

# Reclamation Manual

## Directives and Standards

---

<b>Subject:</b>	Administrative Cost Tracking: Information Management and Technology (IMT) Cost Tracking in the Financial and Business Management System (FBMS)
<b>Purpose:</b>	This Directive and Standard (D&S) provides requirements for the IMT cost tracking allowing the Bureau of Reclamation to track costs in a standard manner to meet the requirements of the Federal Information Technology Acquisition Reform Act (FITARA). The benefit of standardizing the tracking of these cost is the improvement of management's ability to make investment decisions and provide more accurate reporting to the Department of the Interior and the Office of Management and Budget (OMB).
<b>Authority:</b>	National Defense Authorization Act for Fiscal Year 2015 (January 3, 2014), Division A, Title VIII, Subtitle D- <i>Federal Information Technology Acquisition Reform</i> , Sections 831-837 (Pub. L. 113-291); Clinger-Cohen Act - Information Technology Management Reform Act of 1996 and National Defense Authorization Act for Fiscal Year 1996 (Pub. L. 104-106); OMB Circular A-11, <i>Preparation, Submission and Execution of the Budget</i> ; OMB Circular A-130, <i>Management of Federal Information Resources</i> ; Departmental Manual, (112 DM 24 and 212 DM 24); and the Department's Information Technology Capital Planning and Investment Control Guide
<b>Approving Official:</b>	Director, Information Resources Office/Associate Chief Information Officer (ACIO)
<b>Contact:</b>	Information Resource Office, Planning and Compliance Division (84-21200)

---

### 1. Introduction.

- A. Reclamation manages a wide array of IMT investments (Investments) that support mission and business-related goals, programs, operations, and regulatory requirements. These Investments are made up of various systems, sub-components, technology services, and Information Technology Resources. They may include new acquisitions or projects automating business processes, developing new databases, enhancing security capabilities, modernizing communications capabilities, and/or operating and maintaining existing capabilities. A significant challenge for executives, managers, and governance councils is effectively monitoring the status of Investments. Having accurate and up-to-date cost data can assist in improving budget projections and monitoring cost and schedule progress. Establishing a standard cost tracking methodology will enable Reclamation to better demonstrate efficiency, transparency, accountability, and lifecycle management.

# Reclamation Manual

## Directives and Standards

---

- B. This D&S provides a standard approach for tracking IMT costs (Costs) related to Reclamation's IMT portfolio (Portfolio), sub-components, lifecycle phases, and required cost elements by commitment item. The standard approach will:
- (1) improve Reclamation's ability to manage all Investments from inception to disposition/decommissioning from a financial perspective;
  - (2) prepare Reclamation to answer audit questions, create corrective action plans, and respond to Department and OMB data calls;
  - (3) allow Reclamation to provide better analytical information to executives to make sound decisions at the investment review board level; and
  - (4) provide greater insight to the Department's Chief Information Officer on IMT budget execution as required by the FITARA legislation.
2. **Applicability.** This D&S applies to all Reclamation personnel responsible for budgeting, acquiring, managing, and operating any Investment whether it be mission-related, supporting infrastructure, common usage, or programmatic. Those operating Investments may or may not be directly affected by the cost tracking changes stated in this D&S; however, awareness of the new requirements will assist Reclamation personnel should they make IMT purchases and/or report on Costs.
3. **Program Oversight.**
- A. Per FITARA, the ACIO must oversee the tracking of Costs to ensure that organizational goals are being met and that the appropriate leadership personnel are informed of the cost tracking requirements.
  - B. Business Owners/Functional Sponsors (Owners/Sponsors) of Investments will provide a clear, articulated business vision and performance outcomes for the Investments. Owners/Sponsors must have designated accountability for the Investments from the executive sponsor and must partner with all cross-functional business teams to define and manage the Investments Reclamation-wide. The Owners must ensure the Investments adhere to Reclamation and Department Investment management process and practices. Owners/Sponsors must identify and manage investment risks. In conjunction with the Investment managers, the Owners/Sponsors shall ensure Investments are properly managed, leverage resources to ensure results, and develop out-year plans as needed.
4. **Program Administration.** As part of properly tracking of IT related purchases, property personnel will ensure equipment is associated with the appropriate User Product Code (UPC) and asset shell.

# Reclamation Manual

## Directives and Standards

---

5. **Administrative Cost Tracking Requirements.** All Reclamation personnel purchasing goods and services, and Reclamation personnel charging their labor/full time equivalent (FTE) to an Investment must understand and comply with the following requirements.

**A. Creation of the Work Breakdown Structure (WBS).**

- (1) New WBSs must be created to fit the schema required for all expenses. Only WBSs that are currently necessary need to be established. For example, if an Investment does not have development activities or plan on having any development activities in the foreseeable future, then a WBS indicating development in the last digit will not be needed.
- (2) The Owner/Sponsor must provide guidance to the investment manager in the managing, oversight, and performance of the investment.
- (3) When there are Costs associated with an Investment, the investment manager will request their budget or finance personnel to create a WBS to capture the Costs by the lifecycle activity phase.
- (4) A table of the master data including WBS numbering schema is in Appendix B. When setting up the WBS, the last four digits of the job number (i.e., IMT Investment RSAMS: RX.59189825.1040813) must be added or edited to identify the following:
  - (a) Investment (first two digits);
  - (b) Investment sub-component (third digit); and
  - (c) activity lifecycle phase (fourth/last digit).
- (5) The Investment number (first two digits of the job number) can be obtained from the Portfolio spreadsheet. If an Investment is not available on this document, please contact the Information Resources Office Capital Planning group at [droirocpticteam@usbr.gov](mailto:droirocpticteam@usbr.gov).
- (6) This D&S impacts neither the eight-digit program code, as these are established by the region and provide specific information important to the region's business needs, nor the first three digits of the seven-digit job number that must follow other guiding principles, such as requirements for power related WBSs.

