration with the Executive Council, establish performance goals; identify gaps, opportunities, redundancies, and unnecessary functions; assess risks; provide for continuous improvement; and explore functional and technical options as documented in current capabilities and future integrated architectures. There are many ways to categorize IT investments during Analysis (and Selection). Traditional practices focus on individual programs but the capability focus of PfM rises above the constraints of specific solutions and existing programs to focus on “what” is needed rather than the “how” it is delivered. For example, IT may be grouped into categories such as net-centric; needing modification to become net-centric; legacy assets that must be maintained until phase-out; and systems to be terminated. Such groupings enable senior leaders to exercise strategic management over many investments without having to review each one separately and help guide multiple systems to provide needed capabilities. Conflicts should be identified to the appropriate governance forum. Successful analysis is characterized by:

- a. Key stakeholder participation, teamwork, and collaboration.
- b. Measurable strategic outcome goals for results-based management.
- c. Use of baselines and metrics to facilitate strategic management of portfolios.
- d. Concepts of operations, operational architectures, and capability requirements with a focus on the long-, mid-, and near-term.
- e. Robust baselines for portfolios of processes, programs, systems, and outcomes.
- f. Benchmarks of best practices from industry and Government.
- g. Integrated analysis of gaps and opportunities, using robust methodologies, common assumptions, and advanced analytical tools.
- h. Approaches that lead to integrated materiel and non-materiel solutions.
- i. Conformance to legislation, regulation, and CJTF and DCJTF guidance.

2. Reference (1) describes processes and procedures for conducting mission analyses. It provides a template that addresses the fundamental elements of analysis. The analysis process may be tailored for use in all CBIAG and Joint MTF and Center management processes.

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3. CBIAG and Joint MTF and Center Authorities shall align their vision, goals, and measures of performance with the CJTF's Strategic Vision.

4. In accordance with Reference (1), analysis shall not be limited to IT. This activity examines and assesses all the elements that constitute a JTF CapMed capability. These include DOTMLPF, processes, leading practices, and culture. The full benefits of IT cannot be realized if IT is isolated from these other factors.

5. A JTF CapMed portfolio baseline shall be established and maintained for each portfolio. It will provide the minimal essential items of information to inform PFM and oversight activities by addressing the definition and scope of the portfolio; vision and goals the portfolio responds to; integrated architectures that the portfolio implements; interdependencies with other portfolios; a description of the governance structure for the portfolio; justification for the portfolio investments showing compliance with appropriate architectures and uniform selection criteria; cost, schedule, and performance baselines; the acquisition strategy; and resource plans and performance outcomes. This document may be combined with the Transition Plan.

a. Each program or platform in the portfolio shall be identified in the baseline.

b. The cost, schedule, and performance baseline section will include the performance-based system used to monitor the achievement of, or deviation from, baseline goals; the original baseline against which progress is measured; the current planned and programmed baseline; variances and latest revised estimates; and corrective actions.

c. The selection criteria and scores used to select each portfolio investment shall be attached to the baseline.

6. IT investments are mapped to capabilities, as represented in operational architectures, in order to provide a repeatable, systematic, and analytic framework for review and assessment of their fit to the architecture, and to determine their disposition during the selection activity. Gaps in current and future capabilities that need to be filled are identified through review and assessment of the architecture. These gaps may be filled by improvements to existing programs; data sharing; new programs; interfaces between existing programs; and other means such as changes to the DOTMLPF.

7. Program sponsors and managers shall brief the Executive Council, as required, on their programs as part of the analysis activity. The DCJTF may delegate oversight and review of the portfolios to the appropriate governance boards. The reviews will cover the major topics in the selection criteria. Such reviews will prepare the Joint MTFs and Centers to assess the alignment of investments within the portfolio with JTF CapMed direction (e.g., strategic vision, goals, measures, integrated architectures, and transition plans) and will help to determine whether to start, continue, modify, or terminate programs during the Selection activity. Reviews afford an

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interim opportunity to adjust programs to meet customer needs and align to integrated architectures and guidance.

