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### **Summary of Changes**

- Updates and consolidates special terms related to information technology (IT) and E-Government (Section 4)

Significantly updates Exhibit 53 requirements:

- Requires agencies to submit a draft Fiscal Year (FY) 2014 Exhibit 53A by August 27, 2012 and the agency budget request Exhibit 53s on September 10, 2012
- Adds two new 53 Exhibits: Cloud Computing and Reductions and Reinvestments per budget guidance
- Adds requirement for Functional/Business Sponsor identification for all investments
- Adds several fields to the Exhibit 53A for reporting government FTE, HSPD-12, and cloud alternatives analysis
- New FEA BRM 3.0 Service Mappings

Significantly updates Exhibit 300 requirements:

- Requires agencies to submit the FY 2014 Exhibit 300A/Bs between September 10-14, 2012. Agencies may submit Exhibit 300Bs for any investment for which a 300A has been successfully submitted/updated
- Adds a requirement to submit specific investment artifacts/documents
- Updates questions for areas of current policy emphasis
- Changes Summary of Funding to Life Cycle Costs
- Clarifies project and activity concepts and extends reporting time period
- Clarifies reporting of actuals for performance metrics
- Adds question on modular contracting
- Adds question on return on investment

## **1. Why must I report on information technology (IT) investments?**

The required information allows the agency and the Office of Management and Budget (OMB) to review and evaluate each agency's IT spending and to compare IT spending across the Federal Government. Specifically, the information helps the agency and OMB to:

- Provide a report on all IT investments for the agency, as required by the Clinger-Cohen Act of 1996;
- Understand and compare the amount spent on the development of new capabilities (Development, Modernization and Enhancement [DME], which may appropriately be treated as capitalized costs) and in support of operation and maintenance (O&M) for all agency IT investments;
- Identify and report IT security costs for all IT investments and for agency and bureau IT security programs, as required by the Federal Information Security Management Act (FISMA); and
- Identify and report on agency financial management systems.

Agencies must provide required formation using the Exhibit 53 reporting format. This information should be consistent with information required in [Section 51 of OMB Circular A-11](#). In addition, as an output of your agency's internal IT capital planning and investment control process, your budget justification for IT must provide results-oriented information in the context of the agency's missions and operations, as expressed through the agency's enterprise architecture (EA). Your budget justification, including the status and plans for information systems, should be consistent with your agency's submissions for Exhibit 300 submissions (see guidance on Exhibit 300), regarding major IT investments.

Investment costs must include all Federal budgetary resources (e.g., direct appropriation, working capital fund, revolving funds). Federal budgetary resources are defined in [Section 20 of OMB Circular A-11](#). These investment costs and performance benefits must be formulated and reported order to support the [Clinger-Cohen Act](#)'s requirement that the OMB Director shall submit to Congress a report on the net program performance benefits achieved as a result of major capital investments made by executive agencies in information systems and how the benefits relate to the accomplishment of the goals of the executive agencies.

## **2. What background information must I know?**

The Federal Government must effectively manage its portfolio of capital assets to ensure scarce public resources are wisely invested. Capital programming integrates the planning, acquisition, and management of capital assets into the Budget decision-making process. It is intended to assist agencies in improving asset management and in complying with the results-oriented requirements of:

- The [Clinger-Cohen Act of 1996](#), which requires agencies to use a disciplined capital planning and investment control (CPIC) process to acquire, use, maintain, and dispose of IT in alignment with the agency's EA planning processes. OMB policy for the management of Federal information resources is detailed in [Circular A-130](#), Management of Federal Information Resources.
- The Government Performance and Results Act (GPRA) of 1993, which establishes the foundation for Budget decision making to achieve strategic goals in order to meet agency mission objectives. Instructions for preparing strategic plans, annual performance plans, and annual program performance reports are provided in Part 6 of [OMB Circular A-11 \(see Section 220\)](#).
- The [GPRA Modernization Act of 2010 \(P.L. 111-352\)](#), which requires quarterly performance assessments of Federal Government priorities and establishes agency Performance Improvement Officers and the Performance Improvement Council.

- The Federal Managers Financial Integrity Act of 1982, Chief Financial Officers Act of 1990 (CFO Act), and Federal Financial Management Improvement Act of 1996, which require accountability of financial and program managers for financial results of actions taken, control over the Federal Government's financial resources, and protection of Federal assets. OMB policies and standards for developing, operating, evaluating, and reporting on financial management systems are contained in [Circular A-127, Financial Management Systems](#) and [OMB Circular A-11, Section 52](#).
- The Paperwork Reduction Act of 1995, which requires agencies to perform their information resources management activities in an efficient, effective, and economical manner.
- The [Federal Information Security Management Act of 2002](#), which requires agencies to integrate IT security into their capital planning and EA processes, conduct annual IT security reviews of all programs and systems, and report the results of those reviews to OMB.
- The [E-Government Act of 2002 \(P.L. 107-347\)](#), which requires agencies to support government-wide E-Government (E-Gov) initiatives and to leverage cross-agency opportunities to further E-Gov. The Act also requires agencies to establish a process for determining which government information the agency intends to make available and accessible to the public on the Internet and by other means. In addition, the Act requires agencies to conduct and make publicly available privacy impact assessments (PIAs) for all new IT investments, administering information in an identifiable form collected from or about members of the public.
- The National Technology Transfer and Advancement Act of 1995 (P.L. 104-113) and [OMB Circular A-119](#), which state that voluntary consensus standards are the preferred type of standards for Federal Government use. When it would be inconsistent with law or otherwise impractical to use a voluntary consensus standard, agencies must submit a report to OMB through the National Institute of Standards and Technology (NIST) describing the reason(s) for the agency's use of government-unique standards in lieu of voluntary consensus standards.
- The Federal Records Act, which requires agencies to establish standards and procedures to ensure efficient and effective records management. The National Archives and Records Administration (NARA) issues policies and guidance for agencies to meet their records management goals and requirements. NARA also provides policies and guidance for planning and evaluating investments in electronic records management.
- The Privacy Act of 1974 (5 U.S.C. § 552a), which is an omnibus "code of fair information practices" that attempts to regulate the collection, maintenance, use, and dissemination of personal information by Federal executive branch agencies.
- [NIST Special Publication 800-146](#) concepts and definitions regarding cloud computing.
- Recent OMB IT policies and guidance, including:
  - [25 Point Implementation Plan to Reform Federal Information Technology Management](#)
  - [Federal Information Technology Shared Services Strategy](#)
  - [The Common Approach to Federal Enterprise Architecture](#)
  - [Digital Government Strategy: Building a 21st Century Platform to Better Serve the American People](#)
  - [OMB memo M-12-10 – Implementing PortfolioStat](#)
  - [The Federal Cloud Computing Strategy](#)

- [Security Authorization of Information Systems in Cloud Computing Environments \(FedRAMP\)](#)
- [OMB memo M-12-13 - Fiscal Year 2014 Budget Guidance](#)
- [Executive Order 13514, Federal Leadership in Environmental, Energy, and Economic Performance](#)
- [Executive Order 13423, Strengthening Federal Environmental, Energy, and Transportation Management](#)
- Federal Acquisition Regulation, including Subchapter B, Parts 5 through 12 and Part 23
- Federal Management Regulation, including Subchapters B and C
- Energy Independence and Security Act of 2007, including Sections 431 through 435 and 523 through 525
- Energy and Policy Act of 2005, including Sections 103, 104, 109, and 203

### **3. How do I ensure that IT investments align with and support the agency's strategic plans?**

Each IT investment must clearly demonstrate that the investment is needed to help meet the agency's strategic goals and mission. The agency must demonstrate how the investment supports a business line or enterprise service performance goal as documented in the agency's EA and annual Enterprise Roadmap submission to OMB. Agency IT investment business cases (and other documents), the IT Capital Asset Summary (Exhibit 300A), and Agency IT Investment Portfolio (Exhibit 53A) must demonstrate the agency's management of IT investments and how governance processes are used to plan, select, develop, implement, and operate IT investments. Documents used to manage the planning, development, implementation, and operation of IT investments and documents that demonstrate the outcomes of agency, branch, and bureau governance decisions should be maintained and made readily available if requested by OMB.

The individual agency's Exhibit 53A and Exhibit 300A submissions are used to create an overall "Federal IT Investment Portfolio," which is published as part of the President's Budget. Agency and OMB portfolio reviews and Budget processes will ensure the selection of IT investments that support the agency's strategic goals, as captured in the agency's High Priority Performance Goals and Strategic Plan.

### **4. What special terms should I know?**

**Alternatives Analysis** refers to an analysis of alternatives for addressing the performance objectives of an investment. The analysis is performed prior to the initial decision to implement a solution and updated periodically, as appropriate, to capture changes in the context for an investment decision. Alternatives analysis documentation must be submitted along with Exhibit 300 for all major IT investments. Alternatives Analysis should be performed for investments with projects in the planning or DME stages, whereas strictly operational investments should instead perform operational analyses until such time as a decision is made to re-evaluate the investment or to resume development, modernization or enhancement.

**Asset** refers to anything that has value to an organization, including, but not limited to: a computing device, IT system, IT network, IT circuit, software (both an installed instance and a physical instance), virtual computing platform (common in cloud and virtualized computing), and related hardware (e.g., locks, cabinets, keyboards). Assets are the lowest level at which IT is planned, acquired, implemented, and operated.

**Benefit-Cost Analysis** refers to the recommended technique to use in a formal economic analysis of government programs or projects. Guidance for Benefit-Cost Analysis is described in [OMB Circular A-94](#).

**Business Reference Model (BRM)** refers to one of six reference models of the Federal Enterprise Architecture (FEA). It is a classification taxonomy used to describe mission sectors, business functions, and services that are performed within and between Federal agencies and with external partners. IT investments are mapped to the BRM to identify opportunities for collaboration, shared services, and solution reuse. Exhibit 53 allows for one primary service and up to four secondary service codes to be identified for each IT investment. BRM service codes can be found in the [FEA Reference Model document library](#).

*Note:* Updated definitions are scheduled for release in version 2 of the FEA.

**Capital Assets** refer to land, structures, equipment, intellectual property (e.g., software), and IT (including the output of IT service contracts) that has been acquired by the Federal Government and have an estimated useful life of two years or more. See Appendix One of the [Capital Programming Guide](#) for a more complete definition of capital assets.

**Capital Investment (or Investment)** refers to the planning, development, and acquisition of a capital asset and the management and operation of that asset through its usable life after the initial acquisition. IT capital investments may consist of one or more assets, which provide useful components in an operational (production) environment.

**Capital Planning and Investment Control** (also called capital programming) refers to a decision-making process that ensures IT investments integrate strategic planning, budgeting, procurement, and management of IT in support of agency missions and business needs. The term was introduced in the Clinger-Cohen Act of 1996 and generally is used in relation to IT management issues.

**Capital Programming** refers to an integrated process within an agency that focuses on the planning, budgeting, procurement, and management of the agency's portfolio of capital assets to achieve the agency's strategic goals and objectives with the lowest overall cost and least risk.

**Cloud First Policy (IT Reform)** refers to the Cloud First policy, launched in December 2010, which is intended to accelerate the pace at which the government realizes the value of cloud computing by requiring agencies to evaluate safe, secure cloud computing options before making any new investments. Per the Federal Cloud Computing Strategy, agencies should evaluate their technology sourcing plans to include consideration and application of cloud computing solutions as part of the budget process. Agencies should seek to optimize the use of cloud technologies in their IT portfolios to take full advantage of the benefits of cloud computing in order to maximize capacity utilization, improve IT flexibility and responsiveness, and minimize costs. When evaluating options for new IT deployments, OMB requires that agencies default to cloud-based solutions whenever a secure, reliable, cost-effective cloud option exists. Additionally, agencies shall continually evaluate cloud computing solutions across their IT portfolios, regardless of investment type or life cycle stage.

**Contributions (or expected contributions)** refers to both monetary contributions and fees for services provided by partner agencies to managing partners or shared service providers of a multi-agency collaboration. Contributions should only apply to multi-agency collaborations.

**Cost** refers to the expenditure of funds or use of property to acquire, produce, operate, or maintain an asset. Examples include, but are not limited to: sunk costs, operational costs, acquisition costs, and disposition costs (including variable costs such as labor hours).

**Cost Avoidance** refers to from an action taken in the immediate time frame that will decrease costs in the future (as defined in [OMB Circular A-131](#)).

**Cost Saving** refers to the reduction in actual expenditures to achieve a specific objective (as defined in [OMB Circular A-131](#)).

**Data Center** refers to a closet, room, floor, or building for the storage, management, and dissemination of data and information. Such a repository houses computer systems and associated components, such as databases, applications, and storage systems and data stores. A data center generally includes redundant or backup power supplies; redundant data communications connections; environmental controls (e.g., air conditioning, fire suppression); and special security devices housed in, leased (including by cloud providers), owned, collocated, or situated in stand-alone facilities. This definition excludes facilities exclusively devoted to communications and network equipment (e.g., telephone exchanges, telecommunications rooms). Neither square footage nor Uptime Institute tier classifications are required to define a facility as a data center. This definition of a data center applies to all agency IT assets, mission or otherwise. See March 2012 OMB [Federal Data Center Consolidation Initiative Memorandum](#) for more detail.

**Defense Acquisition Workforce Improvement Act (DAWIA) of 1990 (P.L. 101-510)** refers to a congressional act that established for the Department of Defense an Acquisition Corps to professionalize the acquisition workforce in the Department of Defense through education, training, and work experience.

**Dependency** refers to the identification of relationships between projects and operational assets within an investment as well as the identification of relationships between investments. Identification of dependencies is critical to the management of project, program, and portfolio risk.

**Development, Modernization and Enhancement** refers to costs for projects and activities leading to new IT assets/systems and projects and activities that change or modify existing IT assets to: substantively improve capability or performance, implement legislative or regulatory requirements, or meet an agency leadership request. As part of DME, capital costs can include hardware, software development and acquisition costs, commercial off-the-shelf acquisition costs, government labor costs, and contracted labor costs for planning, development, acquisition, system integration, and direct project management and overhead support.

