

EXECUTIVE SECRETARIAT
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12	Compt				
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14	D/PAO				
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FES
Executive Secretary
3 Apr '87
Date



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

Executive Order
87-1319x



March 24, 1987

BULLETIN NO. 87-10

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Federal Information Systems and Technology Planning

1. Purpose. This Bulletin provides guidance and instructions to selected agencies for the preparation and submission of information on their strategic plans for information systems and technology.

2. Authority. This Bulletin is issued pursuant to the Budget and Accounting Act of 1921, as amended; the Budget and Accounting Procedures Act of 1950, as amended; and the Paperwork Reduction Act of 1980, as amended.

3. Background. OMB Circular No. A-130, "Management of Federal Information Resources," (December 12, 1985), provides that agencies shall "[e]stablish multiyear strategic planning processes for acquiring and operating information technology that meet program and mission needs, reflect budget constraints, and form the basis for their budget request." Such plans are necessary to --

- Improve agency management by providing timely information to support decision-making and to forecast resource and system requirements.
- Support government-wide planning and oversight by providing consistent and complete information concerning major information systems and technology investments.

Planning for information systems and technology in the Federal government has evolved since the enactment of the Paperwork Reduction Act of 1980. Initially, agencies were asked to submit copies of any plans that they had already developed (OMB Bulletin No. 84-9, dated March 27, 1984). Beginning in 1986, they were asked to provide strategic overviews, and to identify and describe significant information technology initiatives (OMB Bulletin No. 86-12, dated April 14, 1986). The 1986 amendments to the Paperwork Reduction Act, in addition to formalizing the requirement that the government-wide five-year automatic data processing and telecommunications plan be revised annually, require that OMB report annually to the Congress on agency accomplishments, new initiatives, and an assessment of the extent to which government-wide policies promote or deter new initiatives to acquire information technology.

DDA REGISTRY
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The information requested by this Bulletin will be used for several purposes --

- To encourage more effective planning by Federal agencies;
- To provide information on Federal information systems and technology plans to the Congress and the public through "A Five-Year Plan for Meeting the Automatic Data Processing and Telecommunications Needs of the Federal Government";
- To provide information for the annual management and budget review process; and
- To support analysis and development of Federal information resources management policies.

Information submitted shall be consistent with the 1988 Budget.

4. Definitions. For purposes of this Bulletin, the following definitions apply:

a. The term "information resources management" means the planning, budgeting, organizing, directing, training, promoting, controlling, and management activities associated with the burden, collection, creation, use, and dissemination of information by agencies, and includes the management of information and related resources such as automatic data processing equipment (as such term is defined in section 111(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(a)).

b. The term "information technology" means the hardware and software used in connection with government information, regardless of the technology involved, whether computers, telecommunications, micrographics, or others. For the purposes of this Bulletin, automatic data processing and telecommunications activities related to certain critical national security missions, as defined in 44 U.S.C. 3502 (2) and 10 U.S.C. 2315, are excluded.

c. The term "major information system" means an information system that requires special continuing management attention because of its importance to an agency mission; its high development, operating or maintenance costs; or its significant impact on the administration of agency programs, finances, property, or other resources.

d. The term "significant information technology initiative" means an agency project that is likely to result in substantial investments to install, automate or modify a major information system.

The term "significant information technology initiative" includes investments in hardware, software, and telecommunications. It also includes actions that are part of the planning stage; e.g., feasibility studies of automation alternatives, benefit-cost analyses, needs assessments, or technology evaluations that may result in a new major information system or substantial modification to an existing major information system.

e. The term "strategic planning" means a process of defining agency missions and identifying agency goals, objectives and activities over a specified period of time. With respect to information systems and technology, strategic planning means specifying the application of information technology and other information resources to support identified missions and objectives.

