Exhibit 300: Part I: Summary Information and Justification (All Capital Assets)

I.A. Overview

1. Date of Submission:	
2. Agency:	Department of State
3. Bureau:	IRM/OPS/ITI/LWS/FPT Foreign Posts Telephone
4. Name of this Capital Asset:	Post Telephones
5. Unique Project (Investment) Identifier: (For IT investment only, see section 53. For all other, use agency ID system.)	014-00-02-00-01-1227-00
6. What kind of investment will this be in FY2008? (Please NOTE: Investments moving to O&M ONLY in FY2008, with Planning/Acquisition activities prior to FY2008 should not select O&M. These investments should indicate their current status.)	Mixed Life Cycle
7. What was the first budget year this investment was submitted to OMB?	FY2005

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 Posts Telephone initiative provides global telephonic services and support to the Department of State's missions abroad. This initiative serves over 60,000 customers worldwide by planning, implementing, and coordinating projects required for maintaining and upgrading mission telephone systems worldwide. Customers and stakeholders of this initiative include USAID, USAF, OBO, and all government agencies co-located at Department of State missions abroad. In an effort to comply with the Federal Enterprise To-Be Architecture, Post Telephone has established a level 5 - Consolidation with USAID of telephone resources at all co-located missions abroad. In addition, Post Telephone is in the planning stages of aligning within the impending IT Line of Business optimization infrastructure architecture. The goal of the investment is to replace obsolete telephone systems with modern, reliable digital systems capable of delivering a full range of services. In an effort to homogenize equipment and optimize business processes, Post Telephone was tasked to begin a standardized ten-year life cycle replacement program. Following this industry replacement standard will mitigate the profusion of problems associated with disparate equipment located at missions worldwide. Post Telephone provides a wide variety of support to the Department of State including operations and maintenance of existing telephone systems at missions abroad and mobile communications support for the Secretary of State, visiting Dignitaries, and VIPs. In addition to the PBX installations and maintenance, Post Telephone programs include the SecurPBX system designed to grant IVG access to mission employees regardless of geographical locations. Additionally Post Telephone will offer remote maintenance support to mission employees as well as Regional Information Management Center (RIMC) personnel. The FPT help desk will be able to remotely dial into the overseas mission's PBX to evaluate, repair alarms and failures occurring on the telephone system. Dialing in remotely allows FPT to identify and eliminate any possibility of severe damage to the PBX quickly and without the added constraints of coordinating travel arrangements with RIMC technicians.

9. Did the Agency's Executive/Investment Committee approve this request?	Yes
a. If "yes," what was the date of this approval?	8/4/2006
10. Did the Project Manager review this Exhibit?	Yes
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)?	No

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?	No
2. If "yes," will this investment meet sustainable design principles?	Yes
3. If "yes," is it designed to be 30% more energy efficient than relevant code?	No
13. Does this investment support one of the PMA initiatives?	Yes
If "yes," check all that apply:	Expanded E-Government, Right Sized Overseas Presence
13a. Briefly describe how this asset directly supports the identified initiative(s)?	This initiative supports these goals by assisting the 'Office of Rightsizing the USG Presence Overseas' in instituting new telephone technologies at missions abroad. The technologies being deployed allow technicians to maintain systems remotely rather than traveling between posts for routine maintenance, as well as automate internal mission telephony processes. This results in more efficient systems, reduced cost, and a right-sized staffing pattern.
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.)	No
a. If "yes," does this investment address a weakness found during the PART review?	No
b. If "yes," what is the name of the PART program assessed by OMB's Program Assessment Rating Tool?	
c. If "yes," what PART rating did it receive?	
15. Is this investment for information technology?	Yes
If the answer to Question: "Is this investment for information technology?" was "Yes," complete this sub-section. If the answer is "No," do not answer this sub-section.	
For information technology investments only:	
16. What is the level of the IT Project? (per CIO Council PM Guidance)	Level 2
17. 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 identified as "high risk" on the Q4 - FY 2006 agency high risk report (per OMB's "high risk" memo)?	No
19. Is this a financial management system?	No
a. If "yes," does this investment address a FFMIA compliance area?	No
1. If "yes," which compliance area:	
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	

20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)	
Hardware	50.34
Software	0
Services	49.66
Other	0
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
23. Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval?	Yes

I.D. Performance Information

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 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 Table 1 below for reporting performance goals and measures for all non-IT investments and for existing IT investments that were initiated prior to FY 2005. The table can be extended to include measures for years beyond FY 2006.

