



To enhance mission performance, TSA is committed to promoting a culture founded on its values of Integrity, Innovation and Team Spirit.

1. **PURPOSE:** This directive provides the TSA policy and procedures for Program Requirements review and approval. This directive is complementary to TSA MD 300.8 and provides specific guidance to support compliance with DHS MD 1400 and OMB Exhibit 300 for TSA Acquisition programs.
2. **SCOPE:** This directive applies to all TSA offices, directorates, and sub-elements, unless specifically exempted by statutory or other authority, and to relevant Acquisition and investment activities.
3. **AUTHORITIES:**
 - A. Public Law 107-71, the Aviation and Transportation Security Act of 2001
 - B. Public Law 107-296, the Homeland Security Act of 2002
 - C. Office of Management and Budget (OMB) Circular A-11, Preparation and Submission of Budget Estimates, July 2004
 - D. DHS MD 1400, Investment Review Process
 - E. TSA MD 300.8, Acquisition Program Planning, Review, and Reporting
4. **DEFINITIONS:**
 - A. Acquisition: Acquisition includes the conceptualization, initiation, design, development, test, contracting, production, deployment, support, modification, and disposal of systems, supplies, or services (including construction) to satisfy agency needs. Acquisition is the process of acquiring with appropriated funds, by contract for purchase or lease, supplies and services (including construction) that support the missions and goals of an executive agency, from the point at which the requirements of the executive agency are established in consultation with the Chief Procurement Officer of the executive agency, including functions related to fulfilling agency requirements by contract.
 - B. Concept of Operations (CONOPS): The Concept of Operations describes the need, intended use, and required support of the system/equipment/services.
 - C. DHS Enterprise Architecture (DHS EA): The DHS EA is a business-driven architecture consisting of a business and data model, an application and component architecture, and a technical architecture. The role of the DHS EA is to establish a cohesive and consistent picture of the DHS enterprise in terms of data, software, and the technology required for implementation. It is built upon the business definition of what the enterprise does and what information is required to do it. The DHS EA serves as a decision aid for the Enterprise

Architecture Board in determining if DHS investments (IT or non-IT with IT elements) support the business lines of the department.

- D. Mission Need Statement (MNS): A formal statement of capabilities needed to support the mission and goals of the TSA or the DHS. This document identifies capability gaps and Acquisition Program Requirements which are further refined in the Operational Requirements Document (ORD).
- E. ORD: This requirements document formally directs the Acquisition as well as states and enumerates individual requirements to satisfy Program Requirements. At TSA, the MNS defines the overarching Program Requirements/capability gaps. The ORD contains a description of the problem domain and a list of requirements to be met (problems to be solved). It contains qualitative and quantitative measurable parameters that specify the desired capabilities of a system and serve as a basis for determining the operational effectiveness and suitability of a system prior to deployment. All requirements documents will be signed by an official with the authority to formally direct the resources of TSA or DHS to fulfill a valid business mission or goal. The ORD should define the characteristics of the product or system and include both cost and schedule objectives.
- F. Process Solution: Changes in doctrine, organization, training, leadership, personnel, or facilities (DOTLPPF) to address identified capability gaps. Process solutions are generally faster and less costly than product solutions.
- G. Product Solution: A TSA Acquisition Program that addresses identified capability gaps (also known as a materiel solution).
- H. Program (or Acquisition Program): An organized set of activities directed toward a common purpose or goal undertaken in support of an assigned mission area which involves expenditure of funds to acquire goods or services. Acquisition Programs are divided into levels established to facilitate decentralized decision making, execution, and compliance with statutory requirements, and may be composed of multiple projects and discreet useful segments.
- I. Program Requirements: A capability or set of capabilities that will satisfy all or part of a need identified in a MNS or other mission focus document.
- J. Program Requirement Advocate: The Program Requirement Advocate (PRA) is the representative of the organizational element that develops the MNS with the sponsor and identifies capability gap(s).
- K. Sponsor: The Sponsor represents and supports the operational needs of the organizational element and ultimately the end-users of the required system.
- L. TSA Investment Review Board (IRB): The TSA senior management round-table that provides a forum for visibility, oversight, and accountability for Level 1 and 2 investments as defined by TSA MD 300.8.

5. RESPONSIBILITIES:

A. Deputy Administrator (DA) is responsible for:

- (1) Chairing the TSA IRB which includes Program Requirements review and approval.
- (2) Sponsoring the MNS for Level 1 and Level 2 programs which are approved at DHS. TSA is the MNS approval authority for Level 3 programs.

B. Assistant Administrators (AA) are responsible for:

- (1) Serving as members of the TSA IRB and sponsors for the Program Requirement.
- (2) Ensuring that the Future Years Homeland Security Plan (FYHSP) reflecting TSA Acquisition Program Requirements for their mission area are submitted to the TSA CFO's Office of Budget and Performance in sufficient time for inclusion into the FYHSP.
- (3) Reviewing and approving all TSA Acquisition Programs valued at or below \$5 Million within their organization and summarizing such efforts for the IRB.
- (4) Determining their readiness to progress to the next Acquisition phase or for termination.
- (5) Participating in IRB sessions as subject matter experts.