**Disposition Cost** refers to the cost of retiring a capital asset once its useful life is completed or a replacement asset has superseded it; disposition costs may be included in operational activities near the end of the useful life of an asset.

**Earned Value Management (EVM)** refers to a project management tool that effectively integrates the project scope of work with a schedule and cost elements for optimum project planning and control. The qualities and operating characteristics of earned value management systems (EVMS) are described in American National Standards Institute (ANSI)/Electronic Industries Alliance (EIA) Standard–748–1998, Earned Value Management Systems. Additional information on EVMS is available at [www.acq.osd.mil/evm](http://www.acq.osd.mil/evm).

**Enterprise Architecture** refers to the explicit description and documentation of the current and desired relationships among business and management processes and IT of an organization. It describes the “current architecture” and “target architecture”. An EA includes the rules and standards and systems life cycle information to optimize and maintain the environment which the agency wishes to create and maintain through its IT portfolio. An EA must provide a strategy that enables the agency to support its current state and provides a roadmap for transition to its target environment. An EA defines principles and goals and sets a direction on such issues as the promotion of interoperability, open systems, publics access, end-user satisfaction, and IT security. The agency must support an EA with a complete inventory of agency information resources including: personnel, equipment, systems, services, and funds devoted to information resources management and IT, at an appropriate level of detail.

**Enterprise Roadmap** refers to an annual submission from each agency to OMB that describes the business and technology plan for the entire organization using EA methods. The Roadmap provides current views, future views, and transition plans at an appropriate level of detail for all IT investments, services, systems, and programs. The Enterprise Roadmap also contains an IT asset inventory using the FEA Reference Models and other attachments or appendices for CPIC, EA, shared service, and other planning products requested by OMB that provide additional information regarding Roadmap plans.

**Evaluation (by Agency CIO)** refers to the CIO's best judgment of the current level of risk for the investment in terms of its ability to accomplish its goals. The evaluation should be informed by the following factors, including, but not limited to: risk management, requirements management, contractor oversight, historical performance, human capital and other factors that the CIO deems important to the forecasting future success. Each evaluation should include a narrative explanation when the rating has changed since the last evaluation.

**Federal Acquisition Certification for Program and Project Managers (FAC-P/PM)** refers to a certification program that was established to clearly identify general training and experience requirements for program and project managers (PMs) in civilian agencies. The FAC-P/PM focuses on essential competencies needed for program managers and PMs. The certification program does not include functional or technical competencies, such as those for IT or agency-specific competencies. Defense agencies have a similar certification program under DAWIA. Agencies were required to be compliant with FAC-P/PM starting in FY 2008. Available levels are Entry/Apprentice, Mid/J Journeyman, and Expert/Advanced for FAC-P/PM and 1, 2, and 3 for DAWIA. For more information about these programs, refer to the following links:

[http://www.whitehouse.gov/sites/default/files/omb/procurement/workforce/fed\\_acq\\_cert\\_042507.pdf](http://www.whitehouse.gov/sites/default/files/omb/procurement/workforce/fed_acq_cert_042507.pdf)

[http://whitehouse.gov/omb/procurement/acq\\_wk/fac\\_contracting\\_program.pdf](http://whitehouse.gov/omb/procurement/acq_wk/fac_contracting_program.pdf)

**Federal Enterprise Architecture** refers to a business-based documentation and analysis framework for government-wide improvement. The FEA allows agencies to use standardized methods to describe the relationship between an agency's strategic goals, business functions, and enabling technologies at various levels of scope and complexity. The FEA is comprised of documentation in six domain areas (strategic goals, business services, data and information, systems and applications, infrastructure, and security) that includes required and elective artifacts. There are six reference models to support the six domain areas that should facilitate standardized design; analysis; reporting; and the identification of duplicative investments, gaps, and opportunities for collaboration within and across Federal agencies. More information about the FEA is available in [The Common Approach to Federal Enterprise Architecture](#) (OMB, May 2, 2012) and at [FEA Reference Model document library](#).

**Federal Enterprise Architecture Mapping Codes** refers to a framework for describing important elements of the FEA in a common and consistent way. Through the use of this common framework and vocabulary, IT portfolios can be better managed and leveraged across the Federal Government. The first three-digit code indicates the primary service area served by this investment (the three-digit BRM service code). The second through fifth three-digit codes indicate the secondary services associated with this investment. Guidance on the codes for these mappings can be found at [FEA Reference Model document library](#).

**Financial Management** refers to activities that support the interrelationships and interdependencies among budget, cost and management functions, and information associated with business transactions.

**Financial Management Systems** refers to systems necessary to support financial management, including automated and manual processes, procedures, controls, data, hardware, software, and support personnel dedicated to the operation and maintenance of system functions. The following are examples of financial management systems: core financial systems, procurement systems, loan systems, grants systems, payroll systems, budget formulation systems, billing systems, and travel systems. See OMB Circular A-127 for additional information and guidance at [www.whitehouse.gov/omb/circulars\\_a127](http://www.whitehouse.gov/omb/circulars_a127).

**Full Funding** refers to a situation where appropriations are enacted sufficient in total to complete an asset or a useful segment of a capital asset before any obligations may be incurred. Incrementally funding the planning and acquisition of capital assets or (useful segments) without certainty if or when future funding will be available can result in poor planning, inadequate justification of assets acquisition, higher acquisition costs, project delays, cancellation of projects, the loss of sunk costs, and inadequate funding to maintain and operate the assets. Budget requests for full acquisition of capital assets must propose full funding (see [Section 31.6 of OMB Circular A-11](#)).

**Funding** refers to providing the budgetary resources to plan for, acquire, develop, sustain, or operate an asset.

**Funding Source** refers to the direct appropriation or other budgetary resources an agency receives for an IT investment. When “original paying accounts” within agencies are transferring resources to a different agency account that ultimately supports the IT investment (for example, when bureau accounts are paying into a central CIO office account or a working capital fund), the funding source provided in Exhibit 53A should be the account that ultimately pays contracts and other costs for the investment directly (not the original account(s) for the funds).

*Note:* For agencies on the IT Dashboard, funding sources are planned as the primary drivers in the algorithm to display “spending by bureau,” rather than using the bureau code associated with investments. It is critical that valid funding source codes be provided in agency submissions.

**Government Information** refers to information created, collected, processed, disseminated, or disposed of by or for the Federal Government.

**Information Resource Management (IRM) Strategic Plan** refers to a document that addresses all information resources management of an agency. Agencies must develop and maintain their IRM strategic plans as required by [44 U.S.C. 3506\(b\)\(2\)](#) and [OMB Circular A-130](#). IRM strategic plans should support the agency's strategic plan that is required in [OMB Circular A-11](#); provide a description of how information resources management activities help accomplish the agency's missions delivery area and program decisions; and ensure IRM decisions are integrated with management support areas, including organizational planning, budget, procurement, financial management, and human resources management.

**Information Security** refers to all functions necessary to meet Federal information security policy requirements. It includes the development, implementation, and maintenance of security policies, procedures, and controls across the entire information life cycle. These functions should include implementation and activities associated with NIST 800-37, Security Awareness training (but not the technical infrastructure required for the delivery of training), FISMA compliance reporting, development of a security policy, and security audits and testing. It does not include the physical protection of facilities such as those described in Critical Infrastructure Protection (CIP).

**Information System** refers to a discrete set of IT, data, and related resources, such as personnel, hardware, software, and associated IT services organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information.

**Information Technology** refers to any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by an executive agency. IT is related to the terms capital asset, IT investment, program, project, sub-project, service, and system.

**Integrated Program Team (IPT)** refers to a cross-functional or multidisciplinary group of individuals organized and collectively responsible for the specific purpose of delivering a project, product, or process to an external or internal customer. Each IPT should include experts in program and project management, resource management, procurement, systems engineering, system security, and other disciplines, as necessary, to plan and evaluate all aspects of the project. In order for OMB to approve the investment budget, an IPT must include at a minimum: a qualified, fully dedicated IT program manager; a contracting specialist, if applicable; an IT specialist; an IT security specialist; and a business process owner or subject matter expert (SME). Other members of the IPT might include enterprise architects; IT specialists with specific expertise in data, systems, or networks; capital planners; or performance specialists. Key members of the IPT should be co-located during the most critical junctures of the program, to the maximum extent possible. Agencies should establish IPT members' individual performance goals to hold team members accountable for both

individual functional goals and the overall success of the program. The investment IPT should be defined in a program or an IPT charter.

**Interagency Acquisition** refers to the use of the Federal Supply Schedules; a multi-agency contract (i.e., a task order or delivery order contract established by one agency for use by multiple government agencies to obtain supplies and services, consistent with the [Economy Act, 31 U.S.C. 1535](#)) or a government-wide acquisition contract (i.e., a task order or delivery order contract for IT established by one agency for government-wide use operated by an executive agent, as designated by OMB pursuant to [Section 11302\(3\) of the Clinger-Cohen Act of 1996](#)).

**IT Dashboard** refers to a website ([www.itdashboard.gov](http://www.itdashboard.gov)) that enables Federal agencies, industry, the general public, and other stakeholders to view details regarding the performance of Federal IT investments. The IT Dashboard is used by the Administration and Congress to inform budget and policy decisions.

**IT Investment** refers to the expenditure of IT resources to address mission delivery and management support. An IT investment may include a project or projects for the development, modernization, enhancement, or maintenance of a single IT asset or group of IT assets with related functionality and the subsequent operation of those assets in a production environment. All IT investments should have a defined life cycle with start and end dates, with the end date representing the end of the currently estimated useful life of the investment, consistent with the investment's most current alternatives analysis if applicable.

**IT Program Managers and IT Project Managers** refers to the IPT members responsible for IT investments and lead the required IPT for the investment. In some cases, IT program managers and PMs can hold positions in other classification series; however they must still meet the requisite Federal certification and/or IT program management experience requirements. Further definitions are available in the Office of Personnel Management's Job Family Standard for Administrative Work in the Information Technology Group (series 2200 in the Federal Classification and Job Grading Systems).

**IT System** refers to a discrete set of information resources organized for the collection, processing, maintenance, transmission, and dissemination of information, in accordance with defined procedures, whether automated or manual.

**Life Cycle Costs** refers to all investment costs (including government FTEs) from the commencement of the investment through its estimated useful life (or the composite estimated useful life of the assets within the investment), independent of the funding source (e.g., revolving fund, appropriated fund, working capital fund, trust fund). For more information about life cycle costs, see the [Capital Programming Guide](#) of OMB Circular A-11 and [OMB Circular A-131](#).

**Maintenance** refers to the activity necessary to keep an asset functioning as designed during the O&M phase of an investment. Some maintenance activities should be managed as projects and reported in Section B of Exhibit 300B. Examples of maintenance projects may include, but are not limited to: operating system upgrades, technology refreshes, and security patch implementations. As defined in the Federal Accounting Standards Advisory Board [Statement of Federal Financial Accounting Standards Number 10](#), "Maintenance excludes activities aimed at expanding the capacity of an asset or otherwise upgrading it to serve needs different from or significantly greater than those originally intended." Maintenance costs refer to all costs (including all related personnel costs) needed to sustain an IT asset at the current capability and performance levels.

**Major IT Investment** refers to an IT investment requiring special management attention because of its importance to the mission or function to the government; significant program or policy implications; high executive visibility; high development, operating, or maintenance costs; unusual funding mechanism; or definition as major by the agency's capital planning and investment control process. OMB may work with the

agency to declare IT investments as major investments. Agencies should consult with assigned OMB analysts regarding which investments are considered “major.” Investments not considered “major” are “non-major.”

**Managing Partner** refers to the lead agency that is responsible for coordinating the implementation of the E-Gov or Line of Business (LoB) initiative. The managing partner is also responsible for coordinating and submitting Exhibit 300 for the initiative; Exhibit 300 will be represented as part of the managing partner's budget portfolio. For additional information on managing partner reporting requirements for IT investments, refer to the OMB MAX portal.

**New IT Investment** refers to an IT investment and its associated projects that is newly proposed by the agency and that has not been previously reported/funded by OMB.

**Non-Major IT Investment** refers to any IT investment in the agency's IT Portfolio that does not meet the definition of “major IT investment.” All non-major investments must be reported in Exhibit 53.

**Ongoing IT Investment** refers to an investment and its associated assets, including both maintenance projects and operational activities that have been through a complete Budget Cycle with OMB with respect to the President's Budget for the current year (CY)—in this case, for FY 2013.

**Operational Analysis** refers to a method of examining the ongoing performance of an operating asset investment and measuring that performance against an established set of cost, schedule, and performance goals. An operational analysis is, by nature, less structured than performance reporting methods applied to developmental projects and should trigger considerations of how the investment's objectives could be better met, how costs could be reduced, and whether the organization should continue performing a particular function. Guidance for Operational Analysis is described in the [Capital Programming Guide](#).

**Operations** refer to the day-to-day management of an asset in the production environment and include, but are not limited to, activities that operate data centers, help desks, operational centers, telecommunication centers, and end-user support services. Operational activities are reported through Section C of Exhibit 300B. Operations costs include the expenses associated with an IT asset that is in the production environment; costs to sustain an IT asset at the current capability and performance levels, including Federal and contracted labor costs; and costs for the disposal of an asset.

**Operations and Maintenance (O&M)** refers to the phase of the life cycle in which the asset is in operations and produces the same product or provides a repetitive service. Also commonly referred to as steady state.

**Partner Agency** refers to the agency for an E-Gov or LoB initiative that is designated to provide resources (e.g., funding, full-time equivalents [FTEs], in-kind) for the management, development, deployment, or maintenance of a common solution. The partner agency is also responsible for including the appropriate line items in its Exhibit 53 and reflecting the amount of the contribution for each of the E-Gov or LoB initiatives to which the agency provides resources.