5. Changes from previous years.

a. Optional Electronic Submission. In addition to the paper copies of agency responses, agencies are requested to submit, for Appendices A and C only, one single-spaced ASCII version on a 5-1/4" double-sided double-density soft-sectored diskette.

b. Appendix A. Agencies are asked to describe accomplishments and initiatives in the improvement of information resources management for the past fiscal year in the strategic overview contained in Appendix A.

c. Appendix C. The Bulletin continues the requirement to submit information on significant information technology initiatives but places particular emphasis on priority initiatives listed in the Information Technology section of Management of the United States Government, Fiscal Year 1988.

d. Appendix D. The requirement for detailed responses on specific technology issues, formerly contained in Appendix A, has been moved to Appendix D. In accordance with the Paperwork Reduction Act as amended, agencies are asked to provide information assessing the extent to which current Federal information resources management policies promote or deter initiatives to acquire information technology. Agencies are also asked to comment on compliance with the cost accounting and recovery requirement contained in OMB Circular No. A-130.

6. Coverage. All agencies are required to establish appropriate information technology strategic planning processes. The following agencies are subject to the reporting requirements of this Bulletin enumerated in paragraph 7.

Department of Agriculture
Department of Commerce
Department of Defense

Department of Education
Department of Energy
Department of Health and Human Services
Department of Housing and Urban Development
Department of the Interior
Department of Justice
Department of Labor
Department of State
Department of Transportation
Department of the Treasury
Environmental Protection Agency
General Services Administration
National Aeronautics and Space Administration
Office of Personnel Management
Small Business Administration
Veterans Administration
Federal Emergency Management Agency
National Science Foundation
Nuclear Regulatory Commission
Railroad Retirement Board
United States Information Agency
Agency for International Development

7. Action Required. Not later than 10 weeks from the date of issue, each department and agency listed in paragraph 6, above, shall submit the following to OMB in three paper copies:

a. An agency strategic overview in accordance with instructions in Appendix A. This will identify accomplishments in, and planned initiatives for, the improvement of agency information resources management. The overviews will be published in the government-wide Five-Year Plan.

b. A revised list of major information systems in the format prescribed in Appendix B. Agencies should use the list of major information systems published in A Five-Year Plan for Meeting the Automatic Data Processing and Telecommunications Needs of the Federal Government, Volume I, September 1986, (pages 336 et. seq.).

c. Descriptions of significant information technology initiatives in accordance with the instructions in Appendix C. These descriptions will be published in the government-wide Five-Year Plan.

d. Discussions of information technology strategies for specific issues in accordance with the instructions in Appendix D.

8. Information Contact. Questions regarding a specific agency's submission should be directed to the Desk Officer in OMB's Office of Information and Regulatory Affairs who reviews that agency. Questions regarding electronic submission of Appendices A and C should be directed to Bruce McConnell (395-3785). Questions of a more general nature may be directed to Sheri Fox (395-3785).

9. Sunset Date. This Bulletin expires March 31, 1988.


James A. Miller III
Director

Appendix A
Bulletin No. 87-10

INSTRUCTIONS FOR PREPARING
AGENCY STRATEGIC OVERVIEW

General: The purpose of the strategic overview is to describe the program priorities of the head of the agency and to discuss how information technology is being used to meet those priorities. In addition, it seeks to identify specific ways agencies are improving, or are planning to improve, the management of their information resources pursuant to 44 U.S.C. 3514 (a)(9)(A). This information should not exceed four double-spaced pages, and will be published in the 1987 Five-Year Plan.

Content. The strategic overview is a narrative with two individual sections captioned as indicated below:

- Summary. Describe the agency's program priorities and explain how agency plans for information systems and technology will support those priorities over the next five years. Discuss major changes the agency has made in FY 1986 in its planning for information technology resources and any anticipated changes it will make in the next five years. Explain the assumptions the agency is making about changes in its programs and the policies governing them.
- Accomplishments and Initiatives. For FY 1986, describe specific accomplishments in the improvement of, and planned general management initiatives to improve, information resources management in the agency (in addition to the specific significant technology initiatives described under Appendix C). Relate these accomplishments and initiatives to the agency's program priorities. Discuss the scope of the accomplishment or initiative, i.e. whether the effects were or are agency-wide or bureau or system-specific, any reduction of burden on the public, and any quantitative measures of improved efficiency in the collection, creation, use or dissemination of information. Discuss associated milestones and time frames, where applicable.