Performance Information Table 1:

Fiscal Year	Strategic Goal(s) Supported	Performance Measure	Actual/baseline (from Previous Year)	Planned Performance Metric (Target)	Performance Metric Results (Actual)
2003	Goal 11 Management and Organizational Excellence - Ensure a high quality workforce supported by modern and secure infrastructure and operational capabilities.	Reduce the amount of time it takes to process and agree upon site survey and costs to 30 working days from time of delivery of site survey report from contractor.	45 days to replace telephone switches.	# of days to replace telephone switches.	25 days
2004	Goal 11 Management and Organizational Excellence - Ensure a high quality workforce supported by modern and	Replace telephone switches at additional 28 posts	174 posts with new telephone switches	Number of Posts with new telephone switches	Switches at 24 Posts Replaced. This number is less than the goal due to unscheduled and unforecasted requirements to

	secure infrastructure and operational capabilities				support war in Iraq. The resources used in Iraq were pulled from installations scheduled to be completed in FY04.

All new IT investments initiated for FY 2005 and beyond must use Table 2 and are required to use the Federal Enterprise Architecture (FEA) Performance Reference Model (PRM). Please use Table 2 and the PRM to identify the performance information pertaining to this major IT investment. 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 at least four different Measurement Areas (for each fiscal year). The PRM is available at www.egov.gov.

Performance Information Table 2:

Fiscal Year	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results
2005	Customer Results	Customer Benefit	Customer Satisfaction	Customer Satisfaction as determined by final acceptance satisfaction survey completed by post.	2.5 out of 5 - No Change in Level of Service	Increase to 4.5 out of 5 - Great improvement in service from before replacement.	As of 9/30/2005, average survey satisfaction score was 3.722 out of 5.
2005	Mission and Business Results	Information and Technology Management	IT Infrastructure Maintenance	Number of post installations per year	24 Posts identified for telephone installation in 2005	24 of 24 Posts identified for telephone installation completed	As of 9/30/2005, 26 post installations have been completed.
2005	Processes and Activities	Productivity and Efficiency	Efficiency	Average cost per line for telephone system installation.	$4,000	Reduce by $500	As of 9/30/2005, the cost per line for new OBO construction was $2,666; the cost per line for system replacement was $3,188. Cost per line is inversely reflective of the size of the system being replaced, larger systems have a lower cost per line.
2005	Technology	Reliability and Availability	Availability	Percentage of time systems are available for use by the post.	95%	Increase to 99%	As of 8/31/2005 system availability is just under 97%
2006	Customer Results	Customer Benefit	Customer Satisfaction	Customer Satisfaction as determined by final acceptance satisfaction survey completed by Post	2.5 out of 5 - No Change in Level of Service	Increase to 4.0 out of 5 - Great improvement in service from before replacement	As of 9/30/2006, 33 site acceptance customer surveys have been received. The survey average is 4.22 out of 5..
2006	Customer Results	Timeliness and Responsiveness	Response Time	FPT support desk trouble resolution within 24 hours	No baseline developed	Data tracked to develop baseline	As of 9/30/2006, 676 trouble calls placed to trouble resolution desk. 536 of 676 calls resolved within 24 hours. Remaining 142 calls not resolved within 24 hours due to requirement of continued assistance
2006	Mission and Business Results	Information and Technology Management	IT Infrastructure Maintenance	Number of post installations per year	24 Posts identified for telephone installation in 2006	24 out of 24 Posts identified for telephone installation in 2006 completed	27 posts have been completed as of 9/30/2006.

