

Exhibit 300: Capital Asset Plan and Business Case Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview (All Capital Assets)

1. Date of Submission: 2/26/2009
2. Agency: Small Business Administration
3. Bureau: Capital Access
4. Name of this Capital Asset: OCA: Loan Management and Accounting System (LMAS)
5. Unique Project (Investment) Identifier: (For IT investment only, see section 53. For all other, use agency ID system.) 028-00-01-01-01-0000-00
6. What kind of investment will this be in FY 2010? (Please NOTE: Investments moving to O&M in FY 2010, with Planning/Acquisition activities prior to FY 2010 should not select O&M. These investments should indicate their current status.) Full Acquisition
7. What was the first budget year this investment was submitted to OMB? FY2006
8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap:
The scope of the LMAS is to implement FSIO (JFMIP) compliant:
 - Integrated loan management system that supports loan origination, loan servicing, and loan liquidation
 - Integrated Financial Management System that supports loan accounting and leverages the existing administrative accounting systemLMAS is currently in the Planning phase. A project baseline will be established and approved at the Integrated Baseline Review (IBR) in 2009. The Budget and Milestones are expected to change during Planning. Full Acquisition will be done INCREMENTALLY between 2009 and 2014.

Gaps Addressed by LMAS:
SBA's legacy loan processing and accounting systems do not comply with FSIO's Core Financial, Direct Loan and Guaranteed Loan System Requirements. The legacy systems are inflexible and based on obsolete technology. These stove piped systems are very expensive to maintain. They don't meet SBA's current business needs and are very expensive to change to meet current and future business needs. They are not compliant with Federal Security requirements and will cost approximately \$7.2 million dollars to achieve compliance. They are inefficient, outdated and don't take advantage of the technological advances. They have been in place for approximately 30 years and significantly contribute to the amount of data reconciliation and manual processes required to do business. They present a significant risk to the Agency.

Expected Benefits:
 - FSIO compliant system
 - Faster time to originate & service loans and loan guarantees
 - Standardized set of data elements across all loan programs
 - Integrated system with non-redundant databases that will eliminate expensive data reconciliations
 - Real-time or near real-time processing that will simplify the system, increase data integrity and provide timely and accurate information for decision-making
 - Compliance with FMLoB, an E-Gov initiative
 - Compliance with security standards
 - Scalable, extensible, flexible, and highly available system
 - Use of widely used modern technologies will reduce the development and maintenance costROI=14%
Payback=9yr. 9mo.

Risk: Not funding LMAS will cause non-compliance with FSIO and security requirements and seriously limit SBA's capability to accomplish its mission. Over the next 10 years, the cost of maintaining status quo will be more than the cost of modernizing it.
9. Did the Agency's Executive/Investment Committee approve this request? Yes
 - a. If "yes," what was the date of this approval? 7/18/2006
10. Did the Project Manager review this Exhibit? Yes
11. Contact information of Program/Project Manager?

12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project?	No
a. Will this investment include electronic assets (including computers)?	Yes
b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only)	No
1. If "yes," is an ESPC or UESC being used to help fund this investment?	
2. If "yes," will this investment meet sustainable design principles?	
3. If "yes," is it designed to be 30% more energy efficient than relevant code?	
13. Does this investment directly support one of the PMA initiatives?	Yes
If "yes," check all that apply:	Budget Performance Integration Eliminating Improper Payments Expanded E-Government Financial Performance
a. Briefly and specifically describe for each selected how this asset directly supports the identified initiative(s)? (e.g. If E-Gov is selected, is it an approved shared service provider or the managing partner?)	Budget Performance Integration - The scope includes an Integrated Financial Management System. Eliminating Improper Payments - Increased automation will reduce the risk of manual errors. Expanded E-Government - A shared hosting partner for hosting will be used, which supports the expanded E-Gov initiative. Financial Performance - Improved financial data to manage loan programs.
14. Does this investment support a program assessed using the Program Assessment Rating Tool (PART)? (For more information about the PART, visit www.whitehouse.gov/omb/part.)	Yes
a. If "yes," does this investment address a weakness found during a PART review?	Yes
b. If "yes," what is the name of the PARTed program?	
c. If "yes," what rating did the PART receive?	Adequate
15. Is this investment for information technology?	Yes
If the answer to Question 15 is "Yes," complete questions 16-23 below. If the answer is "No," do not answer questions 16-23.	
For information technology investments only:	
16. What is the level of the IT Project? (per CIO Council PM Guidance)	Level 3
17. In addition to the answer in 11(a), what project management qualifications does the Project Manager have? (per CIO Council PM Guidance)	(1) Project manager has been validated as qualified for this investment
18. Is this investment or any project(s) within this investment identified as "high risk" on the Q4 - FY 2008 agency high risk report (per OMB Memorandum M-05-23)	Yes
19. Is this a financial management system?	Yes
a. If "yes," does this investment address a FFMI compliance area?	Yes
1. If "yes," which compliance area:	OMB Circular A-127, JFMIP requirements, Federal accounting standards, and the United States Government Standard General Ledger (SGL) at the transaction level.
2. If "no," what does it address?	
b. If "yes," please identify the system name(s) and system acronym(s) as reported in the most recent financial systems inventory update required by Circular A-11 section 52	
This is a new system and will be reported during next reporting cycle.	
This system will replace the following systems:	

Loan Accounting & Loan Accounting Daily Update Cycle System LAS/LADUC
 Loan Origination LO
 Loan Origination & Disburse. LOD
 Loan origination & Funds Control LOFC
 Loan Servicing & Debt Collection LSD
 Office of Chief Financial Officer Systems OCFOS
 E-Tran
 Guaranty Purchase Tracking System (GPTS)

This system will use the following system for loan accounting:
 Oracle Administrative Accounting JAAMS 1.0.

20. What is the percentage breakout for the total FY2010 funding request for the following? (This should total 100%)

Hardware	9.420000
Software	11.840000
Services	67.420000
Other	11.320000

21. If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and included in your agency inventory, schedules and priorities? N/A

22. Contact information of individual responsible for privacy related questions:

23. Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval? Yes

Question 24 must be answered by all Investments:

24. Does this investment directly support one of the GAO High Risk Areas? No

Section B: Summary of Spending (All Capital Assets)

1. Provide the total estimated life-cycle cost for this investment by completing the following table. All amounts represent budget authority in millions, and are rounded to three decimal places. Federal personnel costs should be included only in the row designated "Government FTE Cost," and should be excluded from the amounts shown for "Planning," "Full Acquisition," and "Operation/Maintenance." The "TOTAL" estimated annual cost of the investment is the sum of costs for "Planning," "Full Acquisition," and "Operation/Maintenance." For Federal buildings and facilities, life-cycle costs should include long term energy, environmental, decommissioning, and/or restoration costs. The costs associated with the entire life-cycle of the investment should be included in this report.

