

1.1 Purpose. This chapter provides policy and process guidance regarding the Capital Planning and Investment Control (CPIC) process, and Indian Affairs' (IA) roles and responsibilities in this process. The federal government must effectively manage its portfolio of capital assets to ensure scarce public resources are wisely invested. Capital programming integrates the planning, acquisition and management of capital assets into the budget decision-making process, and is intended to assist agencies in improving asset management, achieving performance goals with the lowest life-cycle costs and least risk, and complying with statutory requirements.

The purpose of CPIC is:

- A. To link capital planning to the IA [internal] strategic plan and annual performance plan(s);
- B. To ensure capital asset investments are managed to achieve expected benefits in accordance with cost, schedule, technical, and performance baselines;
- C. To monitor and control the IA investment portfolios for accuracy and accountability; and
- D. To implement internal control mechanisms established to minimize the likelihood of investment failure, excessive cost, and schedule overruns.

IA has a comprehensive CPIC process to ensure that its investment portfolios for construction capital asset investments address IA and Department of the Interior (DOI) mission goals.

1.2 Scope. This policy applies to all IA offices and employees who sponsor capital investments, who allocate funds for capital investments, who prepare capital investment business cases, and/or manage the investment on a daily basis for construction.

1.3 Policy. It is the policy of IA to comply with all applicable federal laws, regulations and DOI policies and procedures regarding capital planning and investments. CPIC provides the framework for effectively planning, identifying, and procuring capital investments to achieve the maximum return; to ensure that capital assets successfully contribute to the achievement of agency strategic goals and objectives; and to provide management with accurate information on acquisition and life-cycle costs, schedules, and performance of current and proposed capital assets.

1.4 Authority.

- A. P.L. 103-62, Government Performance and Results Act of 1993 (GPRA)
- B. P.L. 103-355, Federal Acquisition Streamlining Act of 1994 (FASA)
- C. P.L. 109-58, Energy Policy Act of 2005, Section 109

INDIAN AFFAIRS MANUAL

- D. Office of Management and Budget (OMB) Circular A-11 Part 7, Section 300: Planning, Budgeting, Acquisition
- E. OMB Capital Programming Guide, Version 3, Supplement to Circular A-11
- F. OMB Circular A-131, Value Engineering

1.5 Responsibilities.

- A. **Assistant Secretary - IA (ASIA)** approves the Five-Year Plan and Exhibit 300 business cases.
- B. **Deputy Assistant Secretary - Management (DAS-M)** reviews Quarterly Status Memoranda with Corrective Action Plans (CAP) and Baseline Change Requests (BCR), and reviews and signs updated Exhibit 300s prior to their submission to the DOI.
- C. **IA Program Offices**, including AS-IA and Bureau Central Offices, Regional Offices, Districts, and Agencies serve various roles:
 - 1. **Business Sponsor** will be the investment proponent and allocate the necessary funds for the investments.
 - 2. **Project Manager** will prepare the investment's business case and manage the investment on a daily basis.
- D. **OPPM** is responsible for ensuring IA programs have required timelines and documentation (e.g., Attachment G) by which to formulate additional documents (i.e., Exhibit 300, Quarterly Status Memorandum, Corrective Action Reports (CAR), BCRs, Five-Year Plan, and Project Data Sheets (PDS)). OPPM works directly with the AS-IA Office of Facilities Management and Construction (OFMC) and Division of Water and Power (DWP), regarding construction projects. Additionally, OPPM:
 - 1. Reviews and disseminates the "Schedule for Capital Planning and Investment Control of Construction Projects," which is formulated and signed by the Deputy Assistant Secretary – Budget, Finance, Performance, and Acquisition.
 - 2. Reviews each Exhibit 300 submitted by OFMC and DWP for discrepancies and any cost and/or schedule variances; obtains required signatures for submission to the DOI; and does an investment revision in the Electronic Capital Planning and Investment Control (eCPIC) system.
 - 3. Reviews the Quarterly Construction Program Status memorandum for each quarterly submission to the DOI on projects that are \$10M or greater, CARs and BCRs, if required. Documents are submitted to the DOI by the programs and OPPM maintains a hard copy file for each quarterly submission.

INDIAN AFFAIRS MANUAL

Part 20

Planning and Policy

Chapter 8

Capital Planning and Investment Control (CPIC)

Page 3

4. Reviews the dollar amounts in the Five-Year Plans and PDSs that are formulated by OFMC and DWP; and ensures documents are submitted to IA Budget for review. Upon acceptance from the IA Budget office, OPPM disseminates the required documents to the DOI.