2006	Processes and Activities	Cycle Time and Resource Time	Timeliness	Time to fulfill material only orders for Janus contract	No baseline developed	Data tracked to develop baseline	As of 9/30/06, 177 material only orders have been placed. Length of time between placement of order and receipt of order is approximately 36 days on average.
2006	Processes and Activities	Financial (Processes and Activities)	Costs	Average cost per line for telephone system installation	$3,500	Maintain at $3,500	As of 9/30/2006, 27 site acceptance packets have been received. Average Cost per line at this point is $4,582.25.
2006	Technology	Reliability and Availability	Availability	TTS kit availability during SecState and VIP support trips	No baseline developed	Data tracked to develop baseline	28 TTS units have been identified and used as of 9/30/2006.
2007	Customer Results	Customer Benefit	Customer Satisfaction	Customer Satisfaction as determined by final acceptance satisfaction survey completed by Post	2.5 out of 5 - No Change in Level of Service	Increase to 4.5 out of 5 - Great improvement in service from before replacement	As of 1/31/07 5 site acceptance packet have been received. The survey average is 3.78. Pending receipt of the remaining acceptance packets the percentage will be calculated.
2007	Customer Results	Timeliness and Responsiveness	Delivery Time	FPT support desk trouble resolution	Resolve 80% of all calls within 24 hour period	Contact customer within 24 hours and begin trouble resolution process	As of 1/31/06 271 trouble calls were placed to the resolution desk. 225 calls placed were resolved within 24 hours. Remaining 46 calls not resolved within 24 hours due to requirement of continued assistance. 83% of calls are resolved in 24 hours.
2007	Mission and Business Results	Information and Technology Management	IT Infrastructure Maintenance	Number of post installations per year	11 posts identified for replacement in 2007	11 out of 11 Posts identified for telephone installation in 2007 completed	5 of 11 posts completed as of 1/31/06
2007	Processes and Activities	Cycle Time and Resource Time	Timeliness	Time to fulfill material only orders for Janus contract	90 day fulfillment of material only equipment	Decrease to 60 day fulfillment of material only equipment	28 material only orders have been placed as of 1/31. 16 orders placed this fiscal year have been received. Length of time between placement and delivery has been calculated at an average of 46 days.
2007	Processes and Activities	Financial (Processes and Activities)	Costs	Average cost per line for telephone system installation.	$3,500	Maintain at $3,500	5 site acceptance packages have been received as of 1/31. Average cost per line at this point is 7,031.26. Pending completion of remaining installations average cost per line will be calculated.
2007	Technology	Reliability and Availability	Availability	TTS field availability during SecState and VIP support trips	No baseline developed	100% field availability during SecState and VIP support trips	0 TTS kits have been identified and used as of 1/31.
2008	Customer Results	Customer Benefit	Customer Satisfaction	Customer Satisfaction as determined by final acceptance satisfaction survey completed by Post	2.5 out of 5 - No Change in Level of Service	Hold at 4.5 or better out of 5 - Great improvement in service from before replacement	TBD
2008	Customer Results	Timeliness and Responsiveness	Response Time	FPT support desk trouble resolution and Remote Maintenance	Resolve 80% of calls within 24 hour period	Maintain resolution of 80% of calls within 24 hour period	TBD
2008	Mission and Business Results	Information and Technology Management	IT Infrastructure Maintenance	Number of post installations per year	24 Posts identified for telephone installation in 2005	11 out of 11 Posts identified for telephone installation in 2008 completed	TBD

2008	Processes and Activities	Cycle Time and Resource Time	Cycle Time	Time to fulfill material only orders for Janus contract	90 days fulfillment of material only equipment	Maintain an average of 60 day fulfillment of material only order	TBD
2008	Processes and Activities	Productivity and Efficiency	Efficiency	Average cost per line for telephone system installation.	$3,500	Maintain at $3,500	TBD
2008	Technology	Reliability and Availability	Availability	TTS field reliability during SecState and VIP support trips	No baseline developed	100% reliability of TTS units used in the field	TBD

I.E. Security and Privacy

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).

All systems supporting and/or part of this investment should be included in the tables below, inclusive of both agency owned systems and contractor systems. For IT investments under development, security and privacy planning must proceed in parallel with the development of the system/s to ensure IT security and privacy requirements and costs are identified and incorporated into the overall lifecycle of the system/s.

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:	1
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
5. Have any weaknesses 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 agency's plan of action and milestone process?	No
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.	

8. Planning & Operational Systems - Privacy Table:

Name of System	Is this a new system?	Is there a Privacy Impact Assessment (PIA) that covers this system?	Is the PIA available to the public?	Is a System of Records Notice (SORN) required for this system?	Was a new or amended SORN published in FY 06?

Post Telephones	No	No, because the system does not contain, process, or transmit personal identifying information.	No, because a PIA is not yet required to be completed at this time.	No	No, because the system is not a Privacy Act system of records.