8. There are two parts to the Joint MTF and Center review of the portfolio – portfolio process reviews and program-oriented reviews.

a. The process review focuses on the governance, process, criteria, and procedures used by the Joint MTFs and Centers. This review ensures the Joint MTFs and Centers are adhering to the JTF CapMed Executive Council IT PFM policy. The JTF CapMed Executive Council Leadership or governance board may issue guidance to rectify issues or problems identified by the process review.

b. The program-oriented review is intended to ensure the Joint MTFs and Centers satisfy goals, measures, concepts, integrated architectures, and transition plans as determined by the Executive Council. The Executive Council or CBIAG may issue recommendations through JTF CapMed decision processes to rectify issues or problems identified by the portfolio program review, including recommendations to terminate programs, modify funding, or begin new starts.

9. The Analysis activity shall identify, describe, and explore potential solution options as an input to the selection activity. New and innovative ideas (e.g., for data sharing) will be generated and assessed against requirements. Initial “To-Be” systems architecture may be developed during this activity, and completed after the Selection activity. Capability performance metrics and goals should consider system functionalities. The JCIDS, integrated architecture, and DAS systems engineering processes identify consistent performance metrics so that system functionalities can be aggregated in the DoD portfolio and directly measured against DoD capabilities goals. Additional analyses should be performed to fill gaps in performance metrics, if needed. Having consistent target and solution performance metrics enables use of advanced portfolio analytic tools in the portfolio analysis, and carries through selection and control, improving the efficiency of the IT PFM process and adding rigor to the results.

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ENCLOSURE 4SELECTION

1. This section describes the process for selecting the best mix of investments to realize capabilities and achieve goals, satisfy measures, and comply with integrated architectures and transition plans. It describes guidance for investment review and decision-making criteria. Selection is accomplished through recommendations to continue, modify, terminate, or start programs.

2. Selection provides the basis for trading off investments within and between portfolios. Alternatives explored during the selection activity include:
 - a. Changes to requirements that are not technically or fiscally achievable.

 - b. Adjustments to programs (e.g., to accelerate the delivery of capability, modify the program to better align to architectures and increase data sharing, or stretch out schedules and resource commitments).

 - c. Termination of programs (e.g., that do not contribute to the mission, are being replaced by other capabilities, do not fit the approved "To-Be" integrated architectures, or are not programmatically viable).

 - d. Elimination or reduction of duplicative capabilities, and increase in common or shared capabilities across the Enterprise.

 - e. Increased support for capabilities that contribute to meeting future business and operational challenges and prioritized near-term operational readiness shortfalls as identified through the analysis activity.

 - f. Trade-offs between different elements of JTF CapMed capabilities to meet customers' needs and to achieve executable and cost-effective solutions. Priority shall be given to commercial off-the-shelf (COTS) software solutions that include leading business practices and processes.

3. The analysis of proposed alternatives will render decisions and recommendations that produce the best overall mix of investments for each portfolio. The mix of investments shall be documented in the Portfolio Baseline and Transition Plan. A business case justification for each shall be included or referenced. The investment proposals are then considered through the normal JTF CapMed PFM processes. The "To-Be" Systems Architecture and Transition Plan shall reflect all investment decisions and recommendations (e.g., terminated systems shall have a firm date when their funding ends).

4. CBIAG and Joint MTFs and Centers shall conduct reviews of selected acquisition programs and of operational systems during Analysis, Selection, and Control (Acquisition). These reviews generally will be held prior to the ranking of alternative investments and selection of the portfolio to gain information needed for ranking and investment decisions. Reviews may also be used to align individual programs with existing portfolio guidance. Ultimately, investment decisions shall rely on a comparison of alternative ways to spend dollars to achieve outcomes. Therefore, one-on-one program reviews only determine how well the program may fit into an investment strategy for the Joint MTFs and Centers – by themselves they do not establish portfolio investment strategies for the enterprise.

a. Due to the large number of programs in the portfolio, CBIAG and Joint MTFs and Centers may delegate reviews of individual programs in the portfolio to appropriate lower-level governance boards and working groups who manage the programs as appropriate. The Executive Council shall then review, at least annually, the governance board's processes for managing portfolios (e.g., analysis, selection criteria), as well as review at a summary level each MTF, Center, and CBIAG portfolio of investments.

b. The selection activity depends on results of Analysis activities to provide options and identify the relative merits of proposed Joint MTF and Center investments.

c. Individual program analyses of alternatives (AoAs), if necessary, will supplement the CBIAG and Joint MTF and Center Selection activity. Criteria used in individual system AoAs shall be consistent with the CBIAG and Joint MTF and Center selection criteria.