Table 1: SUMMARY OF SPENDING FOR PROJECT PHASES (REPORTED IN MILLIONS)									
(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)									
	PY-1 and earlier	PY 2008	CY 2009	BY 2010	BY+1 2011	BY+2 2012	BY+3 2013	BY+4 and beyond	Total
Planning:	1.01637	3.69872	2.20189	1.16258					
Acquisition:	0	0	14.55228	22.50463					
Subtotal Planning & Acquisition:	1.01637	3.69872	16.75417	23.66721					
Operations & Maintenance:	0	0	0	0					
TOTAL:	1.01637	3.69872	16.75417	23.66721					
Government FTE Costs should not be included in the amounts provided above.									
Government FTE Costs	0.3118	0.59418	0.69597	0.68265					
Number of FTE represented by Costs:	3	6	7	6					

Note: For the multi-agency investments, this table should include all funding (both managing partner and partner agencies). Government FTE Costs should not be included as part of the TOTAL represented.

2. Will this project require the agency to hire additional FTE's? Yes

a. If "yes," How many and in what year? 1 in 2008

3. If the summary of spending has changed from the FY2009 President's budget request, briefly explain those changes: Originally, SBA planned for the LMAS team including contractors to be located onsite at the SBA facility, 409 3rd St. SW, Washington, DC. However, due to space limitations there was not enough space at the SBA facility to accommodate the team. To meet the need, LMAS has obtained office space close to the SBA headquarters location in Washington, DC. The newly leased office space is located at the L Enfant Plaza metro station, which is one metro stop away from the SBA headquarters location.

The budget impact is \$0.312 for one time office setup costs and \$1.725 for recurring lease and telecommunications costs through 2014, making the total impact \$2.037.

Section C: Acquisition/Contract Strategy (All Capital Assets)

1. Complete the table for all (including all non-Federal) contracts and/or task orders currently in place or planned for this investment. Total Value should include all option years for each contract. Contracts and/or task orders completed do not need to be included.

Contracts/Task Orders Table:																* Costs in millions
Contract or Task Order Number	Type of Contract/ Task Order (In accordance with FAR Part 16)	Has the contract been awarded (Y/N)	If so what is the date of the award? If not, what is the planned award date?	Start date of Contract/ Task Order	End date of Contract/ Task Order	Total Value of Contract/ Task Order (\$M)	Is this an Interagency Acquisition ? (Y/N)	Is it performance based? (Y/N)	Competitively awarded? (Y/N)	What, if any, alternative financing option is being used? (ESPC, UESC, EUL, N/A)	Is EVM in the contract? (Y/N)	Does the contract include the required security & privacy clauses? (Y/N)	Name of CO	CO Contact information (phone/email)	Contracting Officer FAC-C or DAWIA Certification Level (Level 1, 2, 3, N/A)	If N/A, has the agency determined the CO assigned has the competencies and skills necessary to support this acquisition ? (Y/N)
Acquisition Services (SBAHQ-07-F-0236)	Firm Fixed Price with Incentive	Yes	6/18/2007	7/1/2007	6/30/2008	0.4095	No	Yes	Yes	NA	Yes	Yes				

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

EVM will be implemented upon completion of the Integrated Baseline Review (IBR) for each task order.

3. Do the contracts ensure Section 508 compliance? Yes

a. Explain why not or how this is being done? All LMAS contracts will include a requirement for 508 compliance.

4. Is there an acquisition plan which reflects the requirements of FAR Subpart 7.1 and has been approved in accordance with agency requirements? Yes

a. If "yes," what is the date? 8/8/2008

1. Is it Current? Yes

b. If "no," will an acquisition plan be developed? Yes

1. If "no," briefly explain why: Acquisition plan is already developed. Awaiting final sign off.

Section D: Performance Information (All Capital Assets)

In order to successfully address this area of the exhibit 300, performance goals must be provided for the agency and be linked to the annual performance plan. The investment must discuss the agency's mission and strategic goals, and performance measures (indicators) must be provided. These goals need to map to the gap in the agency's strategic goals and objectives this investment is designed to fill. They are the internal and external performance benefits this investment is expected to deliver to the agency (e.g., improve efficiency by 60 percent, increase citizen participation by 300 percent a year to achieve an overall citizen participation rate of 75 percent by FY 2xxx, etc.). The goals must be clearly measurable investment outcomes, and if applicable, investment outputs. They do not include the completion date of the module, milestones, or investment, or general goals, such as, significant, better, improved that do not have a quantitative or qualitative measure.

Agencies must use the following table to report performance goals and measures for the major investment and use the Federal Enterprise Architecture (FEA) Performance Reference Model (PRM). Map all Measurement Indicators to the corresponding "Measurement Area" and "Measurement Grouping" identified in the PRM. There should be at least one Measurement Indicator for each of the four different Measurement Areas (for each fiscal year). The PRM is available at www.egov.gov. The table can be extended to include performance measures for years beyond the next President's Budget.

Performance Information Table								
Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
2007	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Coverage	Service Efficiency	Percentage of lenders that can originate and service 7(a) regular loans electronically	0	None in 2007	None
2007	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Coverage	Service Efficiency	Percentage of lenders that can originate and service 504 loans electronically	0	None in 2007	None
2007	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Financial Management	Accounting	Number of loan programs are JFMIP compliant and use FFIA compliant Financial Management System	0	None in 2007	None
2007	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and	Processes and Activities	Quality	Complaints	Average servicing time for real-time servicing actions	2.5 days	None in 2007	None

Performance Information Table								
Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
	support services							
2007	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Quality	Errors	Average number of loan transactions that go to error suspense per month	2000	None in 2007	None
2007	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Efficiency	Technology Improvement	Number of loan programs that are completely off the legacy mainframe	0	None in 2007	None
2007	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Quality Assurance	Standards Compliance and Deviations	Number of loan programs supported by OnLine Transaction Processing (OLTP) applications that are fully compliant with the Federal Security and Privacy requirements.	0	None in 2007	None
2008	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 7(a) regular loans electronically	0	None in 2008	None
2008	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 504 loans electronically	0	None in 2008	None
2008	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Financial Management	Accounting	Number of loan programs are JFMIP compliant and use FFMA compliant Financial Management System	0	None in 2008	None
2008	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Quality	Complaints	Average servicing time for real-time servicing actions	2.5 days	None in 2008	None
2008	Ensure that all SBA programs operate at maximum efficiency and	Processes and Activities	Quality	Errors	Average number of loan transactions that go to error suspense per	2000	None in 2008	None

