

Data on Acquisition, Operation, and Use of Information Technology

43.1. Purpose.

Data on acquisition, operation, and use of information systems are collected for oversight of the acquisition and use of automatic data processing equipment, telecommunications, and other information technology to manage information resources, as required by the Paperwork Reduction Act of 1995 and the Information Technology Management Reform Act of 1996.

43.2. Materials required.

(a) **Agency-wide summary on obligations for information technology.**—Agencies that obligate more than \$50 million in any of the years PY, CY, or BY for information technology activities are required to submit a report in the format of exhibit 43 on obligations for information technology for the agency as a whole. The report is to be submitted 30 days after final budget decisions are made.

The report will provide information on workyears and obligations for information technology activities. It will include obligations for: planning, including requirements, feasibility, and benefit-cost studies; system design, development, and acquisition; and voice and data telecommunications requirements, regardless of whether or not they are associated with an information system's installation, operations, maintenance, and support.

The data reported should include information technology as the term is defined in section 5002 of the Information Technology Management Reform Act of 1996. Amounts will be shown in millions of dollars.

Explanations of the information requested are shown below, along with the object class in which the items are classified (see section 35.5):

Item	Explanation	Object Class
1. Equipment	Any equipment or interconnected system or subsystem of equipment used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information.	
A. Capital purchases	Capital investments for equipment for data processing and telecommunications, such as supercomputers, mainframes, mini-computers, microcomputers, analog and digital private branch exchanges (PBX), ancillary equipment, such as disk drives, tape drives, plotters, printers, storage and back-up devices cable-connected to computers, digital imaging equipment, optical storage and/or retrieval equipment, (e.g., optical character recognition devices, computer-generated microfilm and other data acquisition devices), punch card accounting equipment, and office automation equipment that was designed for use in conjunction with or controlled by a computer system; and telecommunications networks and related equipment, such as voice communications networks, data communications networks, local area networks, terminals, modems, data encryption devices, fiber optical and other communications networks, packet switching equipment, terrestrial carrier equipment (e.g., multipliers and concentrators), lightwave, microwave or satellite transmission and receiving equipment, telephonic (including cellular and other hand held devices) equipment, and facsimile equipment. Does not include furniture, typewriters, copiers, calculators, or microfilm/microfiche equipment.	31.0
B. Other equipment purchases/leases	Non-capital purchases or leases for equipment as defined above.	23.3 and 31.0
2. Software	Any software, including firmware, specifically designed to make use of and extend the capabilities of Federal Information Processing (FIP) equipment identified in item 1 above.	
A. Capital purchases	Software purchases (including one-time obligations for long-term licenses) or leases costing \$25,000 or more for system programs (e.g., control and library programs, assemblers, compilers, interpreters, utility programs, sort-merge programs, and maintenance-diagnostic programs); application programs; and commercial-off-the-shelf (COTS) software (e.g., word processing, communications, graphics, file-management and database management system software). Software also includes independent subroutines, related groups of routines, sets or systems of programs; databases; and software documentation.	31.0
B. Other software purchases/leases	Software purchases or leases costing less than \$25,000.	31.0

Item	Explanation	Object Class
3. Services	Any service, other than support services, performed or furnished by using the equipment or software identified in items 1 and 2 above. Services include teleprocessing, local batch processing, electronic mail, voice mail, centrex, cellular telephone, facsimile, and packet switching of data.	23.1, 23.2, 23.3, and 25.2
4. Support services	Any commercial services, including maintenance, used in support of equipment, software, or services identified in items 1, 2, and 3 above. Support services include source data entry, training, planning for the use and acquisition of information technology, studies (e.g., requirements analysis, analyses of alternatives, and conversion studies), facilities management of government-furnished information technology, custom software development, system analysis and design, and computer performance evaluation and capacity management.	25.7 and 32.0
5. Supplies	Any consumable item designed specifically for use with equipment, software, services, or support services identified in items 1, 2, 3, and 4, above.	25.2, 25.3, and 26.0
6. Personnel (compensation and benefits)	Includes the salary (compensation) and benefits for government personnel (both civilian and/or military) who perform information technology functions 51% or more of their time. Functions include but are not limited to policy, management, systems development, operations, telecommunications, computer security, contracting, and secretarial support. Personnel in user organizations who simply use information technology assets incidental to the performance of their primary functions are not to be included.	11.1 through 12.2
7. Other (DOD use only) A. Capital purchases B. Other purchases	Include items not otherwise reported in items 1 through 6 above. Items costing \$25,000 or more. Items costing less than \$25,000.	
8. Intra-governmental payments	Payments for all information technology services within agencies, between executive branch agencies (e.g., FTS 2000), judicial and legislative branches, and State and local governments. (Within DOD, the military services and Office of the Secretary of Defense are considered agencies for this purpose e.g., between DOD components and between activities within a DOD component.)	23.3, 25.3, and 41.0
9. Intra-governmental collections (-)	Collections for all information technology services within agencies, between executive branch agencies, judicial and legislative branches, and State and local governments. (Within DOD, the military services and office of the Secretary of Defense are considered agencies for this purpose, e.g., between DOD components and between activities within a DOD component.)	
10. Total obligations	The sum of items 1 through 9 above.	
11. Workyears	Estimated number of workyears associated with the civilian and/or military personnel reported in item 6 above.	