5. The CBIAG shall develop common selection criteria and selection methodology for use within each CBIAG and its Joint MTF or Center. The CBIAG should also review and assess the criteria for applicability across the organization and present these findings to the Executive Council, who will be able to approve or make recommendations concerning any changes to the selection criteria.

a. Common criteria should address strategic objectives, mission outcomes, programmatic factors, net-centric compliance, congressional guidance, and guidance from References (g) and (o). The criteria should also reflect the views of (but not be limited to) the end user, the functional sponsor, the architect, the financial manager, the CIO, the acquirer, and the tester. The goal is to facilitate comparison of alternatives within and across CBIAG and Joint MTFs and Centers to achieve a balanced solution and maximize allocation of defense resources.

b. The selection criteria will be accompanied by a common methodology for selecting alternative mixes of investments. Portfolio analysis results will be used to identify the major capability packages and trade-offs that justify the preferred portfolio selection, and will be supplemented as necessary with individual AoAs. Business Case Justifications should also be prepared in accordance with Reference (o). Justifications should be directly traceable to the scoring process and common selection criteria.

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c. Common criteria should be structured that addresses key factors such as: contribution to mission, business case justification, functional alignment, programmatic soundness, and net-centricity. To the degree these elements and criteria have been built in to the architecture; compliance to the integrated architecture may serve as a “proxy” for compliance to some of these criteria. Scoring may be quantitative and qualitative.

6. Selection may be viewed as four interrelated stages: planning for selection, screening, scoring, and selection decision.

a. Planning for selection establishes the structure for assessing capability solutions. It defines the CBIAG and Joint MTF and Center choices and options. Traditional program-by-program assessments do not adequately consider trade-offs between programs, opportunities for consolidation and avoidance of duplication, or the need for new investments to enable re-engineered processes or fill gaps in capabilities. Therefore, planning within and across CBIAG and Joint MTFs and Centers will result in more comprehensive and complete choices. Planning for selection relies heavily upon information from the Analysis activity.

b. The second stage of the Selection activity is to screen candidate proposals to narrow the field of choices. If the submitted investment proposals do not support the goals, measures, concepts, integrated architectures, and other key criteria of the CBIAG and Joint MTF and Center, the screening process will pass those projects back for further development by the sponsor or will reject them outright if they cannot be fixed. Existing programs should continue through the entire process. Screening will be performed through self-assessments by the proposal proponent and reviewed by the CBIAG and Joint MTF and Center Leadership.

c. Scoring IT proposals determines if a compelling business case (Reference (o)) has been made for the IT proposal. This assessment cannot be properly completed without the requisite technical, cost, schedule, and program data. The Functional Manager documents the business case with assistance from the IT Program Manager (where appropriate) and subject matter experts. In addition to the self-assessment, functional proponents may choose to have an “objective” third party perform an assessment to substantiate the business case. Legacy systems are scored using the same criteria as ongoing and new projects. These systems will often be strong in areas where risky, leading-edge technology projects are weak. Various methodologies exist to score and rank programs to facilitate comparisons among them. Quantitative methods should be used carefully to guide evaluations, and not replace leadership and management judgment.

d. Portfolio investments approved by the CBIAG and Joint MTF and Center and reviewed/approved by the Executive Council are forwarded in accordance with policy and procedure for final adjudication. Additional information will be documented in the future and contained in the JTF CapMed PFM Guidebook.