**Performance-based Acquisition Management** refers to a documented, systematic process for program management, which includes the integration of program scope, schedule and cost objectives, the establishment of a baseline plan for accomplishment of program objectives, and the use of earned value techniques for performance measurement during execution of the program. This type of management includes prototypes and tests to select the most cost-effective alternative during the planning phase; the work during the acquisition phase; and any developmental, modification, or upgrade work done during the O&M phase. A performance-based acquisition (as defined in the Federal Acquisition Regulation 37.101) or contract/agreement with a defined quality assurance plan that includes performance standards/measures should be the basis for monitoring contractor or in-house performance of this phase.

**Planning** refers to preparing, developing, or acquiring the information used to design the asset; assess the benefits, risks, and risk-adjusted costs of alternative solutions; and establish realistic cost, schedule, and performance goals for the selected alternative, before either proceeding to full acquisition of the capital project or useful component or terminating the project. Planning must progress to the point where the agency is ready to commit to achieving specific goals for the completion of the acquisition before proceeding to the acquisition phase. Information gathering activities to support planning may include market research of available solutions, architectural drawings, geological studies, engineering and design studies, and prototypes. Planning may be general to the overall investment or may be specific to a useful component.

**PortfolioStat** refers to a face-to-face, evidence-based review of an agency's IT portfolio. Reviews can be used to identify and address a broad range of issues, including management of commodity IT, duplication of investments, and alignment with the agency's mission and strategy. More detail regarding the PortfolioStat process is described in [OMB memo M-12-10 – Implementing PortfolioStat](#).

**Post-Implementation Review (PIR)** refers to an evaluation of how successfully the investment or project objectives were met and how effective the project management practices were in keeping the investment or project on track. A PIR can be conducted after a project has been completed, or after an investment concludes the implementation phase. Additional details regarding the PIR process is described in the [Capital Programming Guide](#).

**Privacy Impact Assessment** is a process for examining the risks and ramifications of using IT to collect, maintain, and disseminate information from or about members of the public in an identifiable form. The process also is also used to identify and evaluate protections and alternative processes to mitigate the impact to privacy of collecting such information. Consistent with OMB guidance ([M-03-22](#)) regarding implementing the privacy provisions of the E-Government Act, agencies must conduct and make publicly available PIAs for all new or significantly altered IT investments that administer information in an identifiable form collected from or about members of the public.

**Project** refers to a temporary endeavor undertaken to accomplish a unique product or service with a defined start and end point and specific objectives that, when attained, signify completion. Projects can be undertaken for the development, modernization, enhancement, disposal, or maintenance of an IT asset. Projects are composed of activities. When reporting projects in Exhibit 300A and 300B, to the maximum extent practicable, agencies should detail the characteristics of “increments” under modular contracting as described in the [Clinger-Cohen Act of 1996](#) and the characteristics of “useful segments,” as described in [OMB Circular A-130](#).

**Project Manager Level of Experience** refers to the specific certification(s) or number of years of direct project management experience that the PM holds. Examples of PM certifications include FAC-P/PM, Project Management Institute/PMP, and other recognized certifications.

**Records** refers to all books, papers, maps, photographs, machine-readable materials, or other documentary materials, regardless of physical form or characteristics, made or received by an agency of the United States Government under Federal law or in connection with the transaction of public business. Records may also include items that are preserved or appropriate for preservation by that agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the Federal Government or because of the informational value of data in them. Library and museum material made or acquired and preserved solely for reference or exhibition purposes, extra copies of documents preserved only for convenience of reference, and stocks of publications and processed documents are may not be included as records.

**Risk Management** refers to a systematic process of identifying, analyzing, and responding to risk. It includes maximizing the probability and consequences of positive events and minimizing the probability and consequences of adverse events to overall objectives.

**Risk Management Plan** refers to a documented and approved plan developed at the onset of the investment and maintained throughout that specifies the risk management process

**Shared Service Provider** refers to the provider of a technical solution and/or service that supports the business of multiple agencies using a shared architecture.

**TechStat** refers to a face-to-face, evidence-based review of an IT program with Bureau/Agency leadership and OMB as appropriate. TechStat sessions enable the Federal Government to turn around, halt, or terminate IT investments that do not produce dividends for the American people. More detail regarding the TechStat process is described in the [TechStat Training Deck](#).

**Unique Investment Identifier (UII)** refers to a persistent numeric code applied to an investment that allows the identification and tracking of an investment across multiple FYs of an agency's investment portfolio. The UII is composed of a three-digit agency code concatenated with a nine-digit unique investment number generated by the agency. Some nine-digit numbers are reserved for OMB to assign and may not be assigned by agencies, as controlled by the restrictions described in the section on "Variable Information."

*Additional budget terms and definitions are included in the Glossary in [OMB Circular A-11, Appendix J](#), "Principles of Budgeting for Capital Asset Acquisitions."*

## **5. How do I determine whether I must report?**

Agencies must submit an agency IT investment portfolio (Exhibit 53A, Exhibit 53C, Exhibit 53D, and Exhibits 300), if the government agency is subject to Executive Branch review (see [OMB Circular A-11 Section 25.1](#)). All CFO Act agencies and any others directed to do so must submit an agency security portfolio (Exhibit 53B).

The following agencies must also submit this information to the IT Dashboard:

Department of Agriculture	Department of Veteran's Affairs
Department of Commerce	U.S. Agency for International Development
Department of Defense	U.S. Army Corps of Engineers
Department of Education	Environmental Protection Agency
Department of Energy	General Services Administration
Department of Health and Human Services	National Aeronautics and Space Administration
Department of Homeland Security	National Archives and Records Administration
Department of Housing and Urban Development	National Science Foundation
Department of the Interior	Nuclear Regulatory Commission
Department of Justice	Office of Personnel Management
Department of Labor	Small Business Administration
Department of State	Smithsonian Institution
Department of Transportation	Social Security Administration
Department of the Treasury	

The agency's IT capital planning office should coordinate and review all versions/revisions of the Exhibit 53 prior to submission.

### **53.1 How do I submit Exhibit 53 and when is it due?**

Agencies must submit a draft and updated versions of Exhibit 53s using the following schedule:

- Draft Exhibit 53A: August 27, 2012
- Agency Budget Request Exhibit 53A, B, C, and D: September 10, 2012
- President's Budget Request Exhibit 53A, B, C, and D: Early January 2013 (tentative)

Specifically, a draft version of Exhibit 53A shall be completed by the agency and submitted to OMB. This draft will allow the agency and OMB to agree on which major and non-major IT investments will be reported as part of the next President's Budget Request and to confirm the mapping of agency investments to agency architectures. The initial draft of Exhibit 53A must conform to a template described later in this section, which will be published on the OMB MAX portal. Specific steps for completing the submission will be available on the OMB MAX portal. The completion of the initial draft of Exhibit 53A should be coordinated by the agency's IT capital planning lead. At a minimum, the draft Exhibit 53A should include the legacy UIIs and current UIIs, investment name, investment description, and the FEA BRM Primary services mappings.

All subsequent updates to the Exhibit 53s will be submitted to the IT Dashboard or otherwise as directed. The agency's IT capital planning office should coordinate and review all versions of Exhibit 53 prior to submission.

Additional updates to Exhibits 53A and 300A may be required after final budget decisions or if the agency requests supplemental funds that require changes to Exhibits 53A and 300A. Specific instructions and deadlines for submitting updates, corrections, and final submissions of these exhibits will be available on the OMB MAX portal.

### **53.2 If I submitted Exhibit 53 last year, how do I revise it this year?**

If your agency submitted Exhibit 53 for the FY 2013 Budget, the revised FY 2014 Budget must be compliant with the specified format or it will be rejected. Agencies must note "changes in status" for each investment and provide descriptions for any changes in status.

It is important that the agency updates its Exhibit 53 to reflect prior year (PY) for FY 2012, current year (CY) for FY 2013, and budget year (BY) for FY 2014. Exhibit 53A also requires MAX funding codes for all "Funding Sources" line items. Consistent with prior submissions, "Investment Descriptions" will be limited to 255 characters.

### **53.3 How is Exhibit 53 organized?**

Exhibit 53 is composed of four parts:

1. Exhibit 53A, "Agency IT Investment Portfolio," which includes IT investment budget and architecture information;
2. Exhibit 53B, "Agency IT Security Portfolio," which includes a summary of agency and bureau IT security information, including IT security costs; and
3. Exhibit 53C, "Agency Cloud Computing Portfolio," which includes IT investment budget information by cloud computing deployment model and service model.
4. Exhibit 53D, "Agency IT Reductions and Reinvestments" (see [OMB M-12-13](#))

Agencies should compare all relevant portfolios to ensure consistency. For example, the sum of columns 41 to 43 on Exhibit 53A should equal the sums of each table in Exhibit 53C.

***Agency IT Investment Portfolio (Exhibit 53A)***

**(a) Overview**

Exhibit 53A is a report of all agency IT investments. Investment costs are to be provided in **millions of dollars**, and reporting three decimal places (precision to thousands of dollars) is recommended, although agencies may report up to six decimal places (whole dollars).

Information reported in Exhibit 53A should be consistent with data reported in MAX schedule O, object classification (specifically, object classes 11.1 through 12.2, 23.1, 23.2, 25.2, 25.3, 25.7, 26.0, 31.0, and 41.0). All major and non-major IT investments must be reported in Exhibit 53A.

Agencies must note all Federal budgetary resources (includes carryover and new budget authority) used to fund an IT investment, including discretionary or mandatory funding sources, user fees, or gifts. Funding should represent only Federal budgetary resources. Agencies should not include funding provided by non-Federal sources, such as in matching funds for grant programs provided by state or local governments.

Funding levels in Exhibit 53A should represent:

- Estimated budgetary resources for BY (this may be different from the estimated obligations on the Exhibit 300 for some investments)
- Estimated budgetary resources for CY (based on enactment where applicable) (this may be different from the estimated obligations on the Exhibit 300 for some investments)
- Expended budgetary resources (actuals) for PY (or the best current estimate) (this cost should represent the actual costs reported to the Exhibit 300)

These levels should be consistent with program-level funding and branch, bureau, and agency summary funding tables. Funding from supplemental appropriations and the Recovery Act should also be included in a manner consistent with other budget submission displays of program data.

Exhibit 53A has six major parts:

- Part 1. IT Investments for Mission Delivery and Management Support
- Part 2. IT Investments for Infrastructure, Office Automation, and Telecommunications
- Part 3. IT Investments for EA, Capital Planning, and CIO Functions
- Part 4. IT Investments for Grants Management Systems
- Part 5. National Security Systems IT Investments
- Part 6. Grants to State and Local IT Investments

All parts use the following common data elements:

***Agency Description of Change in Investment Status*** is used when an indicator has been chosen for “Change in Investment Status” in order to provide a description of the rationale for the change which may include impacted UPIs, specific references to legislative requirements, or governance board decisions and effective dates.

***Agency Funding*** is the agency’s budgetary resources for a given investment.

***Change in Investment Status*** is used when an investment has a change in status (e.g., downgraded to non-major investment, eliminated, retired, consolidated, split) for the current budget submission relative to the previous budget cycle. The change of status should be indicated with one of the following reasons:

1. Upgrade
2. Downgrade
3. Split
4. Consolidation
5. Reorganization
6. Eliminated by funding
7. Eliminated by split
8. Eliminated by consolidation
9. Eliminated by reorganization
10. New
11. No Change in Status

**Cloud Computing Alternatives Evaluation** specifies whether, as of the date of the submission, a cloud alternative was evaluated for the investment or components/systems within the investment, per the Cloud First policy. All investments should answer this question regardless of the overall lifecycle stage of the investment, as operational investments may consider performing such an evaluation during or as a result of an operational analysis. The evaluation should indicate one of the following answers:

1. The agency evaluated a cloud alternative and chose a cloud alternative for some or all of the investment.
2. The agency evaluated a cloud alternative but did not choose a cloud alternative for any of the investment.
3. The agency did not evaluate a cloud alternative but plans to evaluate a cloud alternative by the end of the BY.
4. The agency did not evaluate a cloud alternative and does not plan to evaluate a cloud alternative by the end of the BY.

**Cloud Computing Spending** refers to implementation and operational costs directly attributable to the cloud computing systems “within” the investment for the specified year.

**Cross-Boundary Information Sharing** is an activity that crosses a bureau or agency boundary, including information sharing with international, state, local, tribal, industry, or non-governmental organization partners. If the investment supports reusable, standardized information exchanges, agencies must indicate which of the following were used:

1. NIEM
2. UCORE
3. XBRL
4. Other
5. None

**Current UII** includes an agency code and a nine-digit unique identifier. Variable information formerly included in the UPI of previous years is not part of the UII primary key. Details are provided in Section 53.4.

**Development/Modernization/Enhancement Expenditures** are the costs for projects leading to new IT assets and projects that change or modify existing IT assets to: improve capability or performance, implement legislative or regulatory requirements, or meet agency leadership requests. These expenditures correspond to capitalized costs, and expenses may include: hardware; software; Federal and contracted labor for system planning, development, acquisition, and integration; and direct overhead and project management. If non-repairable or non-working IT hardware or software is replaced to continue the operation of an asset, and as a result improves the capability or performance of an asset, the expense should be categorized as operations.

**FEA BRM Services** include three-digit codes that indicate the service area served by the investment. The first three-digit code indicates the primary service area (the three-digit BRM service code) and the second through fifth three-digit codes indicate the secondary services associated with the investment. Guidance on providing appropriate FEA BRM Services mapping codes can be found at [FEA Reference Model document library](#).

**Functional/Business Sponsor** is the name of the agency official who is responsible for the program or function supported or implemented by the investment {[44 U.S.C. 3501 \(a\) \(4\)](#)}. The sponsor is responsible for expressing the value of, ensuring successful implementation of, and providing accurate and timely data for the IT investment to the agency CIO and OMB. The designated person may (or may not) be the same as the “Business Process owner/Subject Matter Expert” listed for a major investment on the Exhibit 300A under Integrated Program Team. Each major and non-major investment listed in Exhibit 53 must include the name of the functional/business sponsor as well as the individual’s title, phone number, and e-mail address.

**Funding Source** means for each investment, the agency must identify the funding source and budgetary resources, including the MAX funding codes used for the investment. An agency should add as many funding source line items as are appropriate for the investment. To avoid double counting or under counting, the totals of the funding amounts for an investment must match the main investment line item, represented with the investment category of "00," "24," or "48." See definition in section 4.