C. Investment Review Board (IRB) is responsible for:

- (1) Convening for the purposes of Program Requirement review and approval. In addition to the TSA Deputy Administrator, it consists of the TSA Chief Procurement Officer, the TSA Chief Information Officer, and the TSA Chief Financial Officer. The Program Requirement Advocate shall attend the IRB meetings when it is convened for the purposes of Program Requirement review.
- (2) Reviewing Program Requirements in excess of \$5 Million.
- (3) Reviewing all TSA Investment Level 1 and 2 Acquisition Programs at each key milestone to determine their readiness to progress to the next Acquisition phase or for termination.
- (4) Making recommendations to DHS on readiness of TSA Investment Level 1 and 2 Acquisition Programs to proceed to DHS Investment Review Board.
- (5) Ensuring TSA investments are aligned with TSA's mission and identify possible mission or investment redundancies or interdependencies.
- (6) Providing TSA-wide view of Program Requirements to promote risk reduction and organizational collaboration in Program Requirements formulation, review, and approval.

- D. Executive Director, Program Analysis & Acquisition Support is responsible for:
- (1) Facilitating Program Requirements review and serving as the process owner.
 - (2) Developing an IRB report for Program Requirements review and approval.
 - (3) Tracking approved Program Requirements inventory and compiling responsible party directory.

- E. Program Requirement Advocate is responsible for:

- (1) Conducting Mission Area Analysis.
- (2) Identifying capability gaps.
- (3) Preparing and obtaining approval for the MNS.
- (4) Documenting the program scope.
- (5) Assessing risk reduction and developing the brief for their AA and/or the IRB. In the cases where the Assistant Administrator briefs the IRB, the Program Requirement Advocate should be present at the IRB to answer questions.
- (6) Researching and responding to the IRB on any follow-up items.
- (7) Participating in all phases of the Acquisition to ensure that the product or service being acquired meets operational needs.
- (8) Ensuring that applicable controls are being implemented at all times to preserve the integrity of all sensitive and classified acquisition documentation.

6. POLICY:

- A. Program Requirements documentation developed and maintained under this Management Directive shall be subject to all applicable TSA DHS, and Federal policy for the identification and safeguarding of sensitive and classified information.
- B. OMB Exhibit 300 data and out year budget numbers beyond the current fiscal year's approved President's Budget are protected by Executive Privilege. Disclosure of any documents, outside the Agency by any party, regardless of the requestor, must be fully coordinated with the TSA CIO, CFO's, Office of Budget and Performance, and Office of Acquisition prior to responding to document call requests.
- C. In accordance with the Program Requirements processes and procedures described below, TSA acquisition programs shall be based on a determination of mission need. All TSA programs whose expected acquisition cost exceeds \$5 Million require a documented and approved MNS. Acquisition Program Requirements will be subject to review and approval by the TSA IRB in accordance with the procedures in this directive. The Program Requirements review and

approval process will provide TSA management with the necessary information to promote collaboration and optimize risk reduction throughout all TSA lines of business.

7. PROCEDURES:

- A. The purpose of the MNS is to document the needs or capability gaps that require a product solution. The Program Requirements Advocate in conjunction with the Sponsor develops the MNS in final form.
- B. The Program Requirements Advocate then briefs the IRB. New Program Requirements will be reviewed monthly, as necessary, during regularly scheduled IRB meetings. For programs valued at less than \$5 Million, the briefing will be to the AA. TSA Acquisition Program Requirements will be reviewed and approved/disapproved based on the factors listed below (each area detailed in the briefing):
 - (1) Definition of Capability Gap/Program Requirement – Definition and scope of the capability gap. This should examine the impact of not addressing need.
 - (2) Product versus Process Solution Justification – A rationale for why identified Program Requirements cannot be satisfied through process solutions.
 - (3) Stakeholder input – Description of how the requirement was vetted through operational and other stakeholders. This is to include the process on how the requirement was formulated from capability need to the Program Requirement presented to the IRB.
 - (4) Description and Concept of Operations – Description of the overall CONOPS of the capability gap/Program Requirement.
 - (5) Mission Alignment - Description of how the requirement fits into the overall mission or strategic plan of AA/TSA/DHS. Identify any external mandates.
 - (6) Priority – Discussion of the priority relative to other requirements (within AA area). Each new Program Requirement is vetted against existing requirements (outlined in the FYHSP) in each AA organization. Tradeoffs or assumptions should be identified.
 - (7) Resources and Funding – Summary to include impact on financial resources and FTE count both at headquarters and in the field.
 - (8) Other Programs Impacted - Description of what and how other programs may be impacted by this new Program Requirement. All programs and projects reviewed for conflicting and/or collaborative efforts should be identified and explained. Inter-organizational dependencies or collaborative opportunities should be brought to the attention of the appropriate AA.
 - (9) Enterprise Architecture – Description of the impact to and alignment with the TSA/DHS Enterprise Architecture.

(10) Point of Contact – The contact information for the Program Requirement Advocate and Assistant Administrator.

(11) Recommendation - Recommendations by Program Requirement Advocate.

C. The IRB convenes monthly. For urgent reviews, the IRB can be specially convened. The IRB will review and approve, as applicable, new capability gaps identified by the Program Requirement Advocates. These reviews will be scheduled through existing IRB scheduling procedures. Internal AA briefings will be scheduled according to need.

D. Once a MNS is approved, the Program Manager is designated who then initiates the formal acquisition process as documented in TSA MD 300.8 by conducting an Analysis of Alternatives (AoA). The AoA and an approved alternative are then briefed in the Investment Review process. With a selected alternative the PM now has sufficient information to finalize an ORD.

8. EFFECTIVE DATE AND IMPLEMENTATION: This policy is effective immediately upon signature.

APPROVAL



4/23/08

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Date

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