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ENCLOSURE 5CONTROL

1. The Control activity is focused on developing and acquiring the capabilities selected in the portfolio. In traditional DoD terms, it consists of both acquisition and acquisition oversight. The purpose of control is to ensure that these capabilities will be acquired in conformance with CBIAG and Joint MTF and Center expectations embodied in Joint Capabilities Documents (JCDs) or Initial Capabilities Documents (ICDs), Capability Development Documents, Capability Production Documents, and integrated architectures, as well as other criteria used to guide the selection of alternatives. Documentation will be developed which lays out the roadmap for IT capabilities to be acquired through multiple programs.
2. Individual program documentation such as Acquisition Program Baselines (APBs) and Acquisition Strategy Reports must be aligned with portfolio transition plans. Portfolio acquisition progress is monitored and course corrections are made to individual programs as necessary to deliver the integrated capabilities described in the Transition Plan. This portfolio process complements and supplements traditional acquisition oversight over individual programs. Control occurs until the IT capability is placed into use.
3. A Portfolio Information Support Plan should be developed, which at a minimum will identify requirements for support from common GIG infrastructure (e.g., communications). A Portfolio Systems Architecture that conforms to the JTF CapMed Architecture Framework is required to guide the integration of the portfolio, as well as a Portfolio Technical Architecture that complies with the net-centric criteria.
4. Because the selection activity focuses on the best mix of investments to meet CJTF, DCJTF, CBIAG, and Joint MTF and Center goals, there may be crucial dependencies between investments that must be implemented during the Control activity. Therefore, transition plans should include strategies for synchronizing and integrating acquisitions to achieve the total required capability over time. An updated Portfolio Baseline and Transition Plan will describe the integrated acquisition schedule and milestones for the programs and projects in the portfolio.
5. Program execution for each IT capability acquired within Joint MTFs and Centers shall be closely monitored by the Joint MTF Commander or Center Director against the Transition Plan to ensure that approved mission benefits (e.g., in ICDs or JCDs), cost, schedule, and performance expectations remain attainable and relevant. If these expectations cannot be attained or are projected to be unacceptable within approved APBs, the capability must be reevaluated by the Joint MTF Commander or Center Director under the selection criteria. If necessary, capabilities, expectations, planning parameters, and resources may need to be revised or reallocated within

the Joint MTFs or Centers. Deviations from expectations are considered during the yearly Selection activity and influence investment choices.

6. A Joint MTF Commander or Center Director must remain aware of what is occurring in the portfolio from an acquisition standpoint. The Joint MTF Commander or Center Director is responsible for recommending adjustments needed to ensure the successful delivery of capabilities within the Joint MTF or Center.

7. Monitoring and control must occur at the JTF CapMed Executive Council, CBIAG, Joint MTF and Center levels, and the individual program level. Individual program information should be consolidated and summarized at the portfolio level to determine if the portfolio as a whole is on track. By highlighting problems at this strategic level, managers can efficiently drill down to individual programs to recommend corrective actions through JTF CapMed decision processes. In particular, where elements of the portfolio depend upon one another to deliver a total user capability, this interdependence must be monitored and managed intensively.

8. During the control activity, IT within Joint MTFs and Centers is developed and acquired so that it meets beneficiary and warfighter needs, is synchronized, not duplicative, integrated to deliver total capabilities to users, and is fully compliant with GIG guidance.

9. Integrated roadmaps will be developed and shall be based on integrated architectures. These roadmaps will be used by CBIAG to conduct capability assessments and guide systems development which will be presented to the Executive Council when appropriate. Results will be used in the analysis activity and the selection activity to help define associated investment plans, align resources, and serve as inputs to the Strategic Planning Guidance, Joint Programming Guidance, Program Objective Memorandum development, and Program and Budget Reviews.

10. The CBIAG and Joint MTF Commanders and Center Directors should describe how net-readiness, end-to-end interoperability and data sharing, security, and performance will be demonstrated for interdependent systems in the portfolio or across portfolios.

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ENCLOSURE 6EVALUATION

1. The Portfolio Evaluation activity, which is conducted by the CBIAG and Joint MTF and Centers along with other oversight authorities, routinely and systematically measures actual contributions of the portfolio to the mission and the effectiveness of the IT PFM process. It provides critical feedback to each of the other IT PFM activities. Primary mechanisms for evaluation are post-implementation reviews (Reference (o)), military exercises, operational testing, lessons learned, and capabilities-based assessments about the IT PFM process itself.
2. Evaluation includes the development and application of outcome-based performance measures that are used to guide portfolio development and evaluate performance, as well as periodic portfolio reviews that enable the Executive Council, CBIAG, Joint MTFs and Centers, and other oversight authorities to measure actual contributions of the portfolio to the Enterprise and the effectiveness of the IT PFM process.
3. Evaluation criteria shall be fundamentally the same as the criteria for selecting the portfolio of investments. Whereas the criteria for selection are prospective, the criteria for evaluation are retrospective. In effect, selection criteria set expectations, while evaluation criteria are used to determine the degree to which the expectations have been satisfied.
4. The JTF CapMed CIO, with the CBIAG and in collaboration with the Joint MTF and Center, will establish and issue a core set of uniformly applied criteria for portfolio evaluation. These will be:
 - a. Used to evaluate the contribution of the investment to the outcome goals and architectural targets of the Joint MTFs and Centers; and the actual cost, schedule, and performance achieved relative to expectations during selection and control.
 - b. Made a key part of oversight at all levels as the foundation for demonstrating results.
 - c. Fed back into the analysis activity to identify additional needs, to the selection activity to influence investment decisions, and to the control activity to inform decisions on follow-on increments of capability.
 - d. Designed to rely on existing data collections and DoD Enterprise Council-wide management processes (e.g., the MHS, JCIDS, PPBE, and DAS) to the maximum extent practicable.