**Government FTE Number and Percentage** means the number of government FTE included in the BY funding and the percentage of the total BY cost represented by the number of government FTE. This applies to all investments, both major and non-major. If an FTE’s costs are included in the investment costs for BY, the FTE or portion of the FTE should be reported, regardless of the FTE’s role in the investment (technical, managerial, functional, etc.).

**Homeland Security Priority Identifier** means an IT investment supporting the homeland security mission areas of 1) Intelligence and warning, 2) Border and transportation security, 3) Defense against catastrophic threats, 4) Protection of critical infrastructure and key assets, 5) Emergency preparedness and response, 6) Other, 0) None. If the investment supports one or more of these mission areas, indicate which one(s) by listing the corresponding number(s) listed above.

**Homeland Security Presidential Directive-12 (HSPD-12) Costs** refer to all costs to implement or provide logical access to the systems within the investment for the PY, per [HSPD-12](#). HPSD-12 costs should be provided for all relevant investments, both major and non-major.

**Investment Description** means a short public-facing description (limited to 255 characters) for each investment (major, migration, partner contribution, and non-major). This description should explain the purpose of the investment and what program(s) it supports, including the value to the public. The description should be understandable to someone who is not an expert of the agency. If the investment is part of a multi-agency initiative or another business case, the agency should describe where that business case is located in the appropriate agency Budget submission (e.g., managing partner UII). For example, if the investment represents your agency's participation in one of the Presidential initiatives, the description should state this information and refer to the UII of the managing partner's business case.

**Investment Title** means a definitive title explaining the investment. For "funding source" information, provide the 10-digit OMB MAX account code ([OMB Circular A-11, Section 79.2](#)). To the extent that they are not part of the name used by the agency, other identifiers such as bureaus or other numeric codes should not be included as part of an Investment Title.

**Operations & Maintenance (Steady State) Costs** describes the expenses associated with an IT asset that is in the O&M life cycle phase. Operations expenses include maintenance projects and operation costs needed to sustain the IT asset at the current capability and performance levels, including: Federal and contracted labor costs, corrective hardware and software maintenance, voice and data communications maintenance and service, replacement of broken or obsolete IT equipment, and overhead costs.

**Previous UII** means the identifier depicting agency code and unique investment number used to report the investment in the previous BY Exhibit 53 submission to OMB. Indicating the UII used for a previous

submission allows cross-walk and historical analysis crossing FYs for tracking purposes. Previous UII is mandatory, with the exception of new investments. To indicate consolidations/splits/reorganizations, agencies can provide more than one entry and separate UIIs with commas.

***Supports Information Sharing, Access, and Safeguarding*** refers to an IT investment that supports the information sharing, access, and safeguarding mission areas of: 1) The national network of state and major urban area fusion centers; 2) Assured interoperability across Controlled Unclassified Information /Sensitive but Unclassified networks targeting Federal, state, local, and tribal law enforcement, public safety, homeland security, and intelligence personnel; 3) Assured interoperability across classified SECRET networks; 4) Nationwide suspicious activity reporting initiative; 5) Alerts, Warnings and Notifications; and 6) Case and event deconfliction; or 0) None. If the investment supports one or more of these mission areas, indicate which one(s) by listing the corresponding number(s) listed above.

(b) ***Part 1. IT Investments for Mission Delivery Areas and Management Support Areas<sup>1</sup>***

Report all IT investments directly supporting an agency-designated mission delivery area or management support area (“Mission delivery area” means programs or activities that execute the agency mission as outlined in the agency strategic plan. “Management support area” means activities such as human resource management, financial management, and command and control.). The investments support these mission deliveries should be consistent with your agency’s strategic and annual performance plan. Include capital costs (planning, development, modernization, and enhancement) and O&M expenses for each IT investment.

Agencies must include an area titled “Financial Management,” and it must be reported as the first area. Report all IT investments for major financial management systems in this area.

(c) ***Part 2. IT Investments for Infrastructure, IT Security, Office Automation, and Telecommunications***

Report all IT investments supporting planning, development, modernization, enhancement, operation, and maintenance of common user systems such as IT infrastructure and IT security. Each agency may submit multiple Exhibits 300 encompassing office automation, infrastructure, security, and telecommunications for the agency. These investments may be defined at the bureau level and/or by functional components of the infrastructure. These IT infrastructure investments may support multiple mission areas and should include end-user services and support, mainframes and servers services and support, and telecommunications services and support. IT infrastructure includes direct costs—those that produce tangible IT products or services for business users—and indirect costs—those that do not lead to a tangible product or direct support of business users—such as IT program management costs and overhead expenses.

Agencies are encouraged to report these investments as they are managed. If IT infrastructure is managed at both the agency and bureau levels, agencies should report both agency and bureau-level infrastructure investments.

(d) ***Part 3. IT Investments for EA, Capital Planning, and CIO Functions***

Report all IT investments supporting the strategic management of IT operations (e.g., business process redesign efforts that are not part of an individual investment, EA development, capital planning and investment control processes, procurement management, IT policy development and implementation). IT investments in this part of Exhibit 53A should include costs for CIO functions.

(e) ***Part 4. IT Investments for Grants Management Systems***

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<sup>1</sup> For the purpose of Exhibit 53, IT Investments for EA, Capital Planning, and CIO Functions remain in Part 3 and IT Investments for Grants Management Systems remain in Part 4.

Report all IT investments supporting information regarding the planning, development, modernization, enhancement, and operation of grants management systems.

(f) ***Part 5. National Security Systems Investments***

Report all IT investments that represent planning, development, modernization, enhancement, and operation of national security systems. Only the Department of Defense should report investments in Part 5.

(g) ***Part 6. Grants to State and Local IT Investments***

Report amounts for grants to state and local agencies that fund the planning, development, modernization, enhancement, and operation of state and local IT systems. Agencies should only use Part 6 to report "Grants to State and Local" and not the systems that support these grant activities. Before using Part 6 for anything other than these types of investments, check with your agency's OMB E-Gov analyst.

***Agency Security Portfolio (Exhibit 53B)***

The Agency Security Portfolio is to be completed at the agency level, not at the individual investment level. Exhibit 53B uses the following data elements (as they appear in Exhibit 53B). Note that eight data elements that were previously provided separately (see the BY2012 Exhibit 53B guidance) are to be reported in the aggregate of "Total IT Security Tools Costs."

- ***Total IT Security Tools Costs (Anti-Virus)***—a program that monitors desktops/laptops to identify all major types of viruses and prevent or contain virus incidents.
- ***Total IT Security Tools Costs (Anti-Malware)***—a program that monitors a computer or network to identify all major types of malware and prevent or contain malware incidents.
- ***Total IT Security Tools Costs (Data Leakage Protection Tools)***—systems designed to detect and prevent the unauthorized use and transmission of confidential information including encryption for PII.
- ***Total IT Security Tools Costs (E-mail Filtering Software)***—software that organizes e-mail according to defined criteria, most commonly used for detecting and eliminating spam and malware.
- ***Total Security Tools Costs (Intrusion Detection System [IDS])***—software that looks for suspicious activity on networks and alerts administrators.
- ***Total IT Security Tools Costs (Intrusion Prevention System [IPS])***—systems that can detect an intrusive activity on networks and attempt to stop the activity, ideally before it reaches its targets.
- ***Total IT Security Tools Costs (Security Information Management [SIM]/Security Information and Event Management [SIEM])***—software/systems that collect security data (e.g., event logs) into a central repository for trend analysis.
- ***Total IT Security Tools Costs (Web filtering software—also known as Content-Control software or Censorware)***—software designed and optimized for controlling what content is permitted to a reader, especially when it is used to restrict material delivered over the web. Content-control software determines what content will be available.

***Agency Cloud Computing Portfolio (Exhibit 53C)***

The Agency Cloud Computing Portfolio is to be completed at the agency level, not at the individual investment level. Exhibit 53C is comprised of two tables to report the following data elements for each year (PY, CY, BY). Note that the sum of each year should match across the two tables and this sum should match the sum of columns 41 to 43 of Exhibit 53A. For definitions of terms used in Exhibit 53C, see [NIST Special Publication 800-146](#). Only costs directly attributable to cloud computing implementations, operations or services should be reported, which may only be a portion of the total cost of contributing/associated investments.

**(a) *Agency costs for cloud computing by deployment model, by year (PY, CY, BY)***

- ***Public Cloud*** portion of all agency cloud computing spending
- ***Private Cloud*** portion of all agency cloud computing spending
- ***Community Cloud*** portion of all agency cloud computing spending
- ***Hybrid Cloud*** portion of all agency cloud computing spending

**(b) *Agency costs for cloud computing by service model, by year (PY, CY, BY)***

- ***Software as a Service (SaaS)*** portion of all agency cloud computing spending
- ***Platform as a Service (PaaS)*** portion of all agency cloud computing spending
- ***Infrastructure as a Service (IaaS)*** portion of all agency cloud computing spending

**53.4 How is Exhibit 53A coded?**

Use the following UII 12-digit line number coding, and additional six 2-digit variable information fields, to categorize investments and line structure for your Exhibit 53A. Each investment identified in the agency's portfolio must have a unique UII.

<b>Entry</b>	<b>Description</b>
<b>Unique Investment Identifier Primary Key</b>	
<b>XXX-</b> XXXXXX	The first three digits represent your agency code (see <a href="#">Appendix C of OMB Circular A-11</a> ).
<b>xx-</b> <b>XXXXXXXXXX</b>	The last nine digits serve as your unique identifier. This identifier should be system generated and applied at the agency level. It will allow agencies up to one billion unique identifiers to associate with IT investments. Once used, the unique identifier must be retired. If an IT investment is retired, discontinued, or merged with another IT investment, the unique identifier persists with that IT investment.  <i>Note:</i> “99999XXXX” codes are reserved for approved multi-agency investments, including E-Gov and LoB initiatives

**Variable Information:** The following attributes extracted from the FY 2012 Budget cycle and prior years' UPI should continue to be supplied.

<b>XX-xx-</b>	00 = Code for all investments other than those coded “24” or “48”
<b>XX-XX-</b>	24 = E-Gov initiatives or an individual agency's participation in one of the E-Gov initiatives
<b>XX-XX</b>	48 = Any multi-agency collaboration or an individual agency's participation in one of the multi-agency initiatives, excluding E-Gov initiatives
<b>xx-XX-</b>	The next two digits indicate your bureau code (see <a href="#">Appendix C of OMB Circular A-11</a> ). If this is a department level or an agency-wide activity, use 00 as your bureau code.
<b>xx-xx</b>	
<b>xx-xx-</b>	These two digits indicate the six parts of Exhibit 53:
<b>XX-xx-</b>	01 = Part 1. IT Investments for Mission Delivery and Management Support Area
<b>XX -XX</b>	02 = Part 2. IT Investments for Infrastructure, IT Security, Office Automation, and Telecommunications
	03 = Part 3. IT Investments for EA, Capital Planning, and CIO Functions
	04 = Part 4. IT Investments for Grants Management Systems
	05 = Part 5. National Security Systems IT Investments (Department of Defense Only)
	06 = Part 6. Grants to State and Local IT Investments
<b>xx-xx-</b>	These two digits indicate the mission delivery and management support areas. Agencies should assign a unique code for each mission delivery and management support area reported.
<b>xx-XX-</b>	
<b>xx-xx-</b>	These two digits indicate your agency's type of investment. Select one of the following two digit codes according to the type of investment you are reporting:
<b>XX-xx</b>	01 = Major IT investments (see definition in <a href="#">Section 4</a> )
	02 = Non-major IT investments (see definition in <a href="#">Section 4</a> )
	03 = IT migration investment portion of a larger asset and for which there is an existing business case for the overall asset. The description of the IT investment should indicate the UII of the major asset investment of the managing partner.
	04 = Investments where the business case for the major IT investment is reported in another agency's Exhibit 53. The description of the IT investment should indicate the UII of the major asset investment of the managing partner.
<b>xx-xx-</b>	These two digits identify the nature of the “line item” in the Exhibit 53 structure. The digits represent the line number in both the XML format used for agencies on the IT Dashboard and the line number in an equivalent spreadsheet file (CSV or XLS file), for agencies not on the IT Dashboard:
	00 = Total investment title line, structurally the first line for reporting this particular investment
	04 = Funding source or appropriation
	[09 = Any subtotal – This value is only used only for agencies not on the IT Dashboard]

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## GUIDANCE ON EXHIBIT 53—INFORMATION TECHNOLOGY PORTFOLIO

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Use the following 10-digit number coding system to update or complete your OMB MAX account ID code information:

<b>Entry</b>	<b>Description</b>
<b>XXX-xx-xxxx-x</b>	The first three digits are your agency code (see <a href="#">Appendix C of OMB Circular A-11</a> ).
<b>xxx-XX-xxxx-x</b>	The next two digits are your bureau code (see <a href="#">Appendix C of OMB Circular A-11</a> ).
<b>xxx-xx-XXXX-x</b>	This is a four-digit account symbol for the appropriate MAX account (see <a href="#">Section 79.2 of OMB Circular A-11</a> ).
<b>xxx-xx-xxxx-X</b>	This is a single digit Transmittal Code (see <a href="#">Section 79.2 of OMB Circular A-11</a> ). <i>For the purposes of Exhibit 53A only, funding sources should continue to utilize the “-9” transmittal code to flag funding from the American Recovery and Reinvestment Act of 2009 (ARRA).</i>

Use the following set of 3-digit numbers to identify each investment's primary service area and, if desired, up to four secondary service areas:

<b>Entry</b>	<b>Description</b>
<b>XXX</b> (primary services)	The first three digits identify the investment's primary service area from the <a href="#">FEA BRM version 3.0</a> .
<b>XXX</b> (secondary services)	The second, third, fourth, and fifth set of three digits identify the investment's secondary service area(s) from the <a href="#">FEA BRM version 3.0</a> . Agencies should select from the following three-digit codes to map investments to primary and secondary service areas.

