



8.0 BUSINESS CASE

Our business case, [redacted] provides measurable benefits in each increment, identifies quantifiable value to government agencies and external stakeholders, and provides a solid basis for implementing the desired business results.

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The Smart Border Alliance has engaged [redacted]

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8.1 Investment Viability

Our business case model estimates program net benefit after cost to be [redacted]

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Our calculation reflects results in present dollar value of 2004. Figure 8-1 illustrates costs, benefits, and investment returns for the End Vision increments.

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We estimate investment benefits [redacted]

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Our business case model provides a series of solutions that achieve business goals and produce economic benefits

- Our business case model reflects OMB-approved methods used to quantify lifecycle benefits
- Our model estimates [redacted]
- Our solution yields [redacted]

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[redacted]

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Savings in legacy system costs account for [redacted] of the total direct benefits.

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We provide our Business Case Model on the CD-ROM submitted with our proposal (BusinessCaseModel.xls) as a reference for the formulas and algorithms used to map our End Vision solution to benefits and costs. We also provide a business case summary report (BusinessCaseSummary.doc) and a business case detail report (BusinessCaseDetail.doc) describing our model as an additional reference.

Investment Viability by Increment. The business case model accounts for [redacted]



USVP 300

Figure 8-1. Our business case offers significant measurable benefits in each increment and throughout the life cycle of US-VISIT



investment viability in relation to each increment:

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maintenance costs, including costs incurred by the Government, excluding facilities enhancements.

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Figure 8-2 illustrates the return on investment for all end vision increments.

Our business case model reflects OMB-approved methods used to quantify life-cycle benefits for the purposes of measuring the viability of Federal investments. We measure direct benefits in the categories of

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Cost Effectiveness. Our solution yields

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The Office of the Management and Budget requires a minimum of a nine percent rate of return for Federal projects.

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8.2 Cost/Benefit Analysis

Our business case model recognizes all one-time and on-going operating and

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Figure 8-2. Our cost benefit analysis

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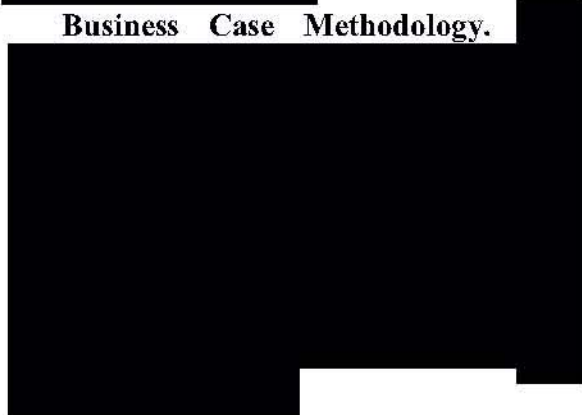
Indirect Benefit. In addition to the direct benefits accounted for in the calculation of investment viability, we have also identified additional economic impact to the national and regional economies. This impact is of great interest to Congress and to Federal agency managers. Figure 8-3 illustrates benefits in these categories.

This economic impact arises in the form of greater economic output, more jobs, and higher personal incomes due to the facilitation of freight that is more efficient and enhanced tourism and recreation.

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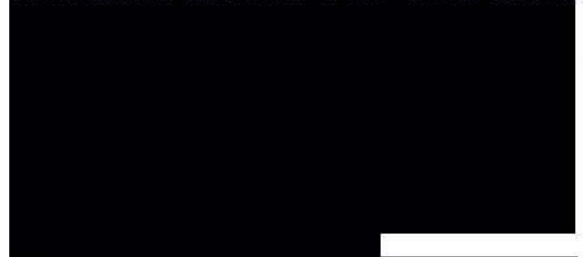


Our business case modeling process utilizes these methodologies to provide a solution to achieve business goals and produce economic benefits. Figure 8-4 illustrates the business case model and supporting methodology and includes the following critical success factors:



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We begin business case development by defining business functions and release increments that serve to enhance DHS performance and achieve US-VISIT goals.