Performance Information Table

Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
	effectiveness by providing them with high quality executive leadership and support services				month			
2008	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Efficiency	Accessibility	Number of loan programs that are completely off the legacy mainframe	0	None in 2008	None
2008	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Quality Assurance	Standards Compliance and Deviations	Number of loan programs supported by OnLine Transaction Processing (OLTP) applications that are fully compliant with the Federal Security and Privacy requirements.	0	None in 2008	None
2009	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 7(a) regular loans electronically	0	None in 2009	
2009	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 504 loans electronically	0	None in 2009	
2009	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Financial Management	Accounting	Number of loan programs are JFMIP compliant and use FFIA compliant Financial Management System	0	None in 2009	
2009	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Productivity and Efficiency	Efficiency	Average servicing time for real-time servicing actions	2.5 days	None in 2009	
2009	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Quality	Errors	Average number of loan transactions that go to error suspense per month	2000	TBD	

Performance Information Table								
Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
2009	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Efficiency	Support Costs	Avoid Cost of resolving security vulnerabilities on the legacy mainframe.	\$7.2M	0	
2009	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Financial (Technology)	Operations and Maintenance Costs	Number of loan programs that are completely off the legacy mainframe	0	None in 2009	
2009	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Quality Assurance	Standards Compliance and Deviations	Number of loan programs supported by OnLine Transaction Processing (OLTP) applications that are fully compliant with the Federal Security and Privacy requirements.	0	None in 2009	
2010	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 7(a) regular loans electronically	0	None in 2010	
2010	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 504 loans electronically	0	None in 2010	
2010	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Financial Management	Accounting	Number of loan programs are JFMP compliant and use FFMIA compliant Financial Management System	0	None in 2010	
2010	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Quality	Complaints	Average servicing time for real-time servicing actions	2.5 days	None in 2010	
2010	Ensure that all SBA programs operate at maximum efficiency and effectiveness by	Processes and Activities	Quality	Errors	Average number of loan transactions that go to error suspense per month	2000	TBD	

Performance Information Table								
Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
	providing them with high quality executive leadership and support services							
2010	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Efficiency	Accessibility	Number of loan programs that are completely off the legacy mainframe	0	None in 2010	
2010	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Quality Assurance	Standards Compliance and Deviations	Number of loan programs supported by OnLine Transaction Processing (OLTP) applications that are fully compliant with the Federal Security and Privacy requirements.	0	None in 2010	
2011	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 7(a) regular loans electronically	0	25%	
2011	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 504 loans electronically	0	25%	
2011	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Financial Management	Accounting	Number of loan programs are JFMIP compliant and use FFMA compliant Financial Management System	0	1	
2011	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Quality	Complaints	Average servicing time for real-time servicing actions	2.5 days	3 hours	
2011	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Quality	Errors	Average number of loan transactions that go to error suspense per month	2000	TBD	

Performance Information Table								
Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
2011	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Efficiency	Accessibility	Number of loan programs that are completely off the legacy mainframe	0	1	
2011	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Quality Assurance	Standards Compliance and Deviations	Number of loan programs supported by OnLine Transaction Processing (OLTP) applications that are fully compliant with the Federal Security and Privacy requirements.	0	1	
2012	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 504 loans electronically	0	50%	
2012	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 7(a) regular loans electronically	0	50%	
2012	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Revenue Collection	Debt Collection	Increase revenue by reducing non-collected fees and collecting fees faster	0	\$160K	
2012	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Quality	Complaints	Average servicing time for real-time servicing actions	2.5 days	2.5 hours	
2012	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Quality	Errors	Average number of loan transactions that go to error suspense per month	2000	TBD	
2012	Ensure that all SBA programs operate at maximum efficiency and effectiveness by	Technology	Efficiency	Accessibility	Number of loan programs that are completely off the legacy mainframe	0	2	

Performance Information Table								
Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
	providing them with high quality executive leadership and support services							
2013	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 7(a) regular loans electronically	0	75%	
2013	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Financial Management	Accounting	Number of loan programs are JFMIP compliant and use FFMI compliant Financial Management System	0	3	
2013	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Financial Management	Cost Accounting / Performance Measurement	Cost savings through reduced cycle time, reduced error suspense, reduced need for data reconciliations, increased accuracy, and reduced overall loan processing costs.	0	\$8.15M	
2013	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Revenue Collection	Debt Collection	Increase revenue by reducing non-collected fees and collecting fees faster	0	\$160K	
2013	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Productivity and Efficiency	Efficiency	Average servicing time for real-time servicing actions	2.5 days	2 hours	
2013	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Efficiency	Accessibility	System Cost Savings by migrating off the legacy mainframe.	0	\$3.54M	
2013	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Efficiency	Accessibility	Number of loan programs that are completely off the legacy mainframe	0	3	
2013	Ensure that all SBA programs	Technology	Quality Assurance	Standards Compliance and	Number of loan programs	0	3	

Performance Information Table								
Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
	operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services			Deviations	supported by OnLine Transaction Processsing (OLTP) applications that are fully compliant with the Federal Security and Privacy requirements.			
2014	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 7(a) regular loans electronically	0	100%	
2014	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 504 loans electronically	0	100%	
2014	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Financial Management	Accounting	Number of loan programs are JFMIP compliant and use FFMA compliant Financial Management System	0	6	
2014	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Financial Management	Cost Accounting / Performance Measurement	Yield 12-15% savings through reduced cycle time, reduced error suspense, reduced need for data reconciliations, increased accuracy, and reduced overall loan processing costs.	0	\$9.24M	
2014	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Revenue Collection	Debt Collection	Increase revenue by reducing non-collected fees and collecting fees faster	0	\$160K	
2014	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Productivity and Efficiency	Efficiency	Average servicing time for real-time servicing actions	2.5 days	2 hours	
2014	Ensure that all SBA programs operate at maximum efficiency and effectiveness by	Technology	Efficiency	Accessibility	System Cost Savings by migrating off the legacy mainframe.	0	\$3.54M	