### **53.5 What are the steps to complete Exhibit 53?**

Exhibit 53 is separated into four sub-exhibits. The following table provides step-by-step instructions to complete each part. See Section 4 and 53.3 for definitions.

#### **AGENCY IT INVESTMENT PORTFOLIO**

<b>Entry</b>	<b>Description</b>
Part 1. IT Investments for Mission Delivery Area and Management Support Area	Report IT investments that directly support an agency-designated mission delivery and management support area as well as the mission delivery and management support area it supports. This information should map directly to your agency's strategic and annual performance plan. For IT investments that cover more than one agency, report in the mission area with oversight of the IT investment. Mission delivery and management support area 01 is reserved for IT investments for major financial management systems.

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## GUIDANCE ON EXHIBIT 53—INFORMATION TECHNOLOGY PORTFOLIO

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Part 2. IT Investments for Infrastructure, IT Security, Office Automation, and Telecommunications	IT investments for infrastructure, IT security, office automation, and telecommunications are reported in Part 2 of Exhibit 53A. Report all IT investments supporting common user systems, security, communications, and computing infrastructure. Each agency may have multiple Exhibit 300s encompassing office automation, infrastructure, IT security, and telecommunications for the agency. It is encouraged that these investments be reported at the point of management and thus may be defined at the bureau level and/or by functional components of the infrastructure. These may involve multiple mission areas and include end-user systems and support, mainframes and servers services and support, and telecommunications services and support. All IT investments capturing these shared services are to be included in Part 2.
Part 3. IT Investments for EA, Capital Planning, and CIO Functions	List all EA, IT capital planning, and CIO function investments. For the President's Budget, EA, IT capital planning, and CIO function investments are not categorized as major investments and an Exhibit 300 is not required for them. Any capital planning and investment control process investments may be reported separately in this section. However, agencies should ensure that investments identified in variable information coding as belonging in Part 3 of Exhibit 53A have the correct primary FEA mapping in order to clearly distinguish the EA investments from other planning investments.
Part 4. IT Investments for Grants Management Systems	Report IT investments that support grants management operations. See classification instructions in Section 53.3a under Grants Management.
Part 5. National Security Systems IT Investments	Report IT investments related to national security systems (Department of Defense only).
Part 6. Grants to State and Local IT Investments	Report total amounts for IT investments for grants to state and local governments.

**AGENCY IT INVESTMENT PORTFOLIO (COLUMNS)**

The following columns are required for the President's Budget Exhibit 53A, Agency IT Investment Portfolio:

- Column 1: Previous UII (12 digits required for all legacy investments)
- Column 2: Current UII (12-digit primary key for all investments)
- Column 3: Investment Category (2-digit code)
- Column 4: Bureau Code (2-digit code) (variable element)
- Column 5: Part of Exhibit 53 (2-digit code) (variable element)
- Column 6: Mission Delivery and Management Support Area (2-digit code) (variable element)
- Column 7: Type of Investment (2-digit code) (variable element)
- Column 8: Line Item Descriptor (2-digit code) (variable element)
- Column 9: Change in Investment Status Identifier (2-digit code)
- Column 10: Agency Description of Change in Investment Status (limited to 255 characters)
- Column 11: Investment Title
- Column 12: Investment Description (limited to 255 characters)
- Column 13: FEA BRM Services – Primary service area (3-digit code)
- Column 14: FEA BRM Services – Secondary service area #1 (3-digit code)
- Column 15: FEA BRM Services – Secondary service area #2 (3-digit code)
- Column 16: FEA BRM Services – Secondary service area #3 (3-digit code)
- Column 17: FEA BRM Services – Secondary service area #4 (3-digit code)
- Column 18: Homeland Security Priority Identifier (select all that apply)
- Column 19: HSPD-12 Cost (PY/2012) (\$M)
- Column 20: Cross-Boundary Information Identifier (1-digit code)
- Column 21: Supports Information Sharing, Access, and Safeguarding (select all that apply)
- Column 22: DME [Planning, Development/Capital Spending] (PY/2012) Agency Funding (\$M)
- Column 23: DME [Planning, Development/Capital Spending] (PY/2012) Contributions (\$M)
- Column 24: DME [Planning, Development/Capital Spending] (CY/2013) Agency Funding (\$M)
- Column 25: DME [Planning, Development/Capital Spending] (CY/2013) Contributions (\$M)
- Column 26: DME [Planning, Development/Capital Spending] (BY/2014) Agency Funding (\$M)
- Column 27: DME [Planning, Development/Capital Spending] (BY/2014) Contributions (\$M)
- Column 28: O&M Spending [non-DME] (PY/2012) Agency Funding (\$M)
- Column 29: O&M Spending [non-DME] (PY/2012) Contributions (\$M)
- Column 30: O&M Spending [non-DME] (CY/2013) Agency Funding (\$M)
- Column 31: O&M Spending [non-DME] (CY/2013) Contributions (\$M)
- Column 32: O&M Spending [non-DME] (BY/2014) Agency Funding (\$M)
- Column 33: O&M Spending [non-DME] (BY/2014) Contributions (\$M)
- Column 34: Number of Government FTEs (BY/2014)
- Column 35: Percentage of Investment Cost for Government FTE (BY/2014)
- Column 36: Functional/Business Sponsor Name
- Column 37: Functional/Business Sponsor Title
- Column 38: Functional/Business Sponsor Phone Number
- Column 39: Functional/Business Sponsor E-mail
- Column 40: Cloud Computing Alternatives Evaluation
- Column 41: Cloud Computing Spending (PY)
- Column 42: Cloud Computing Spending (CY)
- Column 43: Cloud Computing Spending (BY)

## AGENCY IT SECURITY PORTFOLIO (Exhibit 53B)

Row	Description
1	Agency code
	List the three-digit agency identifier (see <a href="#">Appendix C of OMB Circular A-11</a> ).
2	Number of government FTEs with information security responsibilities
	Report the number of government employees with information security responsibilities, including the fractional portion of those who devote a percentage of their time to these responsibilities. This number should include but should not be limited to: designated security officers, network security staff, system administrators, and system owners. The number should not include individuals responsible for physical security, such as guards. The number should be rounded to two decimal places.
3	Average cost per government FTE with information security responsibilities
	Using the salary information of the government employees counted in “Number of government FTEs with information security responsibilities,” calculate an average fully loaded cost per government FTE. The average cost should be represented in dollars and rounded to two decimal places.
4	Number of contractor FTEs with information security responsibilities
	Report the number of contractor staff with information security responsibilities, including the fractional portion of those who devote a percentage of their time to these responsibilities. The number should be rounded to two decimal places.
5	Average cost per contractor FTE for information security responsibilities
	Using the billing rate of the contract staff counted in “Number of contractor FTEs with information security responsibilities,” calculate an average yearly cost per contractor FTE. The average cost should be represented in dollars and rounded to two decimal places.
6	Total IT security tools cost
	This is the sum of the following eight data elements, which were formerly provided separately in Exhibit 53B for the FY 2012 Budget cycle. Costs should be reported in thousands and reported to the dollar.
	<ol style="list-style-type: none"> <li>1. <b>Anti-Virus Software Licensing Costs</b> – The licensing costs incurred or expected to be incurred for the respective BY. If an agency does not purchase anti-virus software separately from anti-malware software, enter all costs on the line for anti-malware and leave this line blank.</li> <li>2. <b>Anti-Malware Software Licensing Costs</b> – The licensing costs incurred or expected to be incurred for the respective BY.</li> <li>3. <b>Intrusion Detection Systems Licensing Costs</b> – The licensing costs incurred or expected to be incurred for the respective BY. If you have an IDS which is part of an IPS, include all costs in IPS and do not list here. Include the amount paid for the Managed Trusted Internet Protocol Service via the Networx contract as well as any other operational IDSS.</li> <li>4. <b>Intrusion Prevention Systems Licensing Costs</b> – The licensing costs incurred or expected to be incurred for the respective BY.</li> <li>5. <b>Web Filtering Software Licensing Costs</b> – The licensing costs incurred or expected to be incurred for the respective BY. Costs should be reported in thousands and reported to the dollar.</li> </ol>

		<p>6. <b>E-mail Filtering Software</b> – The licensing costs incurred or expected to be incurred for the respective BY. If an agency does not purchase e-mail filtering software separate from web filtering software, include all costs in web filtering software and do not list here.</p> <p>7. <b>SIM/SIEM Tools</b> – Report the tool costs incurred or expected to be incurred for the respective BY.</p> <p>8. <b>Data Leakage Protection Tools</b> – Report the tool costs incurred or expected to be incurred for the respective BY.</p>
7	Costs for NIST 800-37 implementation	Report the costs incurred or expected to be incurred for the respective BY. Costs should be reported in thousands and reported to the dollar. Security authorization costs should only include contract costs.
8	Number of systems scheduled for activities represented in Row 7	Report the number of systems used to in cost calculations for “Costs for NIST 800-37 implementation.”
9	Costs for annual FISMA testing	Report the costs incurred or expected to be incurred for the respective BY. Costs should be reported in thousands and reported to the dollar. Include all costs, including licensing of tools, services, and FTEs.
10	Costs for network penetration testing activities	Report the costs incurred or expected to be incurred for the respective BY. Costs should be reported in thousands and reported to the dollar. Include all costs, including licensing of tools, services, and FTEs.
11	Security awareness training costs	Report the costs incurred or expected to be incurred for the respective BY. Costs should be reported in thousands and reported to the dollar. Include the costs of annual security awareness training required by the FISMA Act.
12	Security training costs for employees with significant security responsibilities	Report the costs incurred or expected to be incurred for the respective BY. Costs should be reported in thousands and reported to the dollar. Do not include costs associated with annual awareness training.
13	Number of government FTEs included in costs for row 7 and rows 9 through 12	Report the number of government employees with information security responsibilities, including the fractional portion of those who devote a percentage of their time to the responsibilities included in the costs reported in row 7 and rows 9 through 12. The associated government FTE costs (based on the average costs reported in row 3) will be subtracted from the total IT security cost to avoid any double-counting.
14	Number of contractor FTEs included in costs for row 7 and rows 9 through 12	Report the number of contractor staff with information security responsibilities, including the fractional portion of those who devote a percentage of their time to the responsibilities included in the costs reported in row 7 and rows 9 through 12. The associated contractor FTE costs (based on the average costs reported in row 5) will be subtracted from the total IT security cost to avoid any double-counting.

*Note:* Exhibit 53B should not include security costs typically embedded in IT investments, such as destruction of data (e.g., degaussing, shredding), physical or logical access control software, continuous monitoring software, tracking and reporting software, and annual disaster recovery and contingency plan tests.

**AGENCY CLOUD COMPUTING PORTFOLIO (Exhibit 53C)**

(a) *Agency costs for cloud computing by deployment model, by year (Dollars in millions)*

	PY	CY	BY
<b>Public Cloud</b>			
<b>Private Cloud</b>			
<b>Community Cloud</b>			
<b>Hybrid Cloud</b>			

(b) *Agency costs for cloud computing by service model, by year (Dollars in millions)*

	PY	CY	BY
<b>SaaS</b>			
<b>PaaS</b>			
<b>IaaS</b>			

*Note:* Exhibit 53C should describe agency funding for IT investments, not agency contributions. The sum of all cells in Table (a) should equal the sum of all cells in Table (b) and should equal the sum of columns 41 to 43 in Exhibit 53A.

## **AGENCY IT REDUCTIONS AND REINVESTMENTS (Exhibit 53D)**

When properly managed and applied, IT can create efficiencies, reduce costs, improve service delivery, and strengthen cybersecurity. But, too often spending on IT is still wasted on duplicative investments, missed opportunities to leverage economies of scale, rising operational costs that starve new development, and mismanaged projects that lead to cost overruns and schedule slippages.

To address this issue, [OMB Memorandum M-12-13](#) included guidance on IT reductions and reinvestments that agencies should reflect in their FY 2014 budget submission. In accordance with the memorandum, this section provides more specific guidance on how this information should be reflected in agency budgets, including additional detail on the nature of cuts and reinvestments and detailed reporting instructions.

Agencies should propose reductions in IT that represent 10% of their overall spending, and propose a reinvestment of at least 5%, and up to 10%, of these savings, in priority IT investments for OMB consideration. To do this, agencies are required to report the specific investments in which they propose cuts and the specific investments in which they propose to reinvest funds.

### **(a) What Agencies Will Provide**

As part of their FY 2014 budget submission, agencies are asked to complete the new Exhibit 53D (a downloadable template is available on [OMB MAX](#); final submission will be made via [OMB MAX](#)). This new exhibit will allow agencies to show how they achieved the 10% reduction called for in the memorandum, and where they propose to reinvest some of these savings. The template, [OMB MAX](#) data collection exercise, and detailed technical instructions are available [here](#).

Please use the following guidelines when providing specific data on the proposed cuts and reinvestments from FY 2013 to FY 2014:

- Agencies should provide the following for each cut and reinvestment:
  - Specific IT investments and OMB accounts impacted,
  - Related category of the cut or reinvestment (provided in MAX exercise) and explanation,
  - Priority level and a description of the return on investment (reinvestments only);
- Information supplied in Exhibit 53D should be consistent with information supplied in Exhibits 53A, B and C, and Exhibits 300A and B;
- Agencies should include, in their FY 2014 budget submissions to OMB, a summary of all the information provided in Exhibit 53D, and the general approach the agency took to achieve its reductions and reinvestments; and
- Reductions and reinvestments apply Department-wide and should not solely target investments from agency-level IT or administrative accounts.

### **(b) What Agencies Should Cut**

Regarding required reductions, [OMB M-12-13](#) states “*...include an explanation of how, at the investment and account level, you would achieve this reduction.*”

The 10% cuts should reduce agency spending in the following IT areas:

- Duplicative commodity IT investments or contracts (as emphasized in PortfolioStat and consistent with OMB Memoranda [M-11-29](#) and [M-12-10](#)) include:
  - IT infrastructure (e.g. data centers, networks, desktops, and/or mobile devices)
  - Enterprise IT systems (e.g. email, help desk, collaboration, identify and access management, security and web infrastructure)
  - Business systems (e.g. HR, FM, and other administrative functions);
- Underperforming projects/investments of any type (as emphasized in TechStats); or

- Lower-value or lower-priority investments of any type.

