



DATE: March 25, 2008

FROM: Director and Chief Information Officer
Office of Information Technology

TO: Area and Headquarters Office Directors
Contracting Officers

SUBJECT: Required Reviews of Area and Headquarters Information Technology
Investments – FYI

ISSUE

Area and Headquarters Information Technology (IT) investments with five year costs that total \$25,000 or greater require formal reviews, both within and possibly outside the Indian Health Service (IHS), depending on the life-cycle costs of the investments. Please ensure your organization's IT investments are developed and reviewed by the appropriate officials as specified in this memorandum. For your information, the Department of Health and Human Service (HHS) Chief Information Officer (CIO) may designate any IHS investment for HHS review, regardless of life-cycle cost.

DISCUSSION

In accordance with the Paperwork Reduction Act of 1993 and the Clinger-Cohen Act of 1996, the IHS CIO and Information Technology Investment Review Board (ITIRB) are responsible for ensuring IT resources support the IHS mission; promote the life cycle management of IT systems as "capital investments;" and ensure IT system project approvals are based on established selection criteria (see Attachment A, "Categories of IHS IT Investments").

The following summarizes selection criteria and required documentation for IHS Area and Headquarters IT investments greater than \$25,000 but less than \$3,000,000. These investments require the IHS CIO or IHS ITIRB review:

1. Minor IT investments: IT projects with a five-year life-cycle cost (planning, development, or operations and maintenance) of \$25,000 to \$99,999. (IHS CIO review required)
2. Moderate IT investments: IT projects with a five-year life-cycle cost (planning, development, and operations and maintenance) of \$100,000 to \$499,999. (IHS CIO review required)
3. Large IT investments: IT projects with a five-year life-cycle cost (planning, development, and operations and maintenance) of \$500,000 or greater not requiring HHS review. (IHS CIO and IHS ITIRB reviews required)

The following summarizes the selection criteria for any IHS IT investment with an annual cost in the budget year of \$3,000,000 or greater. In addition to IHS CIO and IHS ITIRB reviews, these investments require HHS and/or Office of Management and Budget (OMB) review.

4. Tactical IT investments: IT projects with an annual cost in the budget year of \$3,000,000 to \$9,999,999. (HHS CIO and HHS ITIRB reviews required)
5. Major IT investments: IT projects with an annual cost in the budget year of \$10,000,000 or greater. (HHS CIO, HHS ITIRB, and OMB reviews required)

The HHS CIO may designate any IHS IT investment as needing Departmental review, regardless of the life-cycle cost.

INFORMATION AND GUIDANCE

The OIT has posted CPIC “How To” Guides and all required forms on the IHS CPIC website located at: <http://www.ihs.gov/cio/cpic/>. Mr. Carl Gervais, CPIC Manager, Office of Information Technology, IHS, is available to provide technical assistance and can be reached at Carl.Gervais@ihs.gov or on 505-248-4197.

Thank you for your cooperation in meeting this legislative requirement.

Theresa Cullen, M.D., M.S.

Attachments:

- Tab A: Categories of IHS IT Investments
- Tab B: Business Case Request Template
- Tab C: Short Business Case Template
- Tab D: Long Business Case Template

cc: Executive Officers
Area Information Systems Coordinators
Headquarters Executive Staff and Office Directors