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5. The CBIAG and Joint MTF and Center will develop specific evaluation criteria for their respective CBIAG consistent with the Executive Council core criteria and their tailored selection criteria.

6. Evaluation also identifies “portfolio process” lessons-learned that can be used in governance to modify or improve the overall IT PfM process to better maximize results and minimize risk.

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ENCLOSURE 7EXECUTIVE COUNCIL, CBIAG, AND JOINT MTF AND CENTER LEVELS
GOVERNANCE

1. The following activities shall be conducted at the Executive Council/Enterprise Level.

a. The JTF CapMed Executive Council shall be the cross-CBIAG IT governance forum for the Enterprise IT portfolio. In collaboration with CBIAG, the DCJTF will define the Executive Council's operational procedures to:

- (1) Provide strategic direction for the Executive level/Enterprise IT portfolio.
- (2) Adjudicate issues regarding IT investments.
- (3) Resolve cross-CBIAG issues including those related to maximizing consistency among the CBIAG.
- (4) Identify opportunities for IT investments.
- (5) Ensure specific IT investment decisions are made in collaboration with counterparts in the MHS, JCIDS, PPBE, and DAS governance structures.
- (6) Define and/or approve PfM roles, and responsibilities in CBIAG and Joint MTFs and Centers. Decisions shall consider any related responsibilities designated by previous legislation, regulation, or DoD/JTF CapMed guidance.

b. The JTF CapMed Executive Council leadership shall periodically review and assess all CBIAG and Joint MTF and Center governance processes and portfolios to promote best practices and to institutionalize governance of information capabilities and services across the Executive Council. A presentation by the CBIAG to the Executive Council will provide the Executive Council with the information to conduct these reviews in such a manner as to highlight interfaces to and/or identify possible updates to MHS, JCIDS, PPBE, and DAS requirements.

2. The following activities shall be conducted at the CBIAG Level:

a. Institutionalize and reuse successful processes across Joint MTFs and Centers to ensure that all necessary information is available for review by the JTF CapMed Executive Council.

b. Provide a recommendation to the JTF CapMed Executive Council concerning a CBIAG, Joint MTF, or Center proposal, decision, investment, or other outcomes of the governance process.

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c. Present the utility and effectiveness of Enterprise-wide capabilities and services to the JTF CapMed Executive Council. DCJTF and the Executive Council members will provide feedback through the procedures established by the JTF CapMed Executive Council.

d. Establish CBIAG vision, goals, desired capabilities, and outcome measures.

e. Identify authorities responsible for CBIAG portfolio governance.

f. Establish a governance process and ensure that cross-CBIAG issues are resolved. Ensure governance structures and processes within a CBIAG are consistent with other CBIAG or equivalent governance structures and processes.

g. Determine the necessary capabilities for all IT investments managed by all Joint MTFs and Centers in the JTF CapMed JOA. Gaps and shortfalls will be addressed in accordance with the JTF CapMed Executive Council policies and procedures.

h. Establish an inventory of investments with the JTF CapMed JOA.

i. Assign all IT investments to a capability for IT PFM and investment management. Investments may support multiple Joint MTFs or Centers, but will only be assigned to one Joint MTF or Center authority for governance.

j. Develop and maintain JTF CapMed Enterprise Architecture and corresponding Joint MTFs and Centers architectures consistent with the GIG Integrated Architecture and in coordination with the JTF CapMed CIO.

k. Develop and maintain a Transition Plan consistent with the Architectures and in coordination with Joint MTFs and Centers,

l. Provide guidance for Joint MTFs and Centers to develop integrated capability architectures, track capability requirements, and develop transition plans; ensure guidance identifies interfaces to DoD, MHS, and the JTF CapMed capabilities identification processes and perform a facilitation, coordination, and consolidation role to integrate the IT PFM process across Joint MTFs and Centers.

m. Ensure that the Joint MTFs' and Centers' integrated capability requirements, integrated architectures, and transition plans address capabilities that support more than one Joint MTF or Center whenever possible.

n. Select the best mix of investments and make recommendations to terminate, sustain, transform, or initiate programs through the JTF CapMed decision processes.

o. Enable and facilitate information sharing within and across communities of interest (COIs) to support Reference (p).

