



Investment Review Sub- Committee Charter

Version 1.1

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Version History

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Contents

1. Purpose	1
2. Authority	1
3. Membership	1
4. Definitions of Key Terms	2
5. Roles and Responsibilities	2
5.1 Support the Enterprise Transition Plan and IT Strategic Assessment.....	3
5.1.1 Review and Support the Enterprise Transition Plan	3
5.1.2 Prepare IT Strategic Assessment.....	3
5.2 Monitor and Manage HUD’s IT Investments	3
5.2.1 Rate and Prioritize Investments Based on EIB Criteria	3
5.2.2 Monitor and Align Investments to the HUD’s Strategic Plan.....	4
5.2.3 Align Investments with Financial Planning Requirements and Regulations	4
5.2.4 Apply Governance Oversight Criteria	4
5.2.5 Support the EIB in Approving HUD’s IT Portfolio	4
5.2.6 Monitor Investment and Portfolio Performance	4
5.3 Other Support Activities.....	4
6. Operating Procedures	4
6.1 Frequency and Agenda	4
6.2 Inputs for IRC Meetings	5
6.3 Preparing for IRC Meetings	6
6.4 Conducting IRC Meetings.....	6
6.5 Quorum Criteria and Voting Procedures	7
6.6 Outputs from IRC Meetings	7
6.7 Communicating IRC Decisions and Recommendations	8



1. Purpose

The Investment Review Sub-Committee (IRC) shall provide oversight for all of the Department of Housing and Urban Development's (HUD's) information technology (IT) investments and shall report its findings to the Chief Information Officer (CIO) and Customer Care Committee (CCC). It shall review all business cases to ensure their alignment with the Department's strategic goals, and shall assist in the creation of the HUD's Office of Management and Budget (OMB) *Exhibit 300s* and the Department's *OMB Exhibit 53*. The IRC shall also be responsible for periodically reviewing HUD's entire portfolio, and recommending corrective action as necessary. Its members shall support the CIO in the execution of the capital planning and investment control (CPIC) process as representatives of their respective business units. The IRC shall hold standing monthly meetings to address portfolio and investment issues. In addition, meetings shall be scheduled as needed to conduct business.

2. Authority

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

The IRC has the authority to establish supporting working groups to support their roles and responsibilities. The IRC shall dissolve, amend, or otherwise revise the charter of any designated working groups under its authority. The IRC shall provide direct oversight of any designated working groups.

3. Membership

The IRC shall be composed of the representatives (as designated by the General Deputy Assistant Secretaries) from the offices of the:

- Capital Planning and Investment Control (Chair)
- Chief Procurement Officer
- Chief Operating Officer
- General Counsel
- Chief Financial Officer
- Chief Information Officer
- Public and Indian Housing
- Housing
- Public Affairs
- Strategic Planning and Management
- Fair Housing and Equal Opportunity
- Community Planning and Development
- Chief Human Capital Officer
- Policy Development and Research
- Healthy Homes and Lead Hazard Control
- Government National Mortgage Association
- Equal Employment Opportunity
- Chief Technology Officer (Non-Voting)
- Chief Enterprise Architect (Non-Voting)



Designated alternates may represent the senior executives listed above. These alternates, however, shall be approved by the chair of the IRC prior to participating in IRC meetings. Additionally, they shall have substantive decision making authority within their business or support area, allowing them to vote on all matters presented to the IRC, and be fully informed on the IRC’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 IRC:

Sub-Committee Roles	Responsibilities
Chair (Capital Management Manager)	<ul style="list-style-type: none"> Responsible for scheduling and maintaining agendas and meeting minutes Maintains and disseminates meeting agendas beforehand Logs meeting minutes, or delegates this task Reviews and approves relevant documentation sent to the CCC Aggregates, reviews, and approves data for the OMB dashboard submissions Presents recommendations to CCC



Sub-Committee Roles	Responsibilities
Voting Members	<ul style="list-style-type: none"> • Review and support the <i>Enterprise Transition Plan (ETP)</i> • Prepare <i>IT strategic assessment</i> • Rate and prioritize investments based on EIB criteria • Monitor and align investments to HUD’s <i>Strategic Plan</i> • Align investments with financial planning requirements and regulations • Apply governance oversight criteria • Support the EIB in approving HUD’s IT portfolio • Monitor Investment and portfolio performance
Capital Management Staff (Non-Voting)*	<ul style="list-style-type: none"> • Coordinates IRC activities with HUD business representatives to follow CPIC process • Reports capital management activity • Analyzes and documents standards for business cases • Creates templates for business case, annual planning, risk scoring, and benefit scoring • Analyzes completed business cases • IRC liaison to business representatives and TRC • Define and execute CPIC requirements, policies, and procedures around investment management • Trains relevant personnel

Table 1 – IRC Roles and Responsibilities

* Capital management staff responsibilities are further described in HUD’s *Information Technology Management Framework Roles and Responsibilities* document.

5.1 Support the Enterprise Transition Plan and IT Strategic Assessment

5.1.1 Review and Support the Enterprise Transition Plan

HUD’s IT priorities shall be expressed in the Enterprise Transition Plan (*ETP*) including business driven prioritization of modernization blueprints. The IRC shall recommend the *ETP* priorities based upon identified business priorities.