Performance Information Table								
Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
	providing them with high quality executive leadership and support services							
2014	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Financial (Technology)	Support Costs	Number of loan programs that are completely off the legacy mainframe	0	6	
2014	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Quality Assurance	Standards Compliance and Deviations	Number of loan programs supported by OnLine Transaction Processing (OLTP) applications that are fully compliant with the Federal Security and Privacy requirements.	0	6	
2015	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 7(a) regular loans electronically	0	100%	
2015	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Financial Management	Cost Accounting / Performance Measurement	Yield 12-15% savings through reduced cycle time, reduced error suspense, reduced need for data reconciliations, increased accuracy, and reduced overall loan processing costs.	0	\$9.63M	
2015	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Revenue Collection	Debt Collection	Increase revenue by reducing non-collected fees and collecting fees faster	0	\$150K	
2015	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Productivity and Efficiency	Efficiency	Average servicing time for real-time servicing actions	2.5 days	2 hours	
2015	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Efficiency	Accessibility	System Cost Savings by migrating off the legacy mainframe.	0	\$5.55M	

Performance Information Table								
Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
	support services							
2016	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 7(a) regular loans electronically	0	100%	
2016	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 504 loans electronically	0	100%	
2016	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Financial Management	Cost Accounting / Performance Measurement	Yield 12-15% savings through reduced cycle time, reduced error suspense, reduced need for data reconciliations, increased accuracy, and reduced overall loan processing costs.	0	\$9.36M	
2016	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Revenue Collection	Debt Collection	Increase revenue by reducing non-collected fees and collecting fees faster	0	\$150K	
2016	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Productivity and Efficiency	Efficiency	Average servicing time for real-time servicing actions	2.5 days	2 hours	
2016	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Efficiency	Accessibility	System Cost Savings by migrating off the legacy mainframe.	0	\$6.28M	
2017	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 7(a) regular loans electronically	0	100%	
2017	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Customer Results	Service Accessibility	Access	Percentage of lenders that can originate and service 504 loans electronically	0	100%	

Performance Information Table								
Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
	providing them with high quality executive leadership and support services							
2017	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Financial Management	Cost Accounting / Performance Measurement	Yield 12-15% savings through reduced cycle time, reduced error suspense, reduced need for data reconciliations, increased accuracy, and reduced overall loan processing costs.	0	\$9.09M	
2017	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Mission and Business Results	Revenue Collection	Debt Collection	Increase revenue by reducing non-collected fees and collecting fees faster	0	\$140K	
2017	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Processes and Activities	Productivity	Efficiency	Average servicing time for real-time servicing actions	2.5 days	2 hours	
2017	Ensure that all SBA programs operate at maximum efficiency and effectiveness by providing them with high quality executive leadership and support services	Technology	Efficiency	Accessibility	System Cost Savings by migrating off the legacy mainframe.	0	\$6.1M	

Section E: Security and Privacy (IT Capital Assets only)

In order to successfully address this area of the business case, each question below must be answered at the system/application level, not at a program or agency level. Systems supporting this investment on the planning and operational systems security tables should match the systems on the privacy table below. Systems on the Operational Security Table must be included on your agency FISMA system inventory and should be easily referenced in the inventory (i.e., should use the same name or identifier).

For existing Mixed-Life Cycle investments where enhancement, development, and/or modernization is planned, include the investment in both the "Systems in Planning" table (Table 3) and the "Operational Systems" table (Table 4). Systems which are already operational, but have enhancement, development, and/or modernization activity, should be included in both Table 3 and Table 4. Table 3 should reflect the planned date for the system changes to be complete and operational, and the planned date for the associated C&A update. Table 4 should reflect the current status of the requirements listed. In this context, information contained within Table 3 should characterize what updates to testing and documentation will occur before implementing the enhancements; and Table 4 should characterize the current state of the materials associated with the existing system.

All systems listed in the two security tables should be identified in the privacy table. The list of systems in the "Name of System" column of the privacy table (Table 8) should match the systems listed in columns titled "Name of System" in the security tables (Tables 3 and 4). For the Privacy table, it is possible that there may not be a one-to-one ratio between the list of systems and the related privacy documents. For example, one PIA could cover multiple systems. If this is the case, a working link to the PIA may be listed in column (d) of the privacy table more than once (for each system covered by the PIA).

The questions asking whether there is a PIA which covers the system and whether a SORN is required for the system are discrete from the narrative fields. The narrative column provides an opportunity for free text explanation why a working link is not provided. For example, a SORN may be required for the system, but the system is not yet operational. In this circumstance, answer "yes" for column (e) and in the narrative in column (f), explain that because the system is not operational the SORN is not yet required to be published.

Please respond to the questions below and verify the system owner took the following actions:

1. Have the IT security costs for the system(s) been identified and integrated into the overall costs of the investment? Yes

a. If "yes," provide the "Percentage IT Security" for the budget year: 5.70

2. Is identifying and assessing security and privacy risks a part of the overall risk management effort for each system supporting or part of this investment? Yes

3. Systems in Planning and Undergoing Enhancement(s), Development, and/or Modernization - Security Table(s):

Name of System	Agency/ or Contractor Operated System?	Planned Operational Date	Date of Planned C&A update (for existing mixed life cycle systems) or Planned Completion Date (for new systems)
LMAS Phase 1	Contractor Only	10/28/2010	9/30/2010
LMAS Phase 2	Contractor Only	12/8/2011	11/8/2011
LMAS Phase 3	Contractor Only	3/14/2012	2/21/2012
LMAS Phase 4	Contractor Only	2/9/2013	2/1/2013
LMAS phase 5	Contractor Only	9/30/2013	8/30/2013
LMAS Phase 6	Contractor Only	9/30/2013	8/30/2013

4. Operational Systems - Security Table:

Name of System	Agency/ or Contractor Operated System?	NIST FIPS 199 Risk Impact level (High, Moderate, Low)	Has C&A been Completed, using NIST 800-37? (Y/N)	Date Completed: C&A	What standards were used for the Security Controls tests? (FIPS 200/NIST 800-53, Other, N/A)	Date Completed: Security Control Testing	Date the contingency plan tested
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5. Have any weaknesses, not yet remediated, related to any of the systems part of or supporting this investment been identified by the agency or IG? No

a. If "yes," have those weaknesses been incorporated into the agency's plan of action and milestone process? Yes

6. Indicate whether an increase in IT security funding is requested to remediate IT security weaknesses? No

a. If "yes," specify the amount, provide a general description of the weakness, and explain how the funding request will remediate the weakness.

7. How are contractor security procedures monitored, verified, and validated by the agency for the contractor systems above?

