PART 2006 - MANAGEMENT

Subpart FF - Management Oversight of the Information Resources
            Management (IRM) Program

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Subpart FF - Management Oversight of the Information Resources
          Management (IRM) Program

§ 2006.1551 <u>Purpose</u>.

     This Instruction assigns responsibilities for management oversight of
Rural Development (RD) Information Resources Management (IRM) programs,
designates members of the Automation Review Council (ARC) and assigns their
responsibilities and functions.

§ 2006.1552 <u>Definitions</u>.

     (a) <u>Application Information System (AIS)</u>. A collection of software,
     procedures, and equipment that is designed, built, operated, and
     maintained to collect, record, process, store, retrieve, and display
     information which serves and is serviced by functional users and
     technical personnel.

     (b) <u>AIS life cycle</u>. The time span between establishing a need for a
     system and the end of its operational use. The life cycle is divided
     into discrete, or separate, phases with formal milestones used as points
     for management control.

     (c) <u>Automation Review Council (ARC)</u>. A group of senior level career
     managers appointed by the Under Secretary for Rural Development to
     provide oversight, guidance, and direction to the mission area
     Information Resources Management program.

     (d) <u>Deputy Administrator for Operations and Management</u>. The Deputy
     Administrator for Operations and Management, unless otherwise specified
     in this Instruction, refers to the Deputy Administrator for Operations
     and Management who is responsible to the Under Secretary for Rural
     Development, for directing and coordinating the administrative,
     financial management, and information technology functions of Rural
     Development.

     (e) <u>Information resources</u>. All resources related to the management of
     information, including personnel, facilities, equipment, funds, and
     information technology.

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(f) <u>Information Resources Management (IRM)</u>. The planning, budgeting, organizing, directing, training, promoting, controlling, and managing activities associated with the burden, collection, creation, use, and dissemination of information by Rural Development, and includes the management of information and related resources, such as personnel, funds, and information technology.

(g) <u>Information technology (IT)</u>. The hardware, software, and telecommunications used in connection with information processing, regardless of the technology involved, whether computers, micrographics, office automation, electronic data interchange, internet/intranet, or others.

(h) <u>IRM activity</u>. A task that an organization is accomplishing or plans to accomplish that is related to the IRM program. IRM activities include, but are not limited to, AIS life cycle management, strategic IRM planning, data administration, reports, records, forms management, information collection and dissemination, and the application and use of information technology.

§ 2006.1553 <u>Authority</u>.

(a) Public Law 96-511, "The Paperwork Reduction Act of 1980," as amended by the Paperwork Reduction Reauthorization Act of 1986 and augmented by the Government Paperwork Elimination Act (GPEA) requires Federal agencies to carry out information management activities in an efficient, effective, and economical manner and to periodically review its IRM activities. A formal top-level management oversight process is essential to accomplish this requirement.

(b) OMB Circular A-130, "Management of Federal Information Resources," requires Federal agencies to develop internal policies and procedures and oversee, evaluate, and otherwise periodically review agency IRM activities. It also requires Federal agencies to establish systems of management control that document the requirements that each major AIS is intended to serve and provide for periodic review of those requirements over the life of the system in order to determine whether the requirements continue to exist and the system continues to meet the purposes for which it was developed.

(c) Departmental Regulation 3100-2, "Agency Information Resources Management Review Board," requires United States Department of Agriculture (USDA) agencies to establish an IRM review board to assure that information management activities reflect the goals and priorities of agency programs, provide policy direction for IRM activities, and review and approve specific IRM actions.

§ 2006.1553 (Con.)

(d)   Departmental Regulation 3150-2, "IRM Review Program," requires USDA agencies to conduct reviews of its AISs and IRM activities in order to improve program delivery service and to help improve the IRM program. USDA agencies are also required to develop a 3-year schedule of planned IRM reviews.

(e)   Public Law 103-62, "Government Performance and Results Act," requires United States Department of Agriculture (USDA) agencies to develop strategic plans to improve mission performance and to develop measurements for performance improvement.

(f)   Public Law 105-277, "The Government Paperwork Elimination Act (GPEA)," mandated each Federal Agency to convert its paper-based and partially electronic transactions into fully electronic transactions, where appropriate, by October 2003. Additionally, GPEA mandates that agencies provide for the use and acceptance of electronic signatures, when practicable.

(g)   Public Law 106-222, "The Freedom to E-File Act," required the USDA County-Based Agencies (Farm Service Agency (FSA), Natural Resources Conservation Service, and Rural Development) to establish a consistent electronic filing and retrieval system to enable farmers and other persons to access and file paperwork electronically with the Department by June 20, 2002. The County-Based Agencies met the fundamental requirements of the Freedom to E-File Act's June 20, 2002 deadline.

(h)   Clinger-Cohen Act, requires each Agency to define and institute a process that firmly integrates business and IRM planning. It also requires Agencies to designate a Chief Information Officer.

(i)   E-Government Act of 2002 (H.R. 2458/S. 803) effective April 17, 2003, established a Federal Chief Information Officer within the Office of Management and Budget, and established a broad framework of measures that require using Internet-based information technology to enhance citizen access to Government information and services, and for other purposes.

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(j) "Information Technology Capital Planning and Investment Control Guide", June 2003, Office of the Chief Information Officer. This document describes the USDA Information Technology (IT) Capital Planning and Investment Control (CPIC) process. It outlines a framework for USDA to manage its IT investment portfolio better and allows USDA to optimize the benefits of scarce IT resources, address the strategic needs of USDA, and comply with applicable laws and guidance.