Exemptions from the 10% reduction target must be explicitly granted by OMB.

**(c) Where Agencies Should Reinvest**

Regarding reinvestments, [OMB M-12-13](#), states “*your budget submission may also propose where you would reinvest the savings from identified cuts in innovative IT solutions that would produce a favorable return on investment within 18 months or demonstrably improve citizen services or administrative efficiencies*”

Agencies should propose 10% cuts in IT and then propose a list of priority reinvestments to OMB up to the 10%. If the Agency does not propose to reinvest at least 5% of these savings into IT, the agency is required to provide a justification explaining as to why it is unable to propose these reinvestments. Agencies should only propose reinvestments which demonstrate a favorable return on investment (quantitative or qualitative) to the agency within 18 months from the enactment of FY 2014 appropriations (excluding CRs).

Proposed reinvestments should be in the following areas:

- Improvements to citizen services or administrative efficiencies;
- Adoption of shared services;
- Consolidation of commodity IT, including optimizing data centers;
- Improvements to the security posture of the agency’s IT and information assets;
- Improvements to the energy efficiency of IT facilities and equipment;
- Innovative investments consistent with policy initiatives such as cloud computing, modular development, reduction of improper payments, and digital government; or
- Data analytics or data management consistent with Administration priorities in Big Data.

**(d) How Much Agencies Should Cut Before Reinvesting**

Regarding the level of reductions, [OMB M-12-13](#), states “*...your 2014 budget submission should achieve an agency-wide 10% reduction in IT spending, compared to the average spending on IT from FY 2010 through 2012*”

The table below shows the effects of the FY 2014 Budget policy for IT spending. Note that while the cut is calculated as 10% of the average total IT spend from FY 2010-2012, the FY (before proposed reinvestments) target is reached by applying the cut to the revised FY 2013 President’s Budget level (as reported to the [IT Dashboard](#) by agencies in [May 2012](#)).

Agency	FY 2013 (President's Average (2010- 2012))	FY 2013 Budget as of May 2012)	FY 2014 10% Reduction (2010- 2012)	FY 2014 Target (before reinvestment)	FY 2014 Minimum (5%) reinvestment	FY 2014 Maximum (10%) reinvestment
USDA	\$2,524	\$2,611	\$252	\$2,359	\$126	\$252
Commerce	\$2,589	\$2,396	\$259	\$2,137	\$129	\$259
DOD	\$35,086	\$32,669	\$3,509	\$29,161	\$1,754	\$3,509
ED	\$613	\$552	\$61	\$491	\$31	\$61
Energy	\$2,053	\$2,016	\$205	\$1,811	\$103	\$205
HHS	\$6,617	\$7,102	\$662	\$6,440	\$331	\$662
DHS	\$5,868	\$5,629	\$587	\$5,042	\$293	\$587

**GUIDANCE ON EXHIBIT 53—INFORMATION TECHNOLOGY PORTFOLIO**

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HUD	\$385	\$354	\$38	\$316	\$19	\$38
Interior	\$988	\$965	\$99	\$866	\$49	\$99
Justice	\$2,850	\$2,655	\$285	\$2,370	\$142	\$285
Labor	\$591	\$606	\$59	\$547	\$30	\$59
State	\$1,420	\$1,369	\$142	\$1,227	\$71	\$142
USAID	\$133	\$140	\$13	\$127	\$7	\$13
DOT	\$2,990	\$3,092	\$299	\$2,793	\$149	\$299
Treasury	\$3,271	\$3,495	\$327	\$3,168	\$164	\$327
VA	\$3,163	\$3,327	\$316	\$3,011	\$158	\$316
USACE	\$544	\$566	\$54	\$512	\$31	\$54
EPA	\$461	\$465	\$46	\$419	\$23	\$46
GSA	\$622	\$631	\$62	\$569	\$31	\$62
NASA	\$1,740	\$1,462	\$174	\$1,288	\$87	\$174
NARA	\$137	\$100	\$14	\$86	\$7	\$14
NSF	\$97	\$97	\$10	\$88	\$5	\$10
NRC	\$160	\$151	\$16	\$135	\$8	\$16
OPM	\$78	\$73	\$8	\$65	\$4	\$8
SBA	\$113	\$112	\$11	\$100	\$6	\$11
SI	\$65	\$68	\$6	\$61	\$3	\$6
SSA	\$1,548	\$1,380	\$155	\$1,226	\$77	\$155
	<hr/> \$76,706	<hr/> \$74,083	<hr/> \$7,669	<hr/> \$66,415	<hr/> \$3,838	<hr/> \$7,669

**GUIDANCE ON EXHIBIT 300—PLANNING, BUDGETING, ACQUISITION, AND MANAGEMENT OF INFORMATION TECHNOLOGY CAPITAL ASSETS**

**300.1 What is the purpose of this guidance?**

OMB provides specific policy, procedural, and analytic guidelines for planning, budgeting, acquisition, and management of major IT capital investments in addition to general guidance issued in OMB Circular A-11 and [OMB Circular A-130](#).

Exhibit 300 describes the justification, planning, and implementation of an individual capital asset included in the agency IT investment portfolio (as reported in Exhibit 53) and serves as a key artifact of the agency's EA and IT CPIC processes. Exhibit 300 is comprised of two components—Exhibit 300A provides inherent investment information, including general information and planning for resources such as staffing and personnel. Exhibit 300B provides more temporal information, such as projects and activities, risks, and operational performance of the investment.

Together, Exhibits 53 and 300 provide the budgetary and management information necessary for sound planning, management, and governance of IT investments. These documents help agencies explicitly align IT investments with strategic and performance goals, and ultimately provide value to the public by making investment and management information more transparent. As architecture-driven IT investments are funded in the "Invest" phase, they move forward into the implementation phase where system development life cycle processes are followed and actual outputs, schedule, and operational performance expenditures are tracked versus planned numbers using performance-based management processes.

**300.2 Does Exhibit 300 apply to my agency or IT investment?**

The policy and budget justification principles in Exhibit 300 apply to all agencies of the Executive Branch of the Federal Government that are subject to Executive Branch review (see [Section 25 of OMB Circular A-11](#)). In accordance with section 5, Exhibits 300A and B must be submitted for each major IT investment. Major IT investments must be reported on the agency's Exhibit 53A, along with all non-major investments.

**300.3 How will agencies manage IT capital assets/investments?**

The Capital Programming Guide of OMB Circular A-11 provides guidance on the principles and techniques for effective capital programming. [OMB Circular A-11, Appendix J](#) explains the principles of financing capital asset acquisitions. Section 8b of [OMB Circular A-130](#) establishes additional requirements for EAs, planning and control of information systems and IT investments, and performance management. Agencies must develop and implement a capital programming process to develop their capital asset portfolio and must:

- Evaluate and select capital assets that will support core mission functions performed by the Federal Government and which demonstrate projected returns on investment that are clearly equal to or better than alternative uses of available public resources. Specifically for IT, the investments should be informed by and should address performance gaps and goals identified in an agency's strategic plan, annual performance plan, and EA;
- Initiate improvements to existing assets or acquisitions of new assets only when no alternative private sector or governmental source can more efficiently meet the need;
- Implement IT reforms from the [25 Point Implementation Plan to Reform Federal Information Technology Management](#), such as adhering to [modular development principles](#) and the requirement to establish an IPT prior to funding an IT investment;
- Simplify or otherwise redesign work processes to reduce costs, improve effectiveness, and maximize the use of commercial services and off-the-shelf technology;
- Assign a functional/business sponsor for each investment who is responsible for the program or function supported or implemented by the investment. The sponsor is responsible for expressing the

- value of, ensuring successful implementation of, and providing accurate and timely data for the IT investment to the agency CIO and OMB. Each major and non-major investment listed in Exhibit 53 must include the name of the functional/business sponsor, title, phone number, and e-mail address;
- Reduce project risk by avoiding or isolating custom-designed components, using components that can be fully tested or prototyped prior to full implementation or production, and ensuring involvement and support of users in the design and testing of the asset;
  - Structure major planning and acquisition into useful segments with a narrow scope and brief duration. These segments should make adequate use of competition and appropriately allocate risk between the Federal Government and contractor. The agency head must approve or define the cost, schedule, and performance goals for major acquisitions, and the agency's Chief Financial Officer must evaluate the proposed cost goals;
  - Ensure a continuous linkage between Federal, agency, and bureau EAs, demonstrating such consistency through alignment with the agency's Enterprise Roadmap and target architecture, compliance with agency business requirements and standards, as well as identification of milestones, as defined in the agency's EA transition strategy;
  - Institute performance measures and management processes to monitor and compare actual performance to planned results. Agencies must use a performance-based acquisition management system or EVMS, based on the ANSI/EIA Standard 748-B, to obtain timely information regarding the progress of capital investments, as defined in the [Federal Acquisition Regulations \(FAR\)](#). The system must also measure progress towards useful components in an independently verifiable basis in terms of cost, capability of the investment to meet specified requirements, timeliness, and quality;
  - Per requirements of [Federal Acquisition Streamlining Act of 1994 \(FASA, Title V\)](#), agencies are expected to achieve, on average, 90 percent of the cost, schedule, and performance goals for major acquisitions. Through the TechStat process and as part of the [Clinger-Cohen Act](#) responsibly, Agency CIOs should review major acquisitions that have not achieved 90 percent of the goals to determine whether there is a continuing need and what corrective action, including termination, should be taken;
  - Ensure that the planning and management of agency assets that are IT systems conform to the requirements of [OMB Circular A-130](#), "Management of Federal Information Resources";
  - Ensure that agency assets that are financial management systems conform to the requirements of [OMB Circular A-127](#);
  - Conduct post-implementation or post-occupancy reviews of capital programming and acquisition processes and projects to validate estimated costs and benefits and to document effective management practices (e.g., lessons learned) for broader use;
  - Establish oversight mechanisms that require periodic review of operational capital assets to determine how mission requirements might have changed and whether the asset continues to fulfill ongoing and anticipated mission requirements, deliver intended benefits to the agency and customers, and meet user requirements;
  - Provide Chief Information Officer (CIO) evaluations for all major investments on the IT Dashboard which reflect the CIO's best judgment of the current level of risk for the investment in terms of its ability to accomplish its goals. The evaluation should be informed by the following factors, including, but not limited to: risk management, requirements management, contractor oversight, historical performance, human capital and other factors that the CIO deems important to forecasting future success. Each evaluation should include a narrative explanation when the rating has changed since the last evaluation; and
  - Develop, maintain, and submit the following investment documents and artifacts for all major IT investments, as applicable. Provide updated versions (including date of last update) as significant changes are made or as available throughout the investment's lifecycle:
    - Risk management plan;
    - Investment charter, including IPT;
    - Investment-level alternative analysis and benefit-cost analysis;
    - Operational analyses (for operational or mixed life cycle systems);
    - Post implementation review results (investment level or project-specific); and,
    - Documentation of investment re-baseline management approval(s).

### **300.4 What other requirements does Exhibit 300 fulfill?**

Exhibit 300A is designed to coordinate OMB's collection of agency information for its reports to Congress, as required by the [Federal Acquisition Streamlining Act of 1994 \(FASA, Title V\)](#) and [Clinger-Cohen Act of 1996](#). The business case (Exhibit 300A) for investment should demonstrate support for the mission statements, long-term goals and objectives, and annual performance plans developed pursuant to the GPRA-MA. Exhibit 300B establishes reporting requirements through the [IT Dashboard](#) to ensure the proper execution of those investments against the established performance plans.

### **300.5 What must I report on Exhibits 300A and B and when?**

All information necessary to complete Exhibit 300A and Exhibit 300B should already exist as part of the agency's overall capital planning activities and within project- and program-specific documentation. The materials used to populate Exhibit 300A and Exhibit 300B should be readily available to OMB upon request.

Agencies must submit Exhibit 300s using the following schedule:

- Agency Budget Request Exhibit 300A: September 10-14, 2012
- Agency Budget Request Exhibit 300B: September 14, 2012
- President's Budget Request Exhibit 300A & B: February 2013 (tentative)
  - Submit initial documents/artifacts at this time

Unless otherwise noted, IT exhibits and reporting must be submitted electronically to the [IT Dashboard](#).

Additional information regarding the submission process will be posted on the IT Dashboard, including business rules for the validation of data and a schema that describes how data should be transmitted. As always, pre-decisional and procurement sensitive information will not be displayed to the public.

Projects within investments are encouraged to use [modular development principles](#). All projects (regardless of whether they use modular development principles), must produce usable functionality at intervals of no more than six months.

Exhibit 300Bs shall establish cost, schedule and performance targets for CY 2013 and BY 2014. Regular updates for metrics and activities will be submitted to the [IT Dashboard](#) as soon as the data becomes available and at least once per each calendar month. How periodic performance metrics updates for ongoing operations will be, will vary according to the nature of the metric, as indicated in Table C1.

If an agency requests supplemental funds or reallocates funding within its authority, which includes changes to the agency's portfolio and the performance targets, agencies should submit a new or revised version of Exhibit 53A as part of their supplemental request.

#### ***Multi-Agency Collaboration and Intra-agency Shared Services Investments (must submit both Exhibit 300A and Exhibit 300B)***

The managing partners (lead agency that provides services or coordination services to other agencies) will take the lead in completing and submitting the multi-agency collaboration investment Exhibits 300, managing it through the managing partner's capital programming and budget process. The managing partners are also responsible for ensuring Exhibit 300 includes all necessary information from the partner agencies (customers who receive services from the managing partners) and have been approved by all necessary partner agencies through the appropriate governance process. The tracking of the multi-agency approvals, partner agency funding, and related capital assets (e.g., migration investments, Centers of Excellence, Shared Service Centers, supporting components) will be captured via an OMB MAX E-Gov Funding Tool. All initiative program managers or designated leads should have received details about this in an OMB e-mail distribution dated May 22, 2012.