**B. Use of the WBS.**

- (1) When tracking Costs associated with an Investment, a WBS must be set up and used until the Investment is decommissioned.

# Reclamation Manual

## Directives and Standards

---

- (2) Purchases and charges for Costs must use a WBS that is for IMT purposes only and the WBS must follow the WBS schema as stated in Paragraph 5.A.
  - (3) The Investment manager for an Investment must track all Costs associated with the Investment via a WBS that has been specifically set up for the Investment.
  - (4) The Investment manager must ensure the correct UPCs and commitment items are utilized appropriately along with the WBS to record all Costs associated with an Investment.
- C. **Use of the Attribute Table.** The attribute table is a set of custom Reclamation tables created in FBMS that include certain required project attributes to meet legislative, contractual, regulatory, and customer requirements.
- (1) Where applicable for on-going operations of cost tracking, regions will need to establish or re-establish work orders [in FBMS or the Capital Asset Resource Management Application or CARMA] to capture Investments at the sub-component and the activity lifecycle phase levels.
  - (2) The last four digits of the job number are not exclusively reserved to identify Investments. The attribute table designation is the only way to know that a WBS is IMT-related.
  - (3) The attribute table provides options that identify what kind of administrative costs the transaction is associated with. When a WBS is established, it must be associated with the attribute table to indicate that it is IMT-related. Regions must ensure that the WBS is entered on the attribute table with the correct admin code.
  - (4) The attribute table has five lifecycle phase codes all starting with the letters “AI,” denoting administrative (A) and IMT (I). The third digit indicates the IMT activity lifecycle phase (e.g., in the code AIP, P denotes the planning lifecycle phase) and thus must align to the last digit of the job number. See Appendix B for an example.
  - (5) With regards to labor/FTE, no additional effort is necessary in the Electronic Time and Attendance System (ETAS) to associate with an attribute. WBSs are available for use in ETAS once FBMS and ETAS synchronize new WBSs established in FBMS.
  - (6) FBMS attribute table data is extracted and exported to the FBMS Business Warehouse nightly to enable customer and financial statement reporting.
- D. **Monitoring IMT Costs or Costs.** Charges must be made to WBSs that accurately reflect work being done.

# Reclamation Manual

## Directives and Standards

---

- (1) Costs must be captured to the WBSs that accurately reflect the work being done on the Investment.
- (2) Budget analyst/finance monitors actual Costs monthly against allocated budgets for the Investment. The tracking and monitoring of these Costs will provide better budget estimates in the future.
- (3) Investment managers must resolve incorrect charges as quickly as possible. This may involve collaboration with budget, finance and investment managers to determine if there are inappropriate or unrelated charges.
- (4) Expenses must be aligned to the correct Investment, sub-component, activity lifecycle phase and IMT cost pools for Reclamation to pull useful reports from the financial system.
  - (a) Expenses include but are not limited to procurements (e.g., hardware, software, and external labor), government labor/FTE, government travel, and rent/utilities/ communications. The complete list of IMT cost pools can be found in Appendix C.
  - (b) If procurement is bundled with other non-IMT equipment or services, these costs must be split out so that expenses can be tracked to an IMT-specific WBS.
- (5) The IMT Procurement Cadre must charge their labor hours to the Investment WBS and Fund that is indicated on the required acquisition package form "Standard Purchase Requisition Package Checklist Attachment 3." The Preliminary Purchase Request creator will ensure that the Investment WBS used correlates with the Investment that the products or services are for. Procurements (hardware, software, and contract services), government labor/ FTE, government travel, overhead, and other costs related to an Investment must be charged to accounts representing proper Investment, sub-component, and activity lifecycle phase alignment.
- (6) Reclamation personnel must report their labor/FTE to the appropriate Investment, sub-component, and activity lifecycle phase. Personnel must work with their management to determine how and to which WBS their time must be charged.
- (7) Costs originating from the charge card module (purchasing and travel) tied to IMT must be allocated (charged) to the WBS associated with the appropriate Investment.
- (8) Most of the time, the default charge card WBS will not be the appropriate WBS for an IMT purchase, it must be re-allocated to an appropriate WBS associated with the Investment. If a cost is associated with a brand-new Investment,

# Reclamation Manual

## Directives and Standards

---

approval through the Investment selection process must have already occurred for the Investment. If approval has not occurred, then a purchase cannot be made associated with the unapproved Investment. Project and/or investment concept must be vetted through the lifecycle management process.

6. **Appendices.**
  - A. **Appendix A.** Definitions.
  - B. **Appendix B.** IMT Master Data Table.
  - C. **Appendix C.** IMT Cost Pool Definitions.
7. **Definitions.** Key definitions for tracking Costs and life cycles (e.g., operations and maintenance, and Development/Modernization and Enhancements or DME) are in Appendix A. Understanding these investment definitions is important for the selection of the correct WBS for IMT transactions.
8. **Review Period.** The originating office will review this release every 4 years.

## RECLAMATION MANUAL TRANSMITTAL SHEET

Effective Date: \_\_\_\_\_

Release No. \_\_\_\_\_

Ensure all employees needing this information are provided a copy of this release.

### Reclamation Manual Release Number and Subject

### Summary of Changes

NOTE: This Reclamation Manual release applies to all Reclamation employees. When an exclusive bargaining unit exists, changes to this release may be subject to the provisions of collective bargaining agreements.

### Filing instructions

Remove Sheets

Insert Sheets

All Reclamation Manual releases are available at <http://www.usbr.gov/recman/>

Filed by: \_\_\_\_\_

Date: \_\_\_\_\_