



Executive Investment Board Charter

Version 1.1

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Version History

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1. Purpose

The Executive Investment Board (EIB) shall consist of the Department of Housing and Urban Development's (HUD's) senior leadership, and shall be the highest decision making authority within the Department. The EIB shall oversee the development and implementation of HUD's overall strategic plan, IT portfolio, larger and high visibility projects, the development of policies and procedures, resource allocation, and provides senior leadership for the Department.

All activities and processes affecting the operations and policies of the Department shall fall under the EIB's purview. EIB meetings shall be conducted on an as needed basis. The annual calendar of activities prepared by the Investment Review Sub-Committee (IRC) shall identify specific EIB activities. In addition, any member may request a meeting if they deem it necessary.

2. Authority

The EIB is established under the authority of the *Clinger-Cohen Act (PL 104-106 at 40 USC, Chapter 25)* and functions under the provisions of the *Office of Management and Budget (OMB) Circular A-130*, revised. Functional oversight of the EIB is provided by the Secretary.

3. Membership

The EIB shall be composed of the following members:

- Secretary (Chair)
- Deputy Secretary
- Chief of Staff
- Special Assistant to Deputy Secretary
- Chief Operating Officer
- Assistant Secretaries
- Director, Strategic Planning & Management
- Chief Information Officer (CIO)
- Chief Financial Officer (CFO)
- General Counsel

Designated alternates may stand-in for the senior executives listed above. These alternates shall be previously approved by the Secretary or designated appointee. Additionally, they shall have substantive decision making authority within their business or support area, allowing them to vote on all matters presented to the EIB, and be fully informed on the EIB's previous, ongoing, and planned activities.

4. Definitions of Key Terms

The table below contains key terms used throughout this Charter.

- **IT Portfolio** – HUD's IT portfolio comprises all IT investments, both existing and in development. The HUD portfolio is the enterprise wide view of the history and future of HUD IT investments. Key IT management activities at this level are environmental scanning for new industry and Federal government developments, continuous technical and program focused portfolio



analysis, the development of transition strategies to move HUD from the current state to the target state, and the compilation and submission of the HUD IT budget.

- **IT Investment** – IT investments are groups of activities and acquisitions that focus on achieving an interrelated set of organizational goals and objectives in support of HUD’s mission and in accordance with the direction set by HUD’s target architecture. Key activities at this level include the identification, sponsorship, preparation, planning, and selection of IT investments within the context of the HUD transition strategy, development of investment business cases, update and maintenance of IT investment documentation, and the monitoring of investment performance.
- **IT Project** – Projects are temporary endeavors that make up investments. Projects cover a range of types, including new development, operations and maintenance, service delivery, and organizational strengthening. Projects are managed according to the HUD Project Planning and Management (PPM) Life Cycle.

5. Roles and Responsibilities

The following table outlines the roles and responsibilities of all members of the EIB:

Sub-Committee Roles	Responsibilities
Chair (Secretary)	<ul style="list-style-type: none"> • Schedules EIB meetings • Approves agenda for EIB • Presides over EIB meetings • Provides direction to EIB • Oversees the management of the EIB • Approves, denies, or adjusts investment recommendations from other EIB members
Voting Members	<ul style="list-style-type: none"> • Define HUD’s IT priorities • Align the IT portfolio with HUD’s <i>Strategic Plan</i> • Approve target architecture and <i>Enterprise Transition Plan (ETP)</i> • Approve IT portfolio • Monitor IT portfolio • Provide budget formulation recommendations • Approve annual <i>Exhibit 53</i> • Approve annual investment criteria • Approve changes to investments • Approve investment termination criteria • Approve strategic alignment criteria • Act as funding authority • Approve project oversight criteria • Apply performance management and escalation criteria • Monitor enterprise risk • Encourage transparency, engagement, and collaboration

Table 1 – EIB Roles and Responsibilities



5.1 Oversee and Manage IT Portfolio

5.1.1 Define HUD's IT Priorities

The EIB shall review HUD's mission performance annually to determine the existence of any investment performance gaps. The *annual operational analysis* (AOA) shall provide insight into what the Department's priorities should be, and what activities or investments meet them.

5.1.2 Align the IT Portfolio with HUD's Strategic Plan

The EIB and its members shall have the highest decision making authority within the Department. They shall have ultimate responsibility for ensuring, at the enterprise level, that HUD's IT portfolio aligns with its mission and business area needs and with the Department's strategic goals.