The LMAS project is in the Planning phase. Contractual documents will include specific security and Privacy Act requirements and oversight required by law and policy (including compliance with SBA security policies and procedures which are kept current with external requirements). In addition, SBA security policy has specific security procedures to monitor, verify, and validate contractors working with agency systems. Furthermore, it should be noted that all contractors are subject to SBA security policy. The LMAS Project Manager is responsible for oversight.

Contractor security procedures are monitored, verified, and validated by the SBA through the oversight of the agency's Information Systems Security Manager (ISSM). LMAS will be implemented using policies and procedures approved by the SBA Chief Information Officer (CIO) and reviewed by the SBA Information Security Systems Manager. The contractor will be required to operate the system as approved by the SBA including all identified management, operational, and technical controls. Security compliance, as required by the contract, will be monitored as a part of the ongoing Quality Assurance Surveillance Plan, which is part of the acquisition strategy to oversee contract performance. In addition, SBA will perform site visits to the contractor's facility to review and validate compliance.

Security requirements of the GSA multiple award schedule contracts contemplated for Full Acquisition of LMAS are applicable to the Application Service Provider (ASP) contractor. Also, the requirements defined in the LMAS System Security Plan will be applicable, and contractor personnel will be required to receive a project-specific security orientation, sign a rules of behavior agreement, and continue security awareness training on an annual basis.

Implementation of LMAS as a production system will occur after approval of its Certification and Accreditation, following NIST guidance found in NIST SP 800-37, NIST SP 800-18, NIST SP 800-30, and NIST SP 800-53. Specifically, the C&A includes the following: (1) a detailed System Security Plan, (2) a Risk Assessment Report, (3) a Security Test and Evaluation Report, and (4) the review process for certification and accreditation.

Testing of each patch or upgrade must be completed before introduction on the production system and must be approved by the SBA's LMAS Change Control Board.

8. Planning & Operational Systems - Privacy Table:					
(a) Name of System	(b) Is this a new system? (Y/N)	(c) Is there at least one Privacy Impact Assessment (PIA) which covers this system? (Y/N)	(d) Internet Link or Explanation	(e) Is a System of Records Notice (SORN) required for this system? (Y/N)	(f) Internet Link or Explanation
LMAS Phase 1	Yes	Yes	http://www.sba.gov/idc/groups/public/documents/sba_program_office/foia_lmas.pdf	Yes	http://www.sba.gov/idc/groups/public/documents/sba_program_office/foia_sys_of_rec.htm
LMAS Phase 2	No	Yes	Enhancements to the system will result in updating the PIA.	Yes	Enhancements to the system may result in updated SORN.
LMAS Phase 3	No	Yes	Enhancements to the system will result in updating the PIA.	Yes	Enhancements to the system may result in updated SORN.
LMAS Phase 4	No	Yes	Enhancements to the system will result in updating the PIA.	Yes	Enhancements to the system may result in updated SORN.
LMAS Phase 5	No	Yes	Enhancements to the system will result in updating the PIA.	Yes	Enhancements to the system may result in updated SORN.
LMAS Phase 6	No	Yes	Enhancements to the system will result in updating the PIA.	Yes	Enhancements to the system may result in updated SORN.

Details for Text Options:
Column (d): If yes to (c), provide the link(s) to the publicly posted PIA(s) with which this system is associated. If no to (c), provide an explanation why the PIA has not been publicly posted or why the PIA has not been conducted.
Column (f): If yes to (e), provide the link(s) to where the current and up to date SORN(s) is published in the federal register. If no to (e), provide an explanation why the SORN has not been published or why there isn't a current and up to date SORN.
Note: Working links must be provided to specific documents not general privacy websites. Non-working links will be considered as a blank field.

Section F: Enterprise Architecture (EA) (IT Capital Assets only)

In order to successfully address this area of the capital asset plan and business case, the investment must be included in the agency's EA and Capital Planning and Investment Control (CPIC) process and mapped to and supporting the FEA. The business case must demonstrate the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

- Is this investment included in your agency's target enterprise architecture? Yes
 - If "no," please explain why?
- Is this investment included in the agency's EA Transition Strategy? Yes
 - If "yes," provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment. The investment name in the most recent agency Transition Strategy is LMAS.
 - If "no," please explain why?
- Is this investment identified in a completed and approved segment architecture? No
 - If "yes," provide the six digit code corresponding to the agency segment architecture. The segment architecture codes are maintained by the agency Chief Architect. For detailed guidance regarding segment architecture codes, please refer to <http://www.egov.gov>. 111-000

4. Service Component Reference Model (SRM) Table: Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to http://www.egov.gov .								
Agency Component Name	Agency Component Description	FEA SRM Service Domain	FEA SRM Service Type	FEA SRM Component (a)	Service Component Reused Name (b)	Service Component Reused UPI (b)	Internal or External Reuse? (c)	BY Funding Percentage (d)
Data Exchange	Support the interchange of information between multiple systems or applications; includes verification that	Back Office Services	Data Management	Data Exchange			No Reuse	0

4. Service Component Reference Model (SRM) Table:
Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to <http://www.egov.gov>.

Agency Component Name	Agency Component Description	FEA SRM Service Domain	FEA SRM Service Type	FEA SRM Component (a)	Service Component Reused Name (b)	Service Component Reused UPI (b)	Internal or External Reuse? (c)	BY Funding Percentage (d)
	transmitted data was received unaltered.							
Loan and Loan Guarantee Management	Support the origination, servicing, and liquidation of loan and loan guarantees	Back Office Services	Financial Management	Activity-Based Management			No Reuse	93
Billing and Accounting	JAAMS - Support the charging, collection and reporting of an organization's accounts	Back Office Services	Financial Management	Billing and Accounting	Billing and Accounting	028-00-01-01-01-1001-00	Internal	7
Debt Collection	DMS - Support the process of accounts receivable	Back Office Services	Financial Management	Debt Collection	Debt Collection	028-00-01-01-01-1001-00	External	0
Payment/Settlement	Pay.Gov - Support the process of accounts payable	Back Office Services	Financial Management	Payment / Settlement	Payment / Settlement	028-00-01-01-01-1001-00	External	0

a. Use existing SRM Components or identify as "NEW". A "NEW" component is one not already identified as a service component in the FEA SRM.

b. A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 53 submission.

c. 'Internal' reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. 'External' reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government.

d. Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the percentage of the BY requested funding amount transferred to another agency to pay for the service. The percentages in the column can, but are not required to, add up to 100%.