5.1.2 Prepare IT Strategic Assessment

With input from the TRC, the IRC shall prepare an annual *IT strategic assessment* for the CCC for consideration in establishing strategic direction including investment select criteria. The TRC input shall include *ETP* recommendations, emerging technology drivers and new requirements, infrastructure priorities to support applications and systems, recommendations for continuance of projects or new projects based on performance, *Federal Information Security Act (FISMA)* needs, and suggested changes to the investment select criteria.

5.2 Monitor and Manage HUD’s IT Investments

5.2.1 Rate and Prioritize Investments Based on EIB Criteria

As directed by the EIB and CCC, the IRC shall identify investments that align with the Department’s needs. After a potential investment has been identified, the IRC shall use the strategic alignment criteria approved by the EIB to score and rank investments based on their ability to bring value to HUD. The



IRC's responsibilities shall include granting preliminary approval to an investment's financial planning and strategic alignment. The IRC shall prioritize projects within an investment that enable HUD to meet its mission goals.

5.2.2 Monitor and Align Investments to the HUD's Strategic Plan

The IRC shall be responsible for ensuring that investments approved by the CCC and EIB are in alignment with HUD's *Strategic Plan* and overall business transformation efforts. This shall include performance and cost monitoring, and the recommendation of any necessary changes should significant issues arise with an investment.

5.2.3 Align Investments with Financial Planning Requirements and Regulations

The IRC shall ensure that as investments are selected, progress, and develop that they are in compliance with relevant Federal financial planning requirements. Should an investment deviate from its performance targets, the IRC shall inform the CCC and may subsequently be tasked with implementing corrective action.

5.2.4 Apply Governance Oversight Criteria

The IRC shall determine the necessary level of governance oversight for an investment based on criteria created by the CCC and validated by the EIB. This responsibility shall also include analyzing the composition of investments and how projects shall be rolled up into them.

5.2.5 Support the EIB in Approving HUD's IT Portfolio

The IRC shall assist the CCC in facilitating EIB review and approval of HUD's entire IT portfolio. This shall include overseeing the production of relevant documentation (e.g. *OMB Exhibit 53 and 300s*).

5.2.6 Monitor Investment and Portfolio Performance

The IRC shall monitor investment and portfolio performance and provide results and recommendations to the CCC for consideration. Should an investment experience sustained variances in cost or performance, the IRC may be tasked by the CCC with the implementation of the EIB's recommendations. Depending on the situation, the IRC should either terminate an investment or try to bring its performance back within acceptable limits.

5.3 Other Support Activities

The IRC shall provide other support, particularly related to investment and portfolio management, as needed to HUD's other governance bodies in regards investment performance monitoring and analysis. This should include the collection, production, and maintenance of documentation that shall be presented to the CCC or EIB.

6. Operating Procedures

6.1 Frequency and Agenda

The IRC shall conduct standing monthly meetings at a minimum to address portfolio and investment issues. Additional meetings may be scheduled as needed to conduct business. Annually at the beginning



of the fiscal year, the IRC shall develop an annual calendar of activities including scheduled meeting dates and key standing topics. The IRC chair should work with the IRC to schedule meetings and inform the members of the agenda. Any members may request a meeting by contacting the IRC chair.

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

- Enterprise transition planning
- IT strategic assessment
- Investment development and management
- Portfolio development and management
- Ad-hoc requests

OCIO division leads or other governing bodies should contact the IRC chair to request to be scheduled onto an IRC 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 IRC chair 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 IRC Meetings

Inputs (read-ahead materials) shall be determined based on the topic or type of meeting being conducted. They should be of sufficient detail to provide members information needed to make a decision if required. A soft copy of the input should be submitted to the IRC chair at least two weeks (10 working days) in advance of the scheduled review date. Failure to provide read-ahead materials timely may result in the topic being rescheduled. The IRC chair shall then distribute these materials, along with the proposed meeting agenda, to the IRC members for review.

Potential inputs should include, but are not limited to:

- **Enterprise Transition Plan** – The enterprise architecture (EA) team shall provide the *ETP* to the IRC for review. The IRC's focus shall be on the business and performance components of the *ETP* while the TRC's focus shall be on the service, data, and technical aspects.
- **IT Strategic Assessment Materials** - The TRC shall provide input including *ETP* recommendations, emerging technology drivers and new requirements, infrastructure priorities to support applications and systems, recommendations for continuance of projects or new projects based on performance, FISMA needs, and suggested changes to the investment select criteria. IRC members should provide additional input from their program areas.
- **Investment Documentation** – Investment owners shall provide investment business cases and artifacts, performance information and reviews, related project performance information, modernization blueprints, and other investment documentation for IRC consideration and actions.
- **Portfolio Management Inputs** – Investment selection criteria, OMB passback requirements, and other inputs affecting the selection, continuation or potential termination of funding are provided to the IRC from various sources.



- **Ad-Hoc Requests** – HUD’s other decision-making bodies such as the CCC, may request the IRC to review and provide investment and portfolio guidance on a particular topic.