5.1.3 Approve Target Architecture and Enterprise Transition Plan

The EIB shall review and approve all target architecture and the *ETP*. All recommendations presented to the EIB shall first be reviewed and approved by the IRC, Technical Review Sub-Committee (TRC), and Customer Care Committee (CCC).

5.1.4 Approve IT Portfolio

The EIB and its members shall have the ultimate responsibility for approving HUD's IT portfolio through the Department's budgeting process (OMB Exhibit 53). The EIB shall approve the creation of any new investments, and the assignment of executive owners to these new investments. To be approved by the EIB, an executive owner shall have a voting seat on the CCC.

5.1.5 Monitor IT Portfolio

The EIB shall monitor HUD's entire IT portfolio to judge both its performance and its continued alignment with the Department's strategic goals. Significant performance variance in investments shall be brought to the attention of the EIB by the CCC, and are evaluated in order to determine the proper corrective action. On an annual basis the EIB shall issue a state of the IT portfolio review on which the portfolio investment criteria are based.

5.1.6 Provide Budget Formulation Recommendations

The annual budget formulation guidance shall provide direction to drive investment decision making at the CCC and IRC levels.

5.1.7 Approve Annual Exhibit 53

As HUD's most senior executives the EIB shall review and approve the *HUD Exhibit 53*, prior to submission to OMB.



5.2 Oversee IT Investments

5.2.1 Approve Annual Investment Criteria

The EIB shall review and validates the CCC's recommendation for investment criteria. These criteria shall be used by the IRC in determining if any new investments or modification to current investments are needed.

5.2.2 Approve Changes to Investments

The EIB shall review changes to investments that have been recommended by the CCC. All potential changes shall be reviewed and approved by the CCC prior to submission to the EIB. These changes may come about from the creation of a project that shall be included as part of a line of business' investment. The EIB shall validate that the proposed change closes identified performance gaps, and aligns with HUD's strategic goals.

5.2.3 Approve Investment Termination Criteria

The EIB shall establish termination criteria for investments that underperform. Those investments that are significantly off of expected performance schedules shall be referred to the CCC, which recommends corrective action to the EIB. The EIB shall be responsible for determining which criteria should apply, and for tasking the CCC with implementing its direction either by terminating an investment or bringing its performance back within acceptable limits.

5.3 Oversee Projects

5.3.1 Approve Strategic Alignment Criteria

The EIB shall be responsible for approving the scoring criteria that the CCC, TRC, and IRC use to ensure that projects align with HUD's strategic priorities and other relevant goals. This responsibility shall include approving transition and modernization plans, both of which have significant effects on setting HUD's strategic direction. The scoring criteria created by the EIB may be modified according to input and feedback received from the TRC, IRC, and CCC.

5.3.2 Act as Funding Authority

The EIB shall support the Secretary and CFO as the ultimate funding authority for all of HUD's IT related projects. It may delegate this role to the CCC or another IT governance body, as appropriate, for relatively smaller and less expensive projects that require less oversight. The EIB, however, shall monitor large projects that present greater financial risks to the Department. The EIB shall prioritize funding for projects based on the criteria it establishes.

5.3.3 Approve Project Oversight Criteria

The EIB shall review and validate the CCC's recommendation for project oversight criteria. These criteria shall be used by the TRC in determining the necessary level of governance oversight for projects.



5.3.4 Apply Performance Management and Escalation Criteria

The EIB shall have direct purview over HUD's most complex, costly, and visible IT projects. In addition, projects under the purview of the CCC may be escalated to the EIB for resolution of performance issues. The CCC shall act as the EIB's primary monitoring mechanism for all IT projects. The EIB shall task the CCC with performing project performance remediation for underperforming and high-risk projects.¹

For EIB level projects having scored "red" during two consecutive project reviews, or when otherwise deemed necessary by the CIO and the PMO, the CCC shall perform project performance remediation and determine appropriate corrective actions. Recommendations for corrective actions or termination shall be provided to the EIB for final determination. The CCC shall monitor completion of corrective action plans or terminate the project at the direction of the EIB.

5.4 Monitor Enterprise Risk

The Department actively supports millions of citizens through its numerous housing related services, and thus occupies a sensitive role in the eyes of the public, Congress, and other stakeholders. In light of this exposure, the EIB and its members shall be responsible for ensuring that HUD's investments reduce its exposure to enterprise risk. The EIB shall be responsible for reviewing and approving potential enterprise risks and their proposed mitigation strategies.