5. Technical Reference Model (TRM) Table:
To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component (a)	FEA TRM Service Area	FEA TRM Service Category	FEA TRM Service Standard	Service Specification (b) (i.e., vendor and product name)
Data Exchange	Component Framework	Data Management	Database Connectivity	Java Database Connectivity (JDBC)
Activity-Based Management	Component Framework	User Presentation / Interface	Static Display	Hyper Text Markup Language (HTML)
Activity-Based Management	Service Access and Delivery	Access Channels	Web Browser	Internet Explorer
Data Exchange	Service Access and Delivery	Service Requirements	Hosting	E-Gov Initiatives including Financial Management Line of Business (FMLoB)
Activity-Based Management	Service Access and Delivery	Service Requirements	Legislative / Compliance	NIST SP 800-37, NIST SP 800-18, NIST SP 800-30, NIST SP 800-53
Activity-Based Management	Service Access and Delivery	Service Requirements	Legislative / Compliance	Section 508
Activity-Based Management	Service Access and Delivery	Service Transport	Service Transport	Internet Protocol (IP)
Activity-Based Management	Service Access and Delivery	Service Transport	Service Transport	Transport Control Protocol (TCP)
Activity-Based Management	Service Access and Delivery	Service Transport	Supporting Network Services	Directory Services (X.500)
Debt Collection	Service Interface and Integration	Integration	Enterprise Application Integration	DMS
Payment / Settlement	Service Interface and Integration	Integration	Enterprise Application Integration	Pay.gov
Payment / Settlement	Service Interface and Integration	Integration	Enterprise Application Integration	TGA Services (Lockbox)
Data Exchange	Service Interface and Integration	Integration	Middleware	Java 2 Platform, Enterprise Edition (J2EE)
Activity-Based Management	Service Interface and Integration	Interface	Service Description / Interface	Application Program Interface (API) / Protocol
Data Exchange	Service Interface and Integration	Interoperability	Data Format / Classification	extensible Markup Language (XML)

5. Technical Reference Model (TRM) Table:
 To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component (a)	FEA TRM Service Area	FEA TRM Service Category	FEA TRM Service Standard	Service Specification (b) (i.e., vendor and product name)
Data Exchange	Service Platform and Infrastructure	Database / Storage	Database	Oracle 10g
Data Exchange	Service Platform and Infrastructure	Delivery Servers	Web Servers	Sun Java System Web Server
Billing and Accounting	Service Platform and Infrastructure	Support Platforms	Dependent Platform	Oracle Financials 11.5.9
Activity-Based Management	Service Platform and Infrastructure	Support Platforms	Dependent Platform	Windows 2000/Windows XP/Sun Solaris

a. Service Components identified in the previous question should be entered in this column. Please enter multiple rows for FEA SRM Components supported by multiple TRM Service Specifications

b. In the Service Specification field, agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate.

6. Will the application leverage existing components and/or applications across the Government (i.e., USA.gov, Pay.Gov, etc)? Yes

a. If "yes," please describe.

LMAS will leverage the following treasury products for Collections:

- Rex
- Pay.Gov
- TGA Services (Lockbox)
- Paper Check Conversion (PCC).

Exhibit 300: Part II: Planning, Acquisition and Performance Information

Section A: Alternatives Analysis (All Capital Assets)

Part II should be completed only for investments identified as "Planning" or "Full Acquisition," or "Mixed Life-Cycle" investments in response to Question 6 in Part I, Section A above.

In selecting the best capital asset, you should identify and consider at least three viable alternatives, in addition to the current baseline, i.e., the status quo. Use OMB Circular A-94 for all investments and the Clinger Cohen Act of 1996 for IT investments to determine the criteria you should use in your Benefit/Cost Analysis.

1. Did you conduct an alternatives analysis for this project? Yes
 - a. If "yes," provide the date the analysis was completed? 7/15/2006
 - b. If "no," what is the anticipated date this analysis will be completed?
 - c. If no analysis is planned, please briefly explain why:

2. Alternative Analysis Results:		* Costs in millions	
Use the results of your alternatives analysis to complete the following table:			
Alternative Analyzed	Description of Alternative	Risk Adjusted Lifecycle Costs estimate	Risk Adjusted Lifecycle Benefits estimate
Alternative 1: COMPLETE REPLACEMENT using COTS and/or widely used technologies like J2EE and SOA for Loan Management; COTS for Financial Management; Shared Service Provider for integration and hosting.	Loan Management System (loan origination, servicing and liquidation) - Preferably use COTS package(s) for all the functions. If the COTS package is not available for certain function(s) than perform custom development using widely used technologies like J2EE/SOA. Financial Management System - Use FFMI/FSIO compliant current implementation of COTS (Oracle Financials) package for loan accounting. Integration and Hosting - Use Public or Private Shared Service Provider. ROI=14%.		
Alternative 2: PARTIAL REPLACEMENT using COTS and/or widely used technologies and PARTIAL ENHANCEMENT of Sybase based ETran & other Small systems for Loan Management; COTS for Financial Management; Shared Service Provider for integration/hosting.	Loan Management System - Enhance ETran to allow loan origination for all the loan programs. Enhance Guaranty Purchase Tracking System for all the guaranty programs. Use COTS for remaining functions. If the COTS is not available, perform custom development using widely used technologies like J2EE/SOA. Financial Management System - Use FFMI/FSIO compliant COTS (Oracle Financials) for loan accounting. Integration and Hosting - Use Public or Private Shared Service Provider. ROI=-9%.		
Alternative 3: FULLY ENHANCE Sybase based custom developed ETran & other Small systems for Loan Management; COTS for Financial Management; Shared Service Provider for integration and hosting.	Loan Management System - Enhance ETran to allow loan origination and loan servicing for all the loan programs. Enhance Guaranty Purchase Tracking System (GPTS) to support liquidation, litigation and Guaranty Purchase for all the loan programs. Financial Management System - Use FFMI/FSIO compliant COTS (Oracle Financials) for loan accounting. Integration and Hosting - Use Public or Private Shared Service Provider. ROI=3%		
Status Quo: A mix of Mainframe and Sybase based non-FFMIA compliant systems for the Loan Management; custom developed non-FFMIA compliant Financial Management for loans; A mix of service providers and in house support for maintenance and hosting.	Loan Management System - A mix of Mainframe and Sybase based custom developed non-FFMIA compliant systems. Mainframe based systems were developed in 1950s and Sybase based systems (e.g. ETran, GPTS) were developed in late 1990s and early 2000. Financial Management System - Use non-FFMIA/FSIO compliant custom developed accounting systems. Use COTS (Oracle Financials) for Administrative Accounting. Maintenance and Hosting - Use a mix of service providers and in-house support. ROI=-100%.		