Format. (sample)

DEPARTMENT OF GOVERNMENT (bold, uppercase)

1. STRATEGIC OVERVIEW (bold, uppercase) (begin title five spaces from left margin)

a. Summary: _____

b. Accomplishments and Initiatives: _____

General Requirements

Text on one side of sheet only

Double-space text

Paginate text

These General Requirements also apply to the format in Appendix C.

Appendix B
Bulletin No. 87-10

INSTRUCTIONS FOR PREPARING
LIST OF MAJOR INFORMATION SYSTEMS

For each major information system provide the following information:

AGENCY NAME

BUREAU NAME (if applicable)

System name: Short descriptive title. Spell out all acronyms.

Status code.*

Purpose and relationship to mission: What mission or program does the system support? Not required for systems being deleted.

*Identify each entry as [N] new, [C] change or correction, [D] delete or [NC] no change from 1986 inventory. Please refer to Section V, Inventory of Major Federal Information Systems, in Volume I of the 1986 Five Year Plan.

Appendix C
Bulletin No. 87-10

INSTRUCTIONS FOR PREPARING
AGENCY DESCRIPTIONS OF SIGNIFICANT
INFORMATION TECHNOLOGY INITIATIVES

General: These initiatives describe significant actions underway or planned by the agency to acquire information technology to improve the agency's information resources management. These actions should relate to the building or modification of major information systems of the agency. This section should include those initiatives designated as Presidential Priority and Future Priority in the Information Technology section of the Management of the United States Government, Fiscal Year 1988, as well as all other actions that meet the requirements of the definition of "significant information technology initiative" contained in the Bulletin. These include actions that have the potential to impact major systems, e.g., a feasibility study to determine whether new technologies could affect a major agency program. Information provided shall be consistent with the 1988 Budget.

Content. Each initiative description must contain all of the following elements, except as indicated, and should not exceed two double-spaced pages in length, except for descriptions of Presidential Priority initiatives, which should be more extensive and detailed than those for other initiatives and may be up to four double-spaced pages long. Each description should be in a form suitable for publication in the Five-Year Plan, i.e., it should be written in complete sentences and avoid the use of organizational or technical jargon.

- Agency/bureau name.

- System name. In most cases this should be the name of a major information system in the agency's current inventory.

- Objective. This section should answer the question: "What is the problem to be solved?" This statement should be about program needs, not information technology. Explain the initiative's objectives and how the initiative is consistent with the agency head's priorities outlined in the agency's strategic overview (Appendix A). Descriptions should be quantitative and provide measures of program size such as population served or cases handled, as well as how the proposed initiative will change system performance. These estimates should give the reviewer a sense of the magnitude of the program and potential impact of the initiative.

- Design Strategy. This section should discuss how the agency intends to resolve the problem addressed in the section above and discuss the system configuration as appropriate.

- Summary of Prior Year's Performance. This section must be provided for all Presidential Priority systems and, if applicable, for other systems. Discuss major activities accomplished, including adherence to established milestones and completion dates. Relate these accomplishments to achievement of system objectives. Discuss whether system implementation is proceeding according to schedule. Explain any changes from the descriptions contained in the 1986 Five-Year Plan in objectives, strategy or schedule.

- Milestones. Describe key project deliverables with a date (month and year) for each. This section must contain at least one future deliverable. In some cases, it may be appropriate to include only one milestone; e.g., the completion of a study on which further discussion is to be based. Where future actions are contingent on unknowns; e.g., a demonstration of technical feasibility, the schedule should so note.

c. Pricing. Describe the elements involved in pricing services provided to users and how the pricing strategy ensures the equitable distribution of costs among all users.

d. Cost Recovery. Describe the procedures the agency has established to recover or collect full costs from all Federal users, including both intra-agency and inter-agency users. Describe how successful the agency has been in implementing this policy.

e. Management Control. Describe the procedure the agency has established for the selection of facilities to support new applications. Describe any impediments that prevent users within the agency from seeking alternative, non-internal services.

f. Date of Implementation. The effective date of implementation of this provision is the beginning of FY 1987. Describe what plans the agency has made to implement these procedures if they are not already in place. Describe any impediments that exist to prevent the agency from establishing the cost accounting, user cost distribution, cost recovery or management control systems required by Circular No. A-130.

g. Accomplishment of Goals. Based on the agency's initial experience with implementation of this provision, describe how well the agency is meeting the provision's intended goals as enumerated in Circular A-130.