I.F. Enterprise Architecture (EA)

In order to successfully address this area of the business case and capital asset plan you must ensure the investment is included in the agency's EA and Capital Planning and Investment Control (CPIC) process, and is mapped to and supports the FEA. You must also ensure the business case demonstrates the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

1. Is this investment included in your agency's target enterprise architecture?	Yes
a. If "no," please explain why?	
2. Is this investment included in the agency's EA Transition Strategy?	Yes
a. If "yes," provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment.	The forthcoming DoS Transition Strategy identifies this initiative as Post Telephones.
b. If "no," please explain why?	

At this point, the Department's transition strategy is being revised by the eGovPMO office in anticipation of resubmission. The project will be included in the impending transition strategy. However, this project is consistent with the Department's Applied Joint Enterprise Architecture (Applied JEA) and Joint Enterprise Architecture Version 2 (JEA V-2). Post Telephone initiative is identified in the JEA V-2 as the provider for overseas telephone systems for all DoS facilities abroad. Post Telephones supports the Applied JEA joint business requirement "Communicate Business Requirement." The Applied JEA further analyzed the consolidation of Post Telephone business processes and joint initiatives with USAID. Post Telephone was found to have an alignment level of (5) Consolidation at missions co-located with USAID and an alignment level of (2) Cooperation at missions no co-located with USAID. Both alignment levels were agreed upon and no further action was recommended. Collaboration is a critical aspect to the Department's enterprise architecture plan. In keeping with this collaborative spirit, Foreign Post Telephone provides support to not only the Department of State, but all other branches of the Federal Government that utilize State Department international facilities. This support facilitates increased collaboration between the Department and other organizations, such as USAID, DoD, and DEA.

3. Service 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.whitehouse.gov/omb/egov/.

Agency Component	Agency Component Description	Service Domain	FEA SRM Service Type	FEA SRM Component	FEA Service Component	FEA Service Component	Internal or	BY Funding Percentage

Name					Reused Name	Reused UPI	External Reuse?	
Telephone Connection Services	Support the movement, assignment and replacement of assets	Back Office Services	Asset / Materials Management	Asset Transfer, Allocation, and Maintenance			No Reuse	0
Telephone Connection Services	Support the identification, planning and allocation of an organization's physical capital and resources	Back Office Services	Asset / Materials Management	Property / Asset Management			No Reuse	3
Telephone Connection Services	Support the determination of strategic direction, the identification and establishment of programs and processes, and the allocation of resources (capital and labor) among those programs and processes.	Back Office Services	Human Capital / Workforce Management	Resource Planning and Allocation			No Reuse	1
Telephone Connection Services	Support the proficiency of employees in the delivery of an organization's products or services	Back Office Services	Human Capital / Workforce Management	Skills Management			No Reuse	1
Telephone Connection Services	Support the hierarchy structure and identification of employees within the various sub-groups of an organization	Back Office Services	Human Capital / Workforce Management	Team / Org Management			No Reuse	0
Telephone Connection Services	Support the active building of employee compentencies to include a range of training from professional development to general awareness training.	Back Office Services	Human Resources	Education / Training			No Reuse	0
Telephone Connection Services	Support the transit and mobility of an organization's employees for business purposes.	Back Office Services	Human Resources	Travel Management			No Reuse	1
Telephone Connection Services	Provide for the balancing of customer service levels with inventory investment	Business Management Services	Supply Chain Management	Inventory management			No Reuse	1
Telephone Connection Services	Support the identification of where a shipment or delivery is within the business cycle	Business Management Services	Supply Chain Management	Invoice / Requisition Tracking and Approval			No Reuse	1
Telephone Connection Services	Allow the placement of requests for a product	Business Management Services	Supply Chain Management	Ordering / Purchasing			No Reuse	0
Telephone Connection Services	Collect, Analyze, and Resolve product returns or service cancellations.	Business Management Services	Supply Chain Management	Returns Management			No Reuse	0
Telephone Connection Services	Provide for the storage and movement of materials within a warehouse, including these processes: material receipt, order picking, packaging, labeling and shipping.	Business Management Services	Supply Chain Management	Warehouse management			No Reuse	0
Telephone Connection Services	Support the solicitation of support from a customer	Customer Services	Customer Initiated Assistance	Assistance Request			No Reuse	1
Telephone Connection	Defines the set of capabilities for the management of externally initiated	Process Automation	Routing and Scheduling	Inbound Correspondence			No Reuse	0