3. Which alternative was selected by the Agency's Executive/Investment Committee and why was it chosen?

Alternative 1, complete replacement with a COTS Solution, was selected because it is based on mainstream COTS software, leverages the SBA's existing investment in a general accounting system (JAAMS), reduces lifecycle costs, provides the highest ROI, and has the lowest project risk.

Over the 2006-2016 period, Alternative 1 has the lowest cost and highest Return on Investment of all of the alternatives.

As part of the alternatives analysis, the LMAS Steering Council approved the following scorecard, which shows Alternative 1 received the highest score using the key selection criteria:

Selection Criteria	Weight	Status quo	Alternative 1	Alternative 2
Alternative 3				
Create a FSIO/JFMIP compliant system	40%	0	100	100
Use widely used technologies to achieve economies of scale	30%	0	100	50
Leverage existing systems	10%	100	25	100
Lowest cost solution	10%	25	100	0
Return on Investment (ROI)	10%	0	100	0
Total Score		12.5	92.5	65
57.5				

After careful consideration of the key selection criteria, financial analysis, and technology, alternative 1 was chosen.

a. What year will the investment breakeven? (Specifically, 2016 when the budgeted costs savings exceed the cumulative costs.)

4. What specific qualitative benefits will be realized?

Key benefits of the LMAS investment encompass the following elements:

- LMAS will be compliant with FSIO's "Direct Loan System Requirements" and "Guaranteed Loan System Requirements." It will also comply with Federal Credit Reform Act of 1990. The single Integrated Financial Management System that will comply with FSIO's (JFMIP) "Core Financial Systems Requirements"
- Lenders (both third parties and SBA) will be able to save time in processing loans and monitoring their status because of real-time data access and improved user interfaces and reporting, enabling lender personnel to spend more time monitoring loan performance
- LMAS will reduce the turnaround time for the 1502 loan status reporting from an average of 65 days to 32 days
- LMAS will utilize one set of core data elements for all loan programs and one standard channel for submitting all applications
- The processing of all guaranty applications will be centralized, increasing efficiency
- Built-in data logic checks will ensure that lenders are submitting accurate information on loan applications. This is ensured through a process that immediately screens out incomplete applications and identifies incomplete or invalid entries - Guaranty fees will be automatically, electronically deposited into an SBA account at the point of approval
- Guaranty funds will be cancelled and returned to the general pool if approval is not extended or exercised within 90 days of approval. In addition, extensions are granted up to a maximum of twelve months
- LMAS will reduce the time to originate and service loans and loan guarantees
- Separation of loan data from financial management data that will simplify the system and reduce the maintenance cost
- Secure, reliable, and loosely coupled interfaces between the Loan Management system and the Financial Management system will increase efficiency
- Elimination of stove piped systems and redundant databases will eliminate the need for expensive data reconciliations
- Implementation of real-time or near real-time processing that will simplify the system, increase data integrity, and provide timely and accurate information for decision-making
- LMAS will comply with security standards
- The LMAS solution will be scalable, extensible, flexible, and will offer a highly available system
- Use of widely used modern technologies will reduce the development and maintenance cost

5. Federal Quantitative Benefits				
What specific quantitative benefits will be realized (using current dollars) Use the results of your alternatives analysis to complete the following table:				
	Budgeted Cost Savings	Cost Avoidance	Justification for Budgeted Cost Savings	Justification for Budgeted Cost Avoidance
PY - 1 2007 & Prior	0	0		
PY 2008	0	0		
CY 2009	0	0.0068		Avoid Cost of resolving security vulnerabilities on the legacy mainframe.
BY 2010	0	0		
BY + 1 2011	0	0		
BY + 2 2012	0.000164	0.00194	Increase revenue by reducing non-collected fees and collecting fees faster	Save SBA partners in reduced labor cost over the system lifecycle (\$1.94M in 2012).
BY + 3 2013	0.00016	0.031733	Increase revenue by reducing non-collected fees and collecting fees faster	Yield economic benefit by making the SBA loan guaranty lifecycle more efficient for the public and private sector stakeholders (\$1.88M in 2013). Save SBA partners in

5. Federal Quantitative Benefits				
What specific quantitative benefits will be realized (using current dollars) Use the results of your alternatives analysis to complete the following table:				
	Budgeted Cost Savings	Cost Avoidance	Justification for Budgeted Cost Savings	Justification for Budgeted Cost Avoidance
				reduced labor cost over the system lifecycle (\$18.5M in 2013). Stimulate System Cost
BY + 4 2014 & Beyond	0.0006	0.13946	Increase revenue by reducing non-collected fees and collecting fees faster	Yield economic benefit by making the SBA loan guaranty lifecycle more efficient for the public and private sector stakeholders (\$1.83M in 2014). Save SBA partners in reduced labor cost over the system lifecycle (\$18.17M in 2014). Stimulate System Cost
Total LCC Benefit	0.000924	0.179933	LCC = Life-cycle Cost	

6. Will the selected alternative replace a legacy system in-part Yes
or in-whole?

a. If "yes," are the migration costs associated with the This Investment
migration to the selected alternative included in this
investment, the legacy investment, or in a separate migration
investment?

b. If "yes," please provide the following information:

5b. List of Legacy Investment or Systems		
Name of the Legacy Investment of Systems	UPI if available	Date of the System Retirement
Denver Finance Center System (DFCS)		9/30/2014
Denver Support System (DSS)		9/30/2014
E-Tran		11/8/2012
Financial Reporting Information System (FRIS)		9/30/2014
Guaranty Purchase Tracking System (GPTS)		9/30/2013
Mainframe Based Loan Accounting System		9/30/2013

Section B: Risk Management (All Capital Assets)

You should have performed a risk assessment during the early planning and initial concept phase of this investment's life-cycle, developed a risk-adjusted life-cycle cost estimate and a plan to eliminate, mitigate or manage risk, and be actively managing risk throughout the investment's life-cycle.

1. Does the investment have a Risk Management Plan? Yes
- a. If "yes," what is the date of the plan? 1/29/2009
- b. Has the Risk Management Plan been significantly No
changed since last year's submission to OMB?
- c. If "yes," describe any significant changes:

2. If there currently is no plan, will a plan be developed?
- a. If "yes," what is the planned completion date?
- b. If "no," what is the strategy for managing the risks?

3. Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule:

A Risk Cost was added to the LMAS budget throughout the lifecycle to reflect risk adjusted costs, encompassing in-scope project risks. The Risk Cost for the lifecycle is \$13 million. This represents a 10% factor for Alternative 1 added to costs identified in the LMAS cost estimate. The cost-of-risk factor has been applied to estimated costs over all fiscal years of the LMAS investment.