5.5 Encourage Transparency, Engagement, and Collaboration

The EIB shall be charged with instilling the principles of transparency, engagement, and collaboration in the projects and investments it oversees. Executive sponsors and business leads shall be tasked with identifying and implementing, if possible, recommendations from the CCC regarding these three principles.

6. Operating Procedures

6.1 Frequency and Agenda

The EIB shall schedule meetings as needed to conduct business. The annual calendar of activities prepared by the IRC shall identify specific EIB activities pertaining to establishing IT strategic direction, and IT portfolio development. Any member may request a meeting by contacting the EIB chair.

Agenda items should address (but are not limited to) one or more of the following topics:

- Enterprise transition planning
- IT strategic direction
- Investment management
- Portfolio management
- Project management
- Risk management
- Transparency, engagement, collaboration

¹ As of date of this Charter, OMB's TechStat guidance serves as the foundation for HUD's project reviews.



Governing chairs, members, and others should contact the EIB secretary to request to be scheduled onto an EIB agenda. The requestor should identify the topic to be addressed, provide a brief description of the topic and objective of the discussion (decision, informational, or update). This should be done at least three weeks in advance of the desired date, to ensure any potential scheduling conflicts are addressed. The EIB secretary shall notify the requestor once the review has been scheduled and confirm the time, location, and participants for the review. Read-ahead materials (inputs) shall be required for most proposed topics.

6.2 Inputs for EIB Meetings

Inputs (read-ahead materials) shall be determined based on the topic. They shall be of sufficient detail to provide members the information needed to make a decision if required. A soft copy of the input should be submitted to the EIB secretary at least two weeks (10 working days) in advance of the scheduled meeting. Failure to provide read-ahead materials timely may result in the topic being rescheduled. The EIB secretary shall then distribute these materials, along with the proposed meeting agenda, to the EIB members for review. EIB meetings shall focus on making decisions based on succinct information and personal briefings.

Potential inputs should include, but are not limited to:

- **Enterprise Transition Plan** – The chair of the CCC shall provide the EIB with the *ETP* and a succinct summary of the recommendations for approval.
- **IT Strategic Direction** – The *IT strategic assessment* and CCC recommendations shall be provided to the EIB by the chair of the CCC. Recommendations may address individual project priorities, investment priorities, the mix of investments in the portfolio, strategic criteria to be used in evaluating funding proposals, or any other factors influencing the development of the IT portfolio. A successful assessment and recommendation package should present a clear understanding of the existing and emerging environments in sufficient yet succinct detail to enable the EIB the ability to establish IT strategic direction to be used in developing the IT portfolio.
- **Investment Management** – If the EIB shall be requested to evaluate continuing or significantly modify an investment, the CCC chair shall provide recommendations with supporting documentation. As part of the OMB passback process, the CCC shall provide a recommended OMB passback response including investment corrective action plans.
- **Portfolio Management** – A primary role of the EIB in portfolio management shall be to focus on approval of the Department's IT budget following the budget formulation and execution processes as established by OMB. The CCC shall actively support the EIB and engages in a series of activities throughout the year that affect a three-year planning horizon. These activities shall be described and scheduled in annual capital planning and investment control (CPIC) direction. Following the investment select process that shall be part of the out-year portfolio development process, the CCC shall provide their recommended IT portfolio (mix of investments) to the EIB for approval consideration. For the selected IT portfolio, the CCC shall provide the EIB their final recommended *OMB Exhibit 53*, associated budget justification documentation and CCC endorsed *OMB Exhibit 300s* for *OMB budget submission*.



- **Project Management** – If the EIB shall be requested to evaluate a large project, the CCC chair provides recommendations with supporting documentation.

6.3 Preparing for EIB Meetings

Once the inputs are received, EIB members shall review all artifacts and coordinate with the appropriate resource(s) from their respective team to ensure they are fully aware of any concerns or issues regarding the topic. Through these discussions and reviews, each EIB member shall be prepared to represent the position of their team with respect to the agenda item being reviewed.

The EIB meeting shall not be a forum to review the artifacts. The meeting shall serve as place to discuss the materials and make final decisions.