## **GUIDANCE ON EXHIBIT 300—PLANNING, BUDGETING, ACQUISITION, AND MANAGEMENT OF IT CAPITAL ASSETS**

For IT assets, partner agencies should report their participation in Exhibit 53 submissions. Partner agencies should reference the name and UII of the multi-agency Exhibit 300 in the “Investment Description” field of each Exhibit 53 line item related to the multi-agency Exhibit 300. Partner agencies should also ensure their activities and participation are included in the appropriate sections of the multi-agency Exhibit 300. The entire Summary of Funding Total for the investment, including funds provided by partner agencies, should be included in Exhibit 300.

Investments that provide a service to other agencies but do not receive contributions from partner agencies should be reported as Multi-Agency Collaboration Investments.

Investments for multi-agency collaboration, shared services, and/or LoBs will be reflected in the managing partner's annual Enterprise Roadmap submission to OMB.

Managing partners that provide multi-agency services should ensure that funding is prioritized to accommodate building and obtaining approval of a shared architecture. Approval should be obtained through a working governance model that includes partner agencies, customers, and OMB.

OMB may require additional information from partner agencies related to the multi-agency collaboration investment Exhibit 300. When necessary, OMB will work with the managing partners to coordinate data requests.

### 300.6 How will OMB use Exhibit 300?

Exhibit 300 is one component of your agency's total budget justification (see [Section 51.2 of OMB Circular A-11](#)). OMB uses data reported in Exhibit 300 to make quantitative decisions about budgetary resources consistent with the Administration's program priorities as well as qualitative assessments about whether the agency's programming processes are consistent with OMB policies and guidance. OMB may request additional supporting information from agencies as necessary.

*Exhibit 300A: IT Capital Asset Overview and Justification*

**Section A: General Information**

- |   |                   |
|---|-------------------|
| 1. Investment Name:                                       | [Limit: 250 char] |
| 2. UII. Unique Investment Identifier (see Section 53.4) : | [Limit: 13 char]  |

**Section B: Investment Detail**

1. Briefly describe the investment's purpose, goals, and current or anticipated benefits (quantitative and/or qualitative). Include the investment's specific contribution to mission delivery or agency management support functions and identify key customers, stakeholders, and other beneficiaries.

[Limit: 2500 char]

2. Briefly describe how the investment contributes to the agency target EA and its role in the Enterprise Roadmap. Include a description of how the investment includes or will achieve programmatic or technical innovation.

[Limit: 2500 char]

3. Provide the investment's currently projected return on investment (ROI) percentage, as documented in the most recent alternatives analysis, and the date that it was established.

a. Current ROI: [percentage]

b. Date of Current ROI: [YYYY-MM-DD]

4. In the table below, indicate if the investment in whole or in part specifically addresses any of the following types of requirements:

Note: Where "Yes" is indicated, provide a brief description of the requirement and how the investment will meet the requirement. Include citations within descriptions, if available. Provide any URLs associated with each requirement. If citing the Agency Performance Plan, provide the applicable "PRM" code from Performance.gov.

	Required by [Yes/No]	Description [Limit: 1000 characters]	URL(s) / PRM code (s) [One or more]
Legislative Mandate			(URL required)
Outstanding Audit Finding or Material Weakness			(optional)
Published Agency Strategic Plan/Annual Performance Plan			[URL of Agency Strategic Plan] (optional) [PRM code for Annual Performance Plan] (required)
Presidential Direction (i.e. Presidential Directive, Presidential Memorandum, or Executive Order)			(URL required)
Other Requirement			(optional)
5. Provide a description of the investment's progress and accomplishments in the PY, including the investment's overall performance against baseline goals, targets, significant milestones, or performance measures, and any corrective actions taken to address performance deficiencies.	[Limit: 1000 char]		

6. Describe the investment's objectives for the CY, BY, and budget out years, if available, including specific accomplishments to achieve, realize, or continue to achieve the benefits cited in question B.1. above.

*[Limit: 2500 char]*

7. If this investment will result in the elimination or the reduction of another investment(s), please complete the following:

Investment UII (one or more)	To be Status
	<i>[to be eliminated/to be reduced]</i>

8. Does the investment include the following?

	Check all that Apply
A shared service (intra-or inter-agency—current and/or planned)	<i>[Yes/No]</i>
A data center (current and/or planned)	<i>[Yes/No]</i>
PIV-enabled systems (per HSPD-12) (all systems currently PIV-enabled) (see <a href="#">OMB memo M-11-11</a> )	<i>[Yes/No]</i>
Cloud computing (current and/or planned)	<i>[Yes/No]</i>
APIs (application programming interfaces) consistent with the <a href="#">Digital Government Strategy</a>	<i>[Yes/No]</i>

9. Provide any URLs related to the investment and indicate how they are related. Identify each URL's relationship to the investment (if applicable):

		<b>Relationship to Investment</b> (check all that apply)				
<b>URL</b> <i>(as many as necessary)</i>		A. Provides publicly accessible datasets produced by this investment	B. Provides a publicly accessible API to provide access to data from this investment	C. Links to social media about this investment.	D. Provides general information about this investment	E. Provides general information about the business process or program served by this investment but not the investment itself
http://...	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

10. Provide the date of the investment or IPT charter establishing the required IPT.

*[Date]*

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- 11.** Provide names and contact information for IPT members in the table below. If available, insert lines for other IPT members such as enterprise architects, capital planners, and performance specialists. The IT PM, business process owner/SME, and contracting specialist must be Federal Government employees. The business process owner or SME may or may not be the same person listed as the functional/business sponsor on the Exhibit 53-- the functional/business sponsor may be a higher-level agency official or executive.

<b>IPT Member Role</b>	Name (Required for all members listed)	Phone Number (Required for PM)	Extension	E-mail (Required for PM)
<b>IT PM</b>	<i>[Limit: 250 char]</i>	<i>[10 digits, 0-9 only]</i>	<i>[Optional: 6 digits, 0-9 only ]</i>	<i>[Limit: one e-mail only]</i>
<b>Business Process Owner or SME</b>		(optional)	(optional)	(optional)
<b>Contracting Specialist</b>		(optional)	(optional)	(optional)
<b>IT Specialist</b>		(optional)	(optional)	(optional)
<b>IT Security Specialist</b>		(optional)	(optional)	(optional)
(Optional: Insert other IPT members)		(optional)	(optional)	(optional)

### Section C: Life Cycle Costs

- Provide the cost summary for the investment by completing the following tables. All costs are to be provided in **millions of dollars**, and reporting three decimal places (precision to thousands of dollars) is recommended, although agencies may report up to six decimal places (whole dollars). Federal personnel costs should be included only in the rows designated as “... Govt. FTEs” costs and should be excluded from the other cost breakouts. For multi-agency investments, this table should include all funding (both managing and partner agency contributions).

For PY (FY2012) and earlier, provide final obligations (actuals) as they become available. For CY (FY2013) and BY (FY2014) provide estimated obligations for each year. For BY+1 and beyond, please provide the estimated obligations through the end of the investments useful life (may be different from the estimated budget authority requests). The sum of amounts for all years should reflect the estimated lifecycle cost of the investment. As described above, the Exhibit 53 should represent the budgetary resources for CY and BY.

For lines in the table that ask for changes in your current submission compared to your most recent previous submission, use the President’s Budget as your previous submission. When making comparisons, ensure that you compare same-year-to-same-year (e.g., 2012 versus 2012).

Significant changes from the previous submission should be reflected in an updated investment-level Alternatives Analysis and is subject to OMB request, as discussed in Exhibit 300.3.

	<b>PY-1 &amp; Prior</b>	<b>PY 2012</b>	<b>CY 2013</b>	<b>BY 2014</b>	<b>BY+1 2015</b>	<b>BY+2 2016</b>	<b>BY+3 2017</b>	<b>BY+4 &amp; Beyond</b>
<b>Planning Costs:</b>								
<b>DME (Excluding Planning) Costs:</b>								
<b>DME (Including Planning) Govt. FTEs:</b>								
<b>Sub-Total DME (Including Govt. FTE) :</b>								
<b>O&amp;M Costs:</b>								
<b>O&amp;M Govt. FTEs:</b>								
<b>Sub-Total O&amp;M Costs (Including Govt. FTE):</b>								
<b>Total Cost (Including Govt. FTE):</b>								
<b>Total Govt. FTE costs:</b>								
<b>Number of FTE rep by costs:</b>								
<b>Total change from PY final President’s Budget (\$)</b>								
<b>Total change from PY final President’s Budget (%)</b>								

Note: Do not enter information for the dark gray cells (these will be calculated).

2.a.	In which year did or will this investment begin? (specify year – e.g., PY-1 = 2011)?	
2.b.	In which year will this investment reach the end of its estimated useful life? (specify year – e.g., BY+5 = 2019)	
3.	If the funding levels have changed from the FY 2012 President’s Budget request for PY or CY, briefly explain those changes:	[Limit: 500 char]

## Section D: Acquisition/Contract Strategy

1. In the table below, provide all prime contracts (or task orders) for awarded or open solicitations for the investment (sub-award details are not required). Completed contracts and/or task orders should not be included in the table. Contracts in open solicitation should provide estimated data for all fields (for “Total Contract Value,” provide the estimated base contract costs and all anticipated option years). Data definitions can be found at [www.usaspending.gov/learn#a2](http://www.usaspending.gov/learn#a2).

For specifics, see notes 1 and 2 below the table.

Field	Data Description	Optional for Awarded Contracts	Contract/ Task Order
<b>Contract Status</b>	(1) Awarded, (2) Pre-award, but post-solicitation		
<b>Contracting Agency ID</b>	Provide the contracting agency’s ID. This is required only if the contracting agency is different than the agency submitting the Exhibit. Use the agency’s 4-digit code as used in FPDS.		
<b>Procurement Instrument Identifier (PIID)</b>	The unique identifier for each contract, agreement, or order. See <a href="http://www.usaspending.gov/learn#a2">www.usaspending.gov/learn#a2</a> for more information about PIIDs.		
<b>Modular Approaches/ Contracting</b>	Do acquisition planning, award, and management actions apply the principles and strategies described in “ <a href="#">Contracting Guidance to Support Modular Development</a> ”? [Yes/No]		
<b>Indefinite Delivery Vehicle (IDV) Reference ID</b>	Provide the IDV Reference ID. This is only required for IDVs. See <a href="http://www.usaspending.gov/learn#a2">www.usaspending.gov/learn#a2</a> for more information about IDV Reference IDs.	Y	
<b>IDV Agency ID</b>	Provide the IDV agency ID. This is a code for an agency, but it does not necessarily represent the agency that issued the contract. Instead, it serves as part of the unique identification for Federal Procurement Data System IDV records.	Y	
<b>Solicitation ID<sup>1</sup></b>	Provide the identifier used to link transactions to solicitation information. See <a href="http://www.usaspending.gov/learn#a2">www.usaspending.gov/learn#a2</a> for more information.	Y	
<b>EVM Required</b>	[Yes/No]		
<b>Ultimate Contract Value<sup>1</sup></b>	Enter the total value of the contract, including base and all options. Complete using dollars to two decimal places.	Y	
<b>Type of Contract/ Task Order (Pricing)<sup>1</sup></b>	Provide information about the type of contract the investment is (e.g., fixed price, cost, cost plus, incentive, IDV, time and materials). See <a href="#">FAR Part 16 for more classifications</a> .	Y	
<b>Is the contract a Performance-Based Service Acquisition (PBSA)?<sup>1</sup></b>	[Yes/No] Indicate whether the contract is a PBSA as defined by <a href="#">FAR Subpart 37.601</a> . A PBSA describes the requirements in terms of results rather than the methods of performance of the work.	Y	
<b>Effective date<sup>1</sup></b>	Provide the actual or expected start date of the contract/task order that the parties have agreed on for the contract’s requirements. [YYYY-MM-DD]	Y	
<b>Actual or expected End Date of Contract/ Task Order<sup>1</sup></b>	[YYYY-MM-DD]	Y	
<b>Extent Competed<sup>1</sup></b>	Choose one of the following options: (A) Full and open competition, (B) Not available for competition, (C) Not competed, (D) Full and open competition after exclusion of sources, (E) Follow on to competed action, (F) Competed under simplified acquisition procedures, (G) Not competed under simplified acquisition procedures, (CDO) Competitive Delivery Order, (NDO) Non-competitive Delivery Order	Y	

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<b>Contract Description</b>	A brief description of the goods or services bought (for an award) or that are available (for an IDV). <a href="http://www.usaspending.gov/learn?tab=FAQ#2">www.usaspending.gov/learn?tab=FAQ#2</a>	Y	
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<sup>1</sup> Assuming the PIID or IDV PIID match with [www.usaspending.gov](http://www.usaspending.gov), these data elements will be automatically populated for awarded IT acquisitions.

<sup>2</sup> Assuming the PIID, IDV PIID, or solicitation number match with [www.usaspending.gov](http://www.usaspending.gov) or FedBizOpps ([www.fbo.gov](http://www.fbo.gov)) this data will be automatically populated for awarded, pre-awarded, and post-solicitation IT acquisitions.

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:

*[Limit: 2500 char]*

***Exhibit 300B: Performance Plan and Measurement Report***

Exhibit 300B is used to provide OMB BY 2014 and current FY 2013 investment plans and performance data. Include in this exhibit, at a minimum, all projects, activities, and operations scheduled to commence or continue in the CY and/or BYs. Information in Exhibit 300B is to be updated as soon as new data becomes available, but at a minimum once per calendar month.

**UNDERSTANDING EXHIBIT 300B**

In Exhibit 300B, investments are described as:

- Investment
  - Projects
    - Activities
  - Operations

Report information about these areas in the following Exhibit 300B sections:

**A.1: General Information.** Enter basic information about the major investment.

**B.1: Projects.** Identify all of the investment's projects with activities occurring in the current FY.

**B.2: Activities.** Outline the activities that are performed to achieve the outcome of each project.

**B.3: Project Risk.** Identify significant risks to each project's success.

**C.1: Operational Performance Information.** Identify performance targets for evaluating operations.

**C.2: Operational Risk.** Identify all significant risks to the investment achieving operational performance targets.

**SECTION A: GENERAL INFORMATION**

1. Investment Name: Agency-provided name of investment, consistent with Exhibit 53.
2. Investment UII: Agency-provided UII, consistent with Exhibit 53.