Services	communication between an organization and its stakeholders.	Services		Management				
Telephone Connection Services	Support audio communications sessions among people who are geographically dispersed	Support Services	Communication	Audio Conferencing			No Reuse	20
Telephone Connection Services	Support the connectivity between server hardware, software and telecommunications equipment into a single logical system	Support Services	Communication	Computer / Telephony Integration			No Reuse	1
Telephone Connection Services	Support Audio communications sessions among people who are geographically dispersed.	Support Services	Communication	Voice Communications			No Reuse	28

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

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.

'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.

Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the funding level transferred to another agency to pay for the service.

4. 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	FEA TRM Service Area	FEA TRM Service Category	FEA TRM Service Standard	Service Specification (i.e. vendor or product name)
Voice Communications	Component Framework	Security	Supporting Security Services	Voice Communications - (ALGO / AUX/BOX - threat recorder) (Phoneware / CallBill - outgoing call log software)
Voice Communications	Service Access and Delivery	Delivery Channels	Peer to Peer (P2P)	Voice Communications - (CSC - Nortel / Hardware and Software products for the telephone infrastructure)

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

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.

5. Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)? No

a. If "yes," please describe.	
6. Does this investment provide the public with access to a government automated information system?	No
a. If "yes," does customer access require specific software (e.g., a specific web browser version)?	
1. If "yes," provide the specific product name(s) and version number(s) of the required software and the date when the public will be able to access this investment by any software (i.e. to ensure equitable and timely access of government information and services).	

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

II.A. Alternatives Analysis

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?	7/12/2006
b. If "no," what is the anticipated date this analysis will be completed?	
c. If no analysis is planned, please briefly explain why:	

4. What specific qualitative benefits will be realized?

The Post Telephone initiative will benefit the Department and improve efficiencies in three areas: 1) The existing legacy phone systems are no longer supported by their manufacturers, which makes repair and parts replacement difficult and costly. Additionally, because the legacy systems have been relied upon for an extended period of time, they have reached or extended beyond their expected life cycle. System failure rates will continue to increase. The new systems are being installed with a three-year warranty, a guarantee of vendor support for at least the next 15 years, and the ability to do some maintenance from remote locations. The increased reliability, greater access to vendor support, and standardized maintenance procedures will drastically reduce the cost of maintaining phone systems at missions abroad. 2) U.S. Government Employees assigned to missions abroad will become more efficient due to increased telephone system reliability and improved functionality. Newer, more standardized systems replacing older, more haphazard systems will fail less often, increasing productivity. Possessing newer, more standardized equipment will also reduce down time due to ease of maintenance. Inventory costs will fall due to reductions in the variety of repair parts needing to be maintained. Newer technology also incorporates user friendly functions such as Direct-in-Dialing, Voice Mail, and Call Accounting. Possessing these tools will improve employee efficiency and reduce time on task. 3) The use of foreign national staff for administrative purposes, such as answering incoming calls and directing questions to the appropriate offices may be reduced given the functionality of the newer phone system technology, particularly the Auto-Attendant feature. This will enable missions abroad to lower operating costs, improve response times, and increase efficiency.

II.B. Risk Management

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?	7/7/2006
b. Has the Risk Management Plan been significantly changed since last year's submission to OMB?	Yes

c. If "yes," describe any significant changes:

The Risk Management plan from last year's submission has changed significantly in structure. The initiatives are no longer required to identify risks in the previous 19 categories. The current risk management plan has been uploaded into the resource category and includes: Risk identification date; Responsible party for risk review; Risk type; Risk Description; Impact and Probability categories; Overall numeric rating; Overall Priority rating; Mitigation strategy; and Current state review.

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:

The risks identified in the risk assessment are reflected in the life-cycle cost estimate by the calculation and addition of a risk rate to the out-year projected costs. Risk rates are determined on the principles of standard deviation. When the risks are determined to be low, a risk rate of 1.29% is added, when moderate, the risk rate is 3.87%, when high, the risk rate is 7.24%. Post Telephone accepted this standard and has determined to add in the moderate risk rate, as well as the Federal Government's accepted interest rate to the initiative's life-cycle costs.