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p. Identify the highest-priority needs within the portfolios and identify cross-COIs to address each need.

q. Designate a lead for each identified COI.

r. Define and include implementation metrics within the portfolio review process.

s. Advocate information sharing, collaboration, and best practices to include the use of COTS products.

3. The following are Joint MTF and Center activities: all Joint MTF and Centers are responsible and accountable to transform their functional processes, implement the integrated architecture, manage their portfolios, and implement approved performance goals and measures. The Joint MTF and Centers shall evaluate existing systems to see which ones best satisfy user capability requirements, which ones are duplicative, and which ones cost too much to maintain. The Joint MTF and Centers may then recommend whether to maintain, upgrade, delete, or replace a legacy system to the JTF CapMed Executive Council. Each Joint MTF and Centers shall address the following governance activities:

a. Establish a PFM governance structure and process.

b. Establish Joint MTF and Center vision, goals, objectives, desired capabilities, and measures of performance consistent with CBIAG guidance.

c. Represent Joint MTF and Center needs and priorities within the JTF CapMed Executive Council; and ensure capability and resource needs are identified in the IT PFM process.

d. Consult with representatives from the respective functional area to ensure all requirements across the Joint MTFs and Centers are identified for inclusion in the integrated Architectures.

e. Assess gaps, identify duplication of capabilities, and identify and prioritize opportunities for Joint MTF and Center capabilities and services.

f. Identify and review JTF CapMed IT investments within the Joint MTFs and Centers and assess feasibility to provide IT capability or service using defined net-centric and other evaluation criteria.

g. Recommend the best mix of investments and make recommendations to terminate, sustain, transform, or initiate programs through the JTF CapMed decision processes.

h. Justify Joint MTF and Center capabilities and services using an integrated architecture and transition plan.

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- i. Review Joint MTF and Center IT investments within the JTF CapMed portfolios for consistency with DoD, MHS, and JTF CapMed Executive Council guidance. Recommend funding changes as appropriate.
- j. Review the performance of all JTF CapMed IT investments in the Joint MTFs and Centers against capability requirements and schedules. Reviews should address compliance with net-centric criteria, JTF CapMed net-centric data strategy goals, architectures, and other evaluation criteria (such as the use of COTS products), as well as consistency of transition plans with the CJTF, DCJTF, and the Executive Council.
- k. Maintain an inventory of IT investments in the Joint MTF or Center. The JTF CapMed IT Portfolio Repository is the unclassified source for portfolio information.
- l. Develop a Transition Plan, consistent with the integrated architectures, to transition JTF CapMed IT investments in the Joint MTFs and Centers.
- m. Enable the capabilities needed to form and operate COIs, and ensure capabilities are planned and properly assigned.
- n. Identify the highest-priority needs within the Joint MTFs and Centers and identify cross COIs to address each need in the Executive Council.
- o. Support the CBIAG Lead in designating a lead for each identified COI.
- p. Measure and evaluate implementation metrics established by the CBIAG Lead within the portfolio review process, ensure data sharing agreements are implemented, and that return on investment is maximized for the Executive Council by reusing accessible data rather than by recreating existing data.
- q. Promote the development, registration, and use of metadata including ontologies (organized collections of definitions including relations between the defined terms), taxonomies (classification or hierarchy), and vocabularies.
- r. Consistent with applicable security policies, promote the use of Web-based services to expose or share data from JTF CapMed IT programs, projects, systems, and system service contracts.

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ENCLOSURE 8OVERSIGHT MANAGEMENT REVIEWS

1. The CIO, the CFO, and CBIAG shall conduct annual Portfolio Oversight Management Reviews which will be presented to the JTF CapMed Executive Council. To the maximum extent possible, these reviews will rely on existing governance forums where the JTF CapMed CIO and JTF CapMed CFO are full participants. Annual Oversight Management Reviews will leverage existing information to the maximum extent possible. This portfolio review and oversight process will seek to ensure that:

a. The portfolio meets future operational challenges and effectively promotes joint operational readiness and addresses operational capability gaps of the joint customers as defined by the MHS, JCIDS, PPBE, and DAS processes.

b. The IT investments that comprise the portfolio are not significantly deviating from established cost, schedule, and performance goals.

c. Wherever appropriate, COTS software that embeds best practices and processes is being used.

d. Portfolio IT is in compliance with JTF CapMed IT policies regarding the Enterprise Architecture and GIG architecture and standards, and the use of GIG Executive Services.