6.4 Conducting EIB Meetings

Enterprise Transition Planning

Upon receiving the *ETP* and recommendations, EIB members shall contact the CCC chair if any issues or concerns are identified. An EIB meeting shall provide an opportunity for the CCC chair to brief the EIB members and address any issues and concerns. If there are significant concerns remaining unresolved, the EIB chair may determine the need for additional information followed by a later decisional meeting or vote.

IT Strategic Direction

Upon receiving the IT strategic assessment and recommendations, EIB members shall contact the CCC chair if any issues or concerns are identified. Recommendations presented may address individual project priorities, investment priorities, the mix of investments in the portfolio, strategic criteria to be used in evaluating funding proposals, or any other factors influencing the development of the IT portfolio. An EIB meeting shall provide an opportunity for the CCC chair to brief the EIB members and address any issues and concerns. If there are significant concerns remaining unresolved, the EIB chair may determine the need for additional information followed by a later decisional meeting or vote.

Investment Management

If the EIB is requested to evaluate or significantly modify an investment, the CCC chair shall provide specific recommendations with supporting documentation. Depending on the nature of the issue including dissenting opinions from other governance bodies or the investment owner, the EIB may request additional information or participation when the topic shall be discussed.

The CCC chair shall brief the EIB on the CCC recommended OMB passback response including investment corrective action plans. As this information shall be closely coordinated with the CFO, the CFO should provide the briefing jointly with the CCC chair.

Portfolio Management

Annually, as part of the investment select process, the EIB shall approve the investments to be included in the IT portfolio and the Department's budget request. This decision shall serve as the approval gate for investments to develop their business cases and submission documentation. The CCC chair shall provide the EIB with an informational briefing including the CCC recommendations, any significant changes from the current portfolio, and alignment to the IT strategic direction previously established by the EIB. The EIB members should have 10 working days to consider the recommendations and consult



with others as needed. The CCC chair should be available to discuss any issues or provide additional detail during the EIB member review period.

Prior to submitting the Department's budget request to OMB, the EIB shall meet to approve the OMB Exhibit 53, associated budget justification documentation and CCC endorsed *OMB Exhibit 300s*.

Project Management

The EIB shall make the ultimate decision to terminate projects. For project decisions escalated to the EIB, the CCC chair shall provide a briefing to EIB members that should include the history of the project, TRC/IRC/CCC related activities to correct deficiencies, and the CCC recommendation. If the EIB's decision will to continue the project with corrective actions, the CCC continues to monitor the project, and shall report monthly back to the EIB on status.

Enterprise Risk

Risk shall be an inherent consideration in EIB deliberations and decisions. During deliberations regarding establishing IT strategic direction, approving the *ETP*, selecting the mix of investments and projects in the IT portfolio, managing projects and investments, EIB members shall discuss and consider risk. Decision memoranda shall include how risk was considered in arriving at the decision.

6.5 Quorum² Criteria and Voting Procedures

Designated members shall be expected to attend scheduled EIB meetings. Members shall notify the EIB chair of their inability to attend a scheduled meeting in advance of the meeting. Members may designate an alternate by informing the EIB chair prior to the meeting. Alternates shall have full representation and voting rights of the member to serve as an alternate.

The EIB shall strive for consensus in making decisions. A quorum shall be desired when voting occurs. When this quorum is not reached, members may continue deliberation, but substantive voting decisions may not be made. At the earliest convenience, another meeting shall be scheduled where at least the majority of its members are able to attend. The Secretary of HUD shall have final authority over decisions.

6.6 Outputs from EIB Meetings

All meetings shall be documented to establish an official record of EIB activities. The EIB secretary shall distribute (or delegate the distribution of) all meeting documentation and the development of meeting minutes and/or decision memoranda.

Documentation should include agendas, read-ahead and topic support materials, meeting minutes and decision memoranda.

Potential outputs include, but are not limited to:

- Approved ETP
- IT strategic direction
- Approved IT portfolio and supporting budget documentation

² A quorum is the minimum number of a deliberate body necessary to conduct the business of that group. An EIB quorum consists of a simple majority of its members.



- Investment and project decisions

6.7 Communicating EIB Decisions and Recommendations

Minutes and decisions shall be documented by the EIB secretary upon completion of a meeting. Materials shall be distributed by the CCC secretary to all of the meeting attendees and EIB members. In addition, the EIB secretary should communicate the results of any decisions to those affected by a decision. This may include investment owners, project managers and others.

Decisions made by the EIB affecting the CCC or its sub-committees shall be communicated in the form of a summary document with the supporting documentation as reference material.