**SECTION B: PROJECT PLAN AND EXECUTION DATA**

In Tables B.1 and B.2., report, at a minimum, all projects with any activities that started in a previous FY (PY and earlier) and that have not been completed by the beginning of the CY. Also, report projects and activities that are scheduled to start in the CY and BY, including planning, DME, and maintenance projects. Include projects and activities commencing beyond the BY, as available. Include the following data in Table B.1:

1. **Project ID:** An agency-specified number that uniquely identifies the project within the investment.
2. **Project Name:** Name used by the agency to refer specifically to the project.
3. **Objectives/Expected Outcomes:** Description of the project's functionality, capability, or goal.
4. **Project Start Date:** Actual start date of in-progress projects or planned start of projects that have not yet begun (may be before the current FY or activities listed in Table B.2).
5. **Project Completion Date:** Planned date of completion of in-progress projects or actual completion date of projects that have completed (may be after BY or of completion date of activities listed in activities Table B.2).
6. **Project Life cycle Cost:** Enter the total cost of all activities related to the project as described in OMB Circular A-131 (in \$ millions).
7. **PM Name:** Name of PM responsible for the success of the project.
8. **PM Level of Experience:** The years of applicable experience or the status of certification for the PM. Available selections include:
  - 1) FAC-P/PM(DAWIA-3) – Senior
  - 2) FAC-P/PM(DAWIA-2) – Mid-Level
  - 3) FAC-P/PM(DAWIA-1) – Entry Level

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- 4) Other certification with 4 or more years of PM experience (within the last five years)
- 5) Other certification with between 2 and 4 years of PM experience (within the last five years)
- 6) Other certification with less than two years of PM experience (within the last five years)
- 7) No certification, but with 4 or more years of PM experience (within the last five years)
- 8) No certification, but with between 2 and 4 years of PM experience (within the last five years)
- 9) No certification, but with less than two years of PM experience (within the last five years)

9. **PM Phone:** Phone number of the PM responsible for the success of the project.

10. **PM E-mail:** E-mail address of the PM responsible for the success of the project.

**Table B.1**

Project ID	Project Name	Objectives/Expected Outcomes	Project Start Date	Project Completion Date	Project Life cycle Cost	PM Name	PM Level of Experience	PM Phone	PM Extension	PM E-mail
								[10 digit]	[Optional]	[Limit: one e-mail only]

In Table B.2, describe, at a minimum, all activities for projects in Table B.1 that started in a previous FY (PY and earlier) and that have not been completed by the beginning of the CY, as well as activities that are scheduled to start in the current FY and BY. In line with [modular development principles](#), each project must produce usable functionality at intervals of no more than six months, as described in the [25 Point Implementation Plan to Reform Federal Information Technology Management](#). Include the following data in Table B.2:

1. **Project ID:** An agency-specified number that uniquely identifies the project within this investment.
2. **Activity Name:** A short description consistent with the critical steps within the agency project management methodology.
3. **Activity Description:** Describe what work is accomplished by the activity.
4. **Structure ID:** Agency-specified identifier that indicates the work breakdown structure (WBS) the agency uses to associate the activity with other activities or a project. Provide this in the format of “x.x.x.x.x” where the first string is the Project ID and each following string (separated by periods) matches the structure ID of a parent activity. See below for more guidance about parent and child activities expressed through this structure.
5. **Key Deliverable/Usable Functionality:** Indicate whether the completion of the activity provides a key deliverable or usable functionality. This should only be provided for activities that do not have a child activity. Use this field to demonstrate the investment’s alignment with the [modular development principles](#) of the [25 Point Implementation Plan to Reform Federal Information Technology Management](#).
6. **Start Date Planned:** The planned start date for the activity. This is the baseline value.
7. **Start Date Projected:** If the activity has not yet started, enter the current planned start date of the activity.
8. **Start Date Actual:** When the activity starts, enter the actual start date here.
9. **Completion Date Planned:** The planned completion date for the activity. This is the baseline value.
10. **Completion Date Projected:** If the activity has not yet completed, enter the current planned completion date of the activity.
11. **Completion Date Actual:** When the activity ends, enter the actual completion date here.
12. **Total Costs Planned:** The planned total cost for the activity. This is the baseline value.
13. **Total Costs Projected:** When the activity is not yet completed, enter the current planned total cost of the activity.
14. **Total Costs Actual:** When the activity ends, enter the actual total costs for the activity here.

*Note:* For programs that are employing earned value management, agencies should reflect “budget at completion” in the “Total Costs Planned” field and “estimated at completion” in the “Total Costs Projected” field for projected costs.

**Table B.2**

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Project ID	Activity Name	Activity Description	Structure ID	Key Deliverable/Usable Functionality	Start Date Planned	Start Date Projected	Start Date Actual	Completion Date Planned	Completion Date Projected	Completion Date Actual	Total Costs Planned	Total Costs Projected	Total Costs Actual
				[Key Deliverable, Usable Functionality, N/A]									

## **Reporting Parent and Child Activities (WBS Structure)**

“Child” activities may be grouped into “Parent” activities to reflect the WBS used by the agency to manage the investment. If a WBS is not used by the agency, report the relationship between parent activities and child activities in “Structure ID” using this method.

When reporting an activity, enter the “Structure ID” as a period-delimited string consisting of the “Project ID” and each nested parent activity between the project level and the child activity. The “Structure ID” to enter will vary depending on the activity’s WBS level.

Example: For child activity 3 which is part of parent activity 10, which in turn is part of parent activity 2, which in turn is part of Project A, enter: A.2.10.3

- Project A
  - Parent Activity 2
    - Parent Activity 10
      - Child Activity 3

There is no limit to the number of nested “child” and “parent” relationships allowed, and this depth may vary from activity to activity and from project to project.

If any of a parent activity's child activities occurs in the current FY, then all child activities of the parent activity must be reported, regardless of their timing. This is to ensure that a complete view of the parent activity is available.

All activities with no child activities must have, at a minimum, *Project ID*, *Activity Name*, *Activity Description*, *Structure ID*, *Start Date Planned*, *Start Date Projected*, *Completion Date Planned*, *Completion Date Projected*, *Total Costs Planned*, and *Total Costs Projected*. Completed activities must also have *Start Date Actual*, *Completion Date Actual*, and *Total Costs Actual*.

Any parent activities with a child activity must be completely described by the aggregate attributes of its child activities. In the [IT Dashboard](#), the cost and schedule information for parent activities will be based on the cost and schedule information of the lowest level of child activities reported. Agency-submitted cost and schedule information is not required for parent activities.

Project ID	Activity Name	Structure ID	Start Date Planned	Completion Date Planned	Planned Total Costs	...
A	Design	A.2	2/1/2012	2/29/2012	\$2.5	
A	Business Requirements	A.2.1	2/1/2012	2/10/2012	\$1.0	
A	Technical Requirements	A.2.2	2/11/2012	2/20/2012	\$1.0	
A	Architecture	A.2.3	2/21/2012	2/29/2012	\$0.5	

Parent activities as highlighted are optional (Structure ID: A.2). Reported parent activities values will be ignored, as calculated values will be determined by aggregating the cost and schedule information reported in the child activities.

## Project Risk

Risk assessments should include risk information from all stakeholders and should be performed at the initial concept stage and then monitored and controlled throughout the life cycle of the investment. A copy of the investment Risk Management Plan must be uploaded to the [IT Dashboard](#) in conjunction with the Exhibit 300 submission.

In Table B.3, list all significant project-related risks submitted for the investment that are currently open and provide risk assessment information. It is not necessary to address all 19 OMB Risk Categories. Consider the combination of the risk probability and the risk impact when identifying significant risks. Include the following data in Table B.3:

1. **Project ID:** An agency-specified number that uniquely identifies a project within the investment. For each identified risk, list the associated Project ID.
2. **Risk Name:** A short description that identifies a risk, the cause of the risk, and the effect that the risk may have on the project.
3. **Risk Category:** Select the relevant OMB risk category for each risk. Risk categories include: 1) Schedule, 2) Initial costs, 3) Life cycle costs, 4) Technical obsolescence, 5) Feasibility, 6) Reliability of systems, 7) Dependencies and interoperability between this investment and others, 8) Surety (asset protection) considerations, 9) Risk of creating a monopoly for future procurements, 10) Capability of agency to manage the investment, 11) Overall risk of investment failure, 12) Organizational and change management, 13) Business, 14) Data/info, 15) Technology, 16) Strategic, 17) Security, 18) Privacy, and 19) Project resources.
4. **Risk Probability:** The likelihood of a potential negative impact for the risk (Low, Medium, or High likelihood).
5. **Risk Impact:** The level of a potential negative impact for the risk (Low, Medium, or High impact).
6. **Mitigation Plan:** A short description of the plan or steps to mitigate the identified risk.

Table B.3

Project ID	Risk Name	Risk Category	Risk Probability	Risk Impact	Mitigation Plan
	[Limit: 500 char]	[19 risk categories]	[Low, Medium, High]	[Low, Medium, High]	[char 500]

## SECTION C: OPERATIONAL DATA

Section C addresses operational activities that are not reported as a part of a project in Section B.

### Operational Performance

There are two essential types of operations metrics to be reported:

1. **Results-Specific:** Provide a minimum of two metrics that measure the effectiveness of the investment in delivering the desired service or support level. At least one metric should reflect customer results (e.g. service quality).
2. **Activities or Technology-Specific:** Provide a minimum of three metrics that measure the investment against its defined process standards or technical service level agreements (e.g. Reliability and Availability). At least one of these metrics must have a monthly reporting frequency

All data will be displayed to the public on the IT Dashboard. Ensure that all provided metrics information provided is publicly releasable.

### Defining a new metric

When adding a new metric, such as for new investments or to provide new information about an existing investment, use the following table.

Table C.1A								
Metric ID	Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	2012 Target	2013 Target	Measurement Condition	Reporting Frequency	Agency Strategic Goals/Agency Objective
[Limit: XXX char]	[Limit: 500 char]	[Limit: 50 char]	[PRM Measurement Category]	[numeric]	[numeric]	[Over target/ Under target]	[Monthly, Quarterly, Semi-Annual, Annual]	[New PRM Code]

1. **Metric ID:** Unique ID provided by agency for the metric. When reporting actual results (see below), use this ID to reference the correct metric.
2. **Metric Description:** Description to help the user understand what is being measured. In this field, describe the units used, any calculation algorithm used, and the definition or limits of the population or “universe” measured.
3. **Unit of Measure:** Brief indication of what quantity is measured (e.g. number, percentage, dollar value) for each metric.
4. **FEA Performance Measurement Category Mapping:** Indicates the PRM measurement category as described above.
5. **2012 Target:** Metric target value from 2012
6. **2013 Target:** Metric target value for 2013
7. **Measurement Condition:** Indicates whether a desired result would be “over the target” or “under the target.” For example, if the target is to reduce the error rate to 10%, then the desired result would be “under the target” so “under target” should be entered for measurement condition.
8. **Reporting Frequency:** How often actual measurements will be reported (monthly, quarterly, semi-annually, or annually). Annual reporting frequencies are reserved for annual operating cost measures, performance measures associated with the agency’s annual performance plan, or other measures that can only be appropriately measured on an annual basis.
9. **Agency Strategic Goals/Agency Objective:** For annual reporting frequency metrics, agencies will be required to provide the cross agency priority (CAP) goal; agency priority goal (APG); strategic goal (SG) or agency objective (OBJ) associated with the metric (using the new Performance Reference Model code use by Performance.gov).

### Providing actual results:

As actual results are measured at the appropriate frequency, report them using the following table. Also use this table when applicable to provide any historical actual results for a new metric (optional).

1. **Metric ID:** Unique ID provided by agency for the metric. Use this ID to reference the correct metric.
2. **Actual Result:** Actual result measured.
3. **Date of Actual Result:** End date of the most recent reporting period.
4. **Comment:** A necessary provide a comment for each actual result reported, if necessary.

When adding a new metric, include historical actual result information as available.

Table C.1B			
Metric ID	Actual Result	Date of Actual Result	Comment
[Limit: XXX char]	[numeric]	[date]	[500 char] (optional)

### Operational Risk

Risk assessments should include risk information from all stakeholders and should be performed at the initial concept stage and then monitored and controlled throughout the life cycle of the investment. A copy of the investment risk management plan must be uploaded to the [IT Dashboard](#).

In Table C.2, list all significant operational related risks submitted for the investment that are currently open and provide risk assessment information. It is not necessary to address all 19 OMB Risk Categories. Consider the combination of the risk probability and the risk impact when identifying significant risks. Include the following data in Table C.2:

1. **Risk Name:** A short description that identifies the risk, the cause of the risk and the effect that the risk may have on the operational activity.
2. **Risk Category:** The relevant OMB Risk Category for each risk. Risk categories include:  
1) Schedule, 2) Initial costs, 3) Life cycle costs, 4) Technical obsolescence, 5) Feasibility, 6) Reliability of systems, 7) Dependencies and interoperability between this investment and others, 8) Surety (asset protection) considerations, 9) Risk of creating a monopoly for future procurements, 10) Capability of agency to manage the investment, 11) Overall risk of investment failure, 12) Organizational and change management, 13) Business, 14) Data/info, 15) Technology, 16) Strategic, 17) Security, 18) Privacy, and 19) Project resources.
3. **Risk Probability:** The likelihood of a negative impact for the risk (Low, Medium, or High likelihood).
4. **Risk Impact:** The level of a potential negative impact for the risk (Low, Medium, or High impact).
5. **Mitigation Plan:** A short description of how to mitigate the risk.

Table C.2				
Risk Name	Risk Category	Risk Probability	Risk Impact	Mitigation Plan
[Limit: 500 char]	[19 risk categories]	[Low, Medium, High]	[Low, Medium, High]	[Limit: 500 char]