Format. (sample)

DEPARTMENT OF GOVERNMENT (bold, uppercase)

2. SIGNIFICANT INFORMATION TECHNOLOGY INITIATIVES (bold, uppercase)

Bureau Name (bold)

a. System Name (bold)

Objective: _____

Design Strategy: _____

Summary of Prior Year's Performance: _____

Milestones:

Milestone MO/YR

b. System Name

For General Requirements, see format in Appendix A.

Appendix D
Bulletin No. 87-10

INSTRUCTIONS FOR PREPARING
INFORMATION ON SPECIFIC INFORMATION SYSTEMS AND TECHNOLOGY ISSUES

General: The Office of Management and Budget has identified several information systems and technology issues that are likely to have significant effects on agency programs or to create important opportunities to improve efficiency and effectiveness in program delivery. OMB will use agency responses to determine whether policy changes or additional guidance in these areas would increase the efficient and effective management of information resources. Several issues included in previous bulletins are not included this year, including telecommunications, end-user computing, and electronic information collection and dissemination, because asking agencies for more experiential data would not be useful at this time.

1. Policy Assessment

Pursuant to 44 U.S.C. 3514(a)(9)(C), OMB will be analyzing the extent to which current Federal information resources management policies, principles, standards, and guidelines, promote or deter initiatives to acquire information technology to improve information resources management within agencies.

Discuss how these policies, principles, standards and guidelines are enhancing or hindering the significant initiatives listed in the agency response to Appendix C of this Bulletin. To the extent that they apply specifically to the listed initiatives, agencies should comment on the following areas:

a. Agencies may have identified approaches to complex information resources management problems (such as the coordination of responsibilities across bureaus in large procurements, the establishment of agency-wide project management standards, etc.) that are unusually successful or innovative. Give specific examples of how Federal information resources management policies and procedures influenced the design of these approaches.

b. Agencies may have encountered regulatory or other impediments contained in Federal policies and procedures in the course of pursuing the listed initiatives. Give specific examples.

c. Suggest specific changes to existing policies (e.g., consolidation and rationalization of conflicting rules, reduction in documentation or reporting requirements, delegations of management authority, changes in management structure, etc.) that would improve agency information resources management. Indicate specifically how the proposed change would affect the listed initiatives.

2. Software Modernization.

Agencies should discuss their progress in reducing obligations incurred for maintaining software. The goal stated in the FY 1986 report on Management of the United States Government was a 25 percent reduction in software maintenance obligations government-wide over three years. Agencies should update their estimates of obligations incurred for maintaining software that was operational in FY 1986 in the following format:

(1) System <u>Name</u>	(2) Year <u>Implemented</u>	(3) Lines of Code <u>(thousands)</u>	(4) Maintenance Obligations			
			<u>FY86</u>	<u>FY87</u>	<u>FY88</u>	<u>FY89</u>

List individually all major information systems that are fully or partially automated and the software component of which contains more than 500 thousand lines of code or requires obligations of more than \$500,000 per year to maintain. Aggregate all other major information systems under "other".

In addition, for each system listed that was installed prior to 1978, either describe specific plans and timetables for reengineering or replacing the system, or provide an explanation of why continuing to maintain the system is justified.

3. Cost Accounting and Recovery

OMB Circular No. A-130 provides that agencies shall account for the full costs of operating information technology facilities and recover such costs from government users. The purposes of this initiative were to minimize the cost and maximize the usefulness of government information activities.

Agencies should describe their current policies and procedures to ensure compliance with this requirement, as it applies to both intra-agency and inter-agency users. Specific areas to be covered include the following:

a. Cost Accounting. Describe how the agency accounts for the full cost of the operation of the information technology facility. Describe the system the agency has established to meet this requirement.

b. Distribution of charges. Describe how the agency distributes the full cost of providing services to all users. Describe the system the agency has established to bill users for services provided. Describe any arrangements the agency has made for distributing the full costs of dedicated services and equipment or unique software to relevant users.