An initial Risk Management Plan was prepared on July 31, 2006, and updated on 8/27/2008. In a separate Cost Benefits Analysis dated July 15, 2006, alternatives were evaluated in accordance with the issues delineated in Section 300 of Circular A-11. Furthermore, an industry-accepted principle is to assume all IT investments encompass at least some risk of failure, cost overruns, and schedule delays--an assumption grounded in a large body of literature.

In conducting the Alternatives Analysis, risk was evaluated for the baseline and each of the three alternatives. Certain risks were applicable to all alternatives and the baseline, while other risks were specific to one or several alternatives. The likelihood of occurrence and severity of impact was evaluated separately for each alternative and the baseline, yielding risk factors (percentages and dollar values) that were unique to each scenario. The calculated cost of risk was included within the Cost Benefit Analysis.

A risk factor was also applied to each benefit, reflecting the possibility the benefit will not be fully realized as a result of the LMAS implementation. The Risk Adjusted Benefits were used in the Alternatives Analysis.

The Risk Management Plan calls for LMAS project risk to be monitored on an ongoing basis. The Project Manager will be responsible for ensuring that risk factors and mitigation strategies are updated on an ongoing basis as required. Further, risk management will be closely coordinated with information security management to ensure that lifecycle costs fully support an implementation of LMAS that is fully compliant with NIST and OMB security requirements.

Section C: Cost and Schedule Performance (All Capital Assets)

EVM is required only on DME portions of investments. For mixed lifecycle investments, O&M milestones should still be included in the table (Comparison of Initial Baseline and Current Approved Baseline). This table should accurately reflect the milestones in the initial baseline, as well as milestones in the current baseline.

1. Does the earned value management system meet the criteria in ANSI/EIA Standard-748? No

2. Is the CV% or SV% greater than +/- 10%? (CV%= CV/EV x 100; SV%= SV/PV x 100) No

- a. If "yes," was it the CV or SV or both?
- b. If "yes," explain the causes of the variance:

- c. If "yes," describe the corrective actions:

3. Has the investment re-baselined during the past fiscal year? No

a. If "yes," when was it approved by the agency head?

4. Comparison of Initial Baseline and Current Approved Baseline

Complete the following table to compare actual performance against the current performance baseline and to the initial performance baseline. In the Current Baseline section, for all milestones listed, you should provide both the baseline and actual completion dates (e.g., "03/23/2003"/ "04/28/2004") and the baseline and actual total costs (in \$ Millions). In the event that a milestone is not found in both the initial and current baseline, leave the associated cells blank. Note that the 'Description of Milestone' and 'Percent Complete' fields are required. Indicate '0' for any milestone no longer active.

Milestone Number	Description of Milestone	Initial Baseline		Current Baseline				Current Baseline Variance		Percent Complete
		Planned Completion Date (mm/dd/yyyy)	Total Cost (\$M) Estimated	Completion Date (mm/dd/yyyy)		Total Cost (\$M)		Schedule (# days)	Cost (\$M)	
				Planned	Actual	Planned	Actual			
100	Initiate the Project	5/9/2007	\$0.131500	5/9/2007	5/9/2007	\$0.131500	\$0.131100	0	\$0.000400	100.00%
200	Develop Exhibit 300	9/1/2006	\$0.186100	9/11/2006	9/11/2006	\$0.186100	\$0.186500	0	-\$0.000400	100.00%
300	Project Planning	2/22/2010	\$1.896700	2/22/2010		\$1.896700	\$1.707000		\$0.000030	90.00%
400	Prototype	4/10/2009	\$2.923800	5/4/2009		\$2.923800	\$1.461900		\$0.000000	50.00%
500	Blueprint	5/4/2009	\$1.261500	7/13/2009		\$1.261500	\$0.315400		-\$0.000025	25.00%
600	Integrated Baseline Review	5/5/2009	\$0.002600	5/5/2009		\$0.002600	\$0.001300		\$0.000000	50.00%
700	Complete Preparation for Integrated Financial Management System and Loan System Hosting	9/25/2009	\$3.256600	9/25/2009		\$3.256600				0.00%
800	Acquire Phase I of Loan Management and Accounting System	10/28/2010	\$22.734600	10/28/2010		\$22.734600				0.00%
900	Acquire Phase II of Loan Management and Accounting System	12/8/2011		12/8/2011						0.00%
1000	Acquire Phase III of Loan Management and Accounting System	3/14/2012		3/14/2012						0.00%
1100	Acquire Phase IV of Loan Management and Accounting System	2/9/2013		2/9/2013						0.00%
1200	Acquire Phase V of Loan Management and Accounting System	9/30/2013		9/30/2013						0.00%
1300	Acquire Phase VI of Loan Management and Accounting System	9/30/2013		9/30/2013						0.00%
1400	Project Closure	11/15/2013		11/15/2013						0.00%
1500	Project Monitor and Control	9/30/2014		9/30/2014						0.00%
1600	O&M 2011	9/30/2011		9/30/2011						0.00%

4. Comparison of Initial Baseline and Current Approved Baseline

Complete the following table to compare actual performance against the current performance baseline and to the initial performance baseline. In the Current Baseline section, for all milestones listed, you should provide both the baseline and actual completion dates (e.g., "03/23/2003"/ "04/28/2004") and the baseline and actual total costs (in \$ Millions). In the event that a milestone is not found in both the initial and current baseline, leave the associated cells blank. Note that the 'Description of Milestone' and 'Percent Complete' fields are required. Indicate '0' for any milestone no longer active.

Milestone Number	Description of Milestone	Initial Baseline		Current Baseline				Current Baseline Variance		Percent Complete
		Planned Completion Date (mm/dd/yyyy)	Total Cost (\$M) Estimated	Completion Date (mm/dd/yyyy)		Total Cost (\$M)		Schedule (# days)	Cost (\$M)	
				Planned	Actual	Planned	Actual			
1610	O&M 2012	9/30/2012		9/30/2012						0.00%
1620	O&M 2013	9/30/2013		9/30/2013						0.00%
1630	O&M 2014	9/30/2014		9/30/2014						0.00%
1640	O&M 2015	9/30/2015		9/30/2015						0.00%
1650	O&M 2016	9/30/2016		9/30/2016						0.00%
1660	O&M 2017	9/30/2017		9/30/2017						0.00%
2000	0									0.00%
2010	0									0.00%
Project Totals		9/30/2017		9/30/2017	5/9/2007					