6.3 Preparing for IRC Meetings

Once the inputs are received, IRC 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 IRC member should be prepared to represent the position of their team with respect to the agenda item being reviewed.

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

6.4 Conducting IRC Meetings

Enterprise Transition Planning

The EA team shall provide the *ETP* to the IRC for review. This may be done jointly with the TRC. The IRC’s focus shall be on the business and performance components of the ETP while the TRC’s focus shall be on the service, data, and technical aspects. Both aspects shall be equally important and it shall be important for the IRC and TRC to have a common understanding of the *ETP*. The IRC shall provide recommendations on modernization blueprint priorities, and *ETP* sequencing to the CCC based on the business priorities. The IRC shall consider the potential funding implications of their recommendations.

IT Strategic Assessment

Preparation of the *IT strategic assessment* shall involve several inputs and activities that occur during the late summer and early fall. A series of IRC meetings may be required to prepare the assessment. The TRC shall be a key partner in preparing this assessment. A key input shall be the TRC technical assessment as described in section 6.2. The IRC chair shall provide the opportunities for the TRC chair to present the TRC assessment findings and respond to IRC initial findings. The IRC and TRC shall have a common understanding of the assessments findings. Preparation also shall include individual members to scan their program areas for new and emerging issues and bring these back to the IRC for discussion and consideration. IRC members should keep their respective CCC members apprised of their efforts and preliminary findings during the assessment process. They should also solicit input as appropriate.

The IRC shall prepare the finalized annual *IT strategic assessment* for the CCC for consideration in establishing strategic direction including changes to investment selection criteria. A successful assessment should present a clear understanding of the existing and emerging environments in sufficient detail to provide the CCC and EIB the ability to establish IT strategic direction to be used in developing the out-year IT portfolio.

Investment Management

The IRC shall interact with investment owners on a regular basis. The IRC shall conduct quarterly investment performance reviews for selected investments. The IRC also shall evaluate annual operational assessments and post-implementation review information. The IRC may recommend adjustments to the investment’s management and funding based upon this review information. This should include making adjustments to or recommending termination of an investment’s related project. The IRC chair should involve project managers and IPT chairs regarding recommendations to adjust or terminate a project. This information shall be used as an input by the IRC in making recommendations



for current and out-year funding. Performance related recommendations shall be provided to the CCC for consideration.

The PMO chair shall escalate project performance remediation issues or termination recommendations for underperforming projects to the CCC and shall inform the IRC. Subsequent CCC decisions to remediate or terminate an investment related project may require IRC actions to make investment or portfolio adjustments.

The IRC shall review investment business cases for completeness and quality prior to submissions to OMB. Investment owners, project managers, IPT chairs may be requested to attend meetings and provide requested information.

OMB passback response and investment issue resolution shall be provided to the CCC by the IRC. The IRC shall provide continuing oversight for passback issues requiring corrective action plans.

Portfolio Management

A primary role of the IRC in portfolio management shall be to focus on the budget formulation and execution processes as established by OMB and the Department. The IRC shall engage in a series of activities throughout the year that affect a three-year planning horizon. These activities are described and scheduled in annual CPIC direction.

IRC budget and funding related outputs shall include *OMB Exhibit 53s*, budget justifications, and *OMB Exhibit 300s*.

Ad-Hoc Requests

HUD's other decision-making bodies such as the CCC, may request the IRC to review and provide investment and portfolio guidance on a particular topic.

6.5 Quorum¹ Criteria and Voting Procedures

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

The IRC's rulings and decisions shall only be enforceable or actionable if the majority of its members, or alternates, are present during its meetings. When this quorum is not reached, members may continue deliberation, but substantive voting decisions may not be made. At the earliest convenience, another IRC meeting should be scheduled where at least the majority of its members are able to attend.

The IRC chair shall facilitate a vote for any decision made by the IRC. The final IRC decision (or recommendation) shall be based on majority vote of the quorum.

6.6 Outputs from IRC Meetings

All meetings shall be documented to establish an official record of IRC activities. The IRC chair shall be responsible for distributing (or delegating the distribution of) all meeting documentation and the

¹ A quorum is the minimum number of a deliberate body necessary to conduct the business of that group. An IRC quorum consists of a simple majority of its members.



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 should include, but are not limited to:

- *ETP* recommendations regarding segment architecture priorities, transition priorities and sequencing
- *IT strategic assessment*
- Investment reviews and recommendations
- Portfolio artifacts and recommendations such as *OMB Exhibit 53s*, budget justifications, and *OMB Exhibit 300s*
- Other deliverables requested by the CCC

6.7 Communicating IRC Decisions and Recommendations

Minutes and decisions shall be documented by the IRC secretary upon completion of a meeting. These materials shall be distributed by the IRC chair to all of the meeting attendees and IRC members. In addition, the IRC chair shall communicate the results of any IRC decisions to the CIO and the CCC if applicable.

All recommendations for the CCC shall be communicated in the form of a summary document with the supporting documentation as reference material. Depending on the recommendations made by the IRC, the IRC chair shall make him or herself available to participate in any resulting meetings requested by the CIO or CCC.