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Figure 8-3. Our business case

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Figure 8-4. Our comprehensive business case methodology

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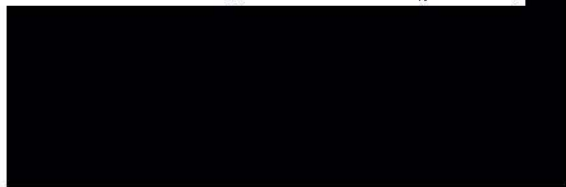
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Our business case development and End Vision incremental release strategy. We used the business case model to test each increment with respect to costs, benefits, and investment viability. By re-shaping and refining the increment definitions through an iterative process,

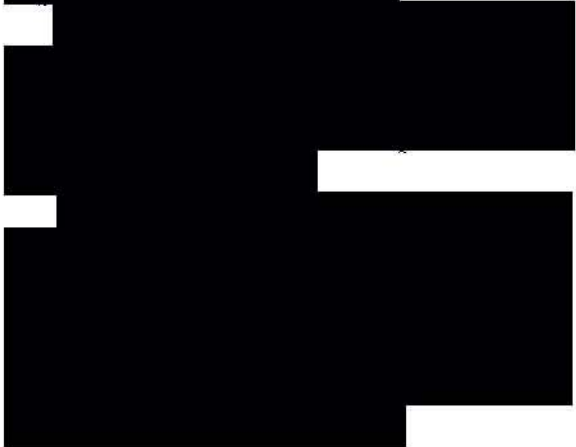
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Our business case approach has proven successful in several projects in the U.S. and Canada. We illustrate the results in Figure 8-5.

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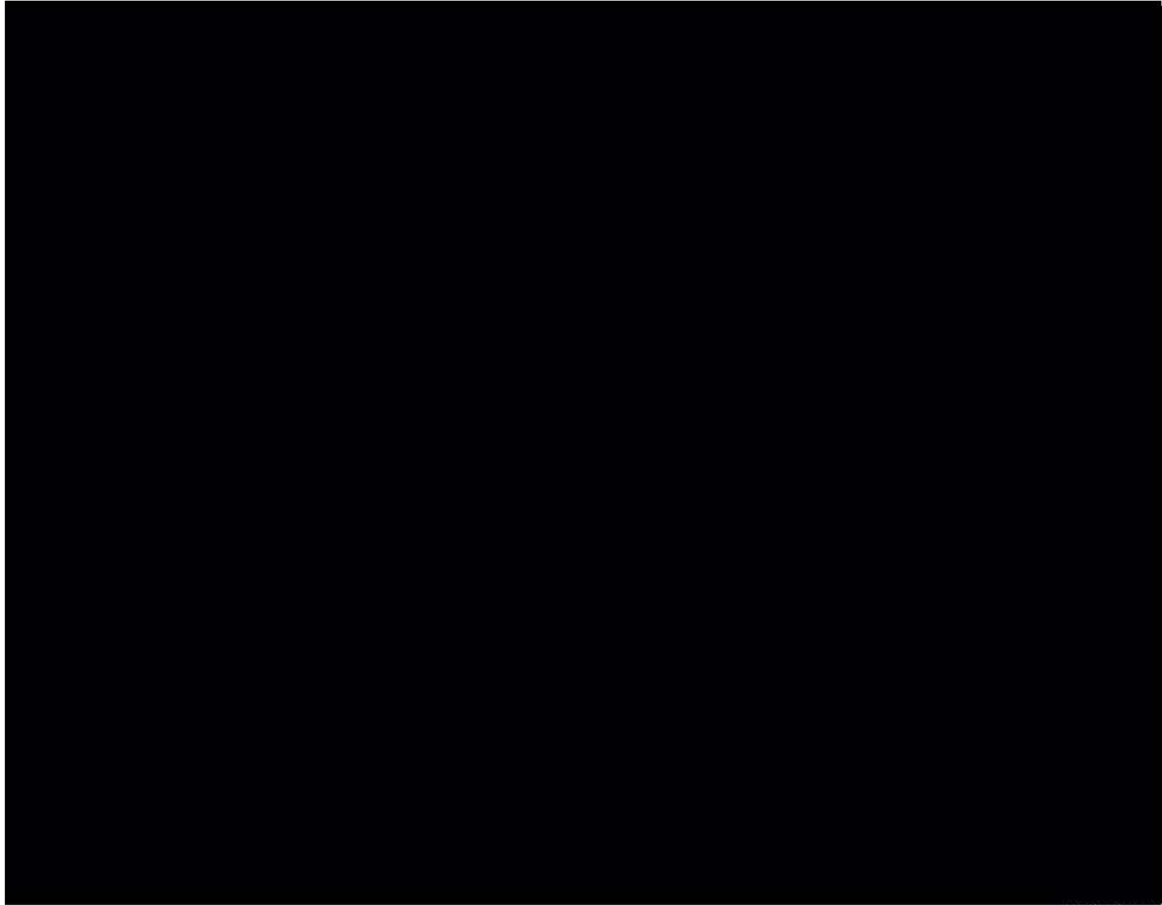
We continue to populate the business case model with

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Figure 8-5. We bring proven business case experiences in US federal and Canadian government agencies to achieve DHS goals and mission