(b) Agency analysis for information systems investments.—Agencies should consider the following elements in developing requests for information systems:

- business/mission analysis;
- work process redesign;
- planning and requirements development; and
- acquisition strategies.

- (1) *Business/mission analysis.*—Agencies should determine that the task or mission to be supported by the investment actually needs to be done, and that it needs to be done by the agency proposing the investment.
- (2) *Work process redesign.*—Agencies should determine that the process for performing the function is the most efficient and cost-effective way to perform it.
- (3) *Planning and requirements development.*—OMB Circular No. A-130 requires agencies to pre-

pare benefit-cost analyses for all proposed investments in information systems at a level of detail appropriate to the size of the investment. The Circular also requires basing information system plans on agency strategic business plans, and linking those plans to the agency's budget request. In addition, agencies should identify and manage information systems investments as a portfolio, comparing quantifiable measures of benefits, risks, and cost across projects. To support this analysis, agencies should develop management, cost, schedule, and mission goals and measures within the framework provided by the Government Performance and Results Act, the Federal Acquisition Streamlining Act, and the Information Technology Management Reform Act. Finally, the agency planning process should

include steps for continuous monitoring and improvement of projects.

- (4) *Acquisition strategy*.—Agencies should structure information technology acquisitions into relatively short-term modules that can be evaluated easily and allow projects to change direction. In addition, agency acquisition plans should reflect the agency's commitment to make maximum use of commercial off-the-shelf technology, to consult with industry to determine what technology is available, and to consider alternative technical approaches.

Agencies may be required to provide information to assist OMB in its evaluation of agency practices with respect to the elements described above.

(c) **Cost of the year 2000 activities**.—Agencies are required to report the total estimated obligations

for the agency for each of the years PY through BY+2 for preparing agency systems to operate smoothly through the millennium change. The information reported will reflect the amounts included in items 1 through 7 of the agency-wide summary on obligations for information technology that pertain to preparing for the millennium change (see section 43.2(a)). The estimates will cover the costs of identifying necessary changes, evaluating the cost effectiveness of making those changes (fix or scrap decisions), making changes, testing systems, and contingencies for failure recovery. Do not include obligations for upgrades or replacements that would otherwise occur as part of the normal system lifecycle. Amounts will be reported in millions of dollars. The report will be submitted 30 days after final budget decisions are made.

Agency-Wide Summary on Obligations for Information Technology

PY—past year
CY—current year
BY—budget year

AGENCY-WIDE SUMMARY REPORT ON OBLIGATIONS FOR
INFORMATION TECHNOLOGY

DEPARTMENT OF GOVERNMENT
(IN MILLIONS OF DOLLARS)

	FY 19PY	FY 19CY	FY 19BY
1. <u>Equipment</u>			
A. Capital purchases	22	26	29
B. Other equipment purchases/leases	2	3	3
Subtotal	24	29	33
2. <u>Software</u>			
A. Capital purchases	3	4	4
B. Other equipment purchases/leases	1	1	1
Subtotal	4	5	5
3. <u>Services</u>	7	8	9
4. <u>Support services</u>	33	39	44
5. <u>Supplies</u>	3	4	4
6. <u>Personnel (compensation/benefits)</u>	26	30	34
7. <u>Other (DOD only)</u>	0	0	0
8. <u>Intra-governmental payments</u>	3	3	4
9. <u>Intra-governmental collections</u>	-6	-7	-8
10. <u>Total obligations</u>	95	109	124
11. <u>Workyears (FTE)</u>	475	495	520