(1) Data Management requirements are being met.

(2) Required information assurance and information security are being achieved.

(3) The deployed capabilities in the portfolio are being evaluated through post-implementation reviews and operational analyses against established cost and performance goals and the results are being used to influence the selection and control activities.

e. The Oversight Management Reviews should be conducted in the second and third fiscal quarters so that the results can influence the development of the Strategic Planning Guidance, Program Objective Memorandums, and/or Budget Submissions. Annual Joint MTF and Center internal reviews will provide the information needed to prepare for the Oversight Management Review. The first year will be used to establish a baseline and refine processes for future years. The JTF CapMed CIO, JTF CapMed CFO, CBIAG, and Joint MTF and Center will work together to tailor the timing and scope of yearly Oversight Management Reviews to mesh with the Joint MTF and Center internal review timing.

f. Management Oversight Reviews will provide a set of recommendations to the JTF CapMed Executive Council that address concerns, possible Courses of Action (COAs) with resource and risk impacts identified, and a recommended COA.

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g. The results shall be documented and will be made available to the MHS, JCIDS, PPBE, and DAS processes for appropriate action. The documents will codify approved course adjustments to the programs and the portfolio as a whole, and normally contain recommendations such as the following:

- (1) The initiation, continuation, modification, or termination of IT investments.
- (2) IT PFM improvements within the CBIAG or Joint MTFs or Centers.
- (3) JTF CapMed-wide improvements to the overall IT management process.
- (4) GIG infrastructure improvements to enable better mission performance.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

AoA	analysis of alternatives
APBs	Acquisition Program Baselines
CBIAG	Clinical Business Informatics Advisory Group
CFO	Chief Financial Officer
CIO	Chief Information Officer
CJTF	Commander, Joint Task Force National Capital Region Medical
COA	course of action
COI	Community of Interest
COTS	commercial-off-the-shelf
DAS	Defense Acquisition System
DCJTF	Deputy Commander, Joint Task Force National Capital Region Medical
DoD	Department of Defense
DOTMLPF	Doctrine, Organization, Training, Materiel, Leadership and Education, Personnel, and Facilities
GIG	Global Information Grid
ICD	Initial Capability Document
IM	Information Management
IPTs	Integrated Product Teams
IT	Information Technology
IT PFM	Information Technology Portfolio Management Process
JCD	Joint Capabilities Documents
JCIDS	Joint Capabilities Integration and Development Systems
JTF CapMed	Joint Task Force National Capital Region Medical
MHS	Military Health System
MTF	Medical Treatment Facility

OMB	Office of Management and Budget
PBDs	Program Budget Decisions
PfM	Portfolio Management
PPBE	Planning, Programming, Budget and Execution

PART II. DEFINITIONS

capability. Collections of similar capabilities that are grouped at a high level in order to support decision-making, capability delegation, and analysis.

CBIAG. A defined area of responsibility with functions and processes that contribute to mission accomplishment.

Executive Council. The Executive Council, led by the DCJTF in coordination with the CJTF's vision and priorities, acts as a gatekeeper function for issues coming through the JTF CapMed Corporate Decision Making Process.

IT Investment. The development and sustainment resources needed in support of IT or IT-related initiatives. These resources include, but are not limited to: research, development, test, and evaluation appropriations; procurement appropriations; military personnel appropriations; operations and maintenance appropriations; and Defense Working Capital Fund.

IT Portfolio. A grouping of IT investments by capability to accomplish a specific functional goal, objective, or mission outcome.

portfolio. The collection of capabilities, resources, and related investments that are required to accomplish a mission-related or administrative outcome. A portfolio includes outcome performance measures (mission, functional, or administrative measures) and an expected return on investment. "Resources" include people, money, facilities, IT, other equipment, logistics support, services, and information. Management activities for the portfolio include strategic planning, capital planning, governance, process improvements, performance metrics/measures, requirements generation, acquisition/development, and operations.

PfM. The management of selected groupings of IT investments using strategic planning, architectures, and outcome-based performance measures to achieve a mission capability.