(k) OMB Circular A-11, "Preparation, Submission and Execution of the Budget" provides an overview of the budget process. It discusses the basic laws that regulate the budget process and the terms and concepts necessary to understand it. Also, the Circular discusses planning, budgeting and acquisition of capital assets, and explains how to prepare and submit information on new and past acquisitions.

§ 2006.1554 <u>Background</u>.

(a) AISs serve a wide variety of users and are playing an increasingly important role in support of Rural Development programs. Many Rural Development management information and day-to-day operating processes are automated and dependent on the availability of adequate information resources. Program and administrative managers have continuing requests for new AISs and enhancements to existing AISs. The reliance on computers and automation, combined with demands for information resources that frequently outstrip available resources, calls for top-level management involvement in the oversight of the IRM program.

(b) Because of increasing demands for information resources, stronger management controls were instituted in January 1992 to ensure that proposed automation initiatives were cost-effective, well planned, and consistent with strategic business goals and objectives. To assist with the management of automation issues and - resolve resource contention problems, the Agency Administrator established the ARC. The ARC was chartered on January 30, 1992, and was initially composed of senior representatives from programs and administrative management offices and a State Director. The ARC membership has changed periodically to accommodate Agency mergers into the Rural Development mission area and to accommodate the USDA Reorganization. The Under Secretary for Rural Development establishes, via memorandum, the ARC voting membership by title. The ARC was inactive from December 4, 1997, until May 9, 2000, when the Under Secretary for Rural Development reactivated the ARC. The ARC Charter is listed as Exhibit A.

§ 2006.1555 <u>Statement of policy</u>.

It is the policy of Rural Development to provide senior management oversight and direction of the IRM program to ensure that automation initiatives support strategic business goals, objectives, and priorities that are consistent with IRM plans, standards, and guidelines; and that feasible alternatives are considered and follow sound life cycle management practices.

§ 2006.1556 <u>Applicability</u>.

This policy applies to all Rural Development organizational elements.

§§ 2006.1557 - 2006.1565 [Reserved]

§ 2006.1566 <u>Management oversight objectives</u>.

The objectives of management oversight of the IRM program are to:

(a) Ensure that IRM program goals and objectives are consistent with and support strategic program business goals and objectives, and are consistent with eGovernment initiatives.

(b) Involve senior management in the approval and prioritization of automation initiatives and the future direction of the IRM program.

(c) Educate senior management on the capabilities and limitations of initiatives and use of information technology.

(d) Ensure that automation initiatives follow sound life cycle management principles and practices.

(e) Identify and resolve issues and problems (such as staffing, funding, and planning) early in the life cycle of an IRM activity.

(f) Use regular reviews of IRM activities, and the results of these reviews to identify opportunities for collaboration, for improvement, to reduce costs, to increase the usefulness of information, and, in general, to further Rural Development mission goals and objectives.

(g) Ensure that budgeted resources are used in the most cost effective and efficient manner to support programs, goals, and objectives.

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§ 2006.1567 <u>Responsibilities</u>.

(a) <u>Automation Review Council (ARC)</u>. The ARC provides senior management oversight, guidance, and direction to the mission area IRM program. The ARC evaluates and makes recommendations to the Under Secretary for Rural Development, regarding the approval and funding of automation initiatives.

(1) The ARC will recommend and the Under Secretary for Rural Development, will approve the following:

(i) Major Rural Development IRM plans, such as Information Strategy plans, Strategic IRM plans, Information System Security plans, and Data Administration plans.

(ii) Funding levels for the Information Technology Budget.

(iii) IRM policies.

(iv) Major Rural Development Programs and Information System enhancements or replacements.

(v) AIS purchases of equipment, software, or services that exceed $250,000 (life cycle) in purchase or contract costs. (AIS initiatives of lesser value may be designated as special interest and also reviewed by the ARC.) However, the Chief Information Officer has authority to review and approve automation initiatives (purchases of equipment, software, or services) up to $250,000 (per initiative per fiscal year not to exceed $500,000 per initiative) in purchases or contract costs. (See paragraph (d) of this section.)

(vi) Designated standard AISs under development or in operation at each life cycle management milestone ensuring that sound life cycle management principles and practices are being followed. The review will determine whether the AIS should proceed to the next life cycle management phase.

(2) The ARC will:

(i) Recommend to the Under Secretary for Rural Development, the allocation of information resources consistent with the Agencies' strategic business goals and objectives, and the eGovernment initiatives.

§ 2006.1567(a)(2) (Con.)

        (ii) Resolve conflicts among automation initiatives competing for existing information resources.

        (iii) Establish, terminate when necessary, and provide guidance to system review boards (SRBs) or equivalent committees in prioritizing Requests For Automation (RFAs) and in developing annual workplans.

        (iv) Keep Senior management members of represented agencies fully informed on all ARC activities. This responsibility relies fully and solely on the ARC member agency designee. The ARC, as a body, is not responsible for communicating written nor oral information presented in ARC meetings to Agencies.

(b) <u>System Review Board (SRB) or Equivalent</u>. The SRB or equivalent committee will set priority sequences for Request for Automation (RFA) implementation for the AISs under the SRB's authority.

    (1) An SRB or equivalent committee is established by the ARC for each designated AIS or group of related AISs. Voting SRB membership will be established by the ARC at the creation of the SRB, and adjusted later if necessary, in proportion with the AIS's size and complexity. Upon the establishment of the SRB or equivalent committee, the ARC will also determine the lead sponsor, Deputy or Assistant Administrator, which will select the first Chairperson for the specific board/committee. For those AISs impacting multiple program or management functions (multiple sponsoring Deputy or Assistant Administrators or Staff Assistants, in the case of RUS), the Chairpersonship will be rotated annually as determined by the board/committee membership.

    (2) Each authorized board/committee is responsible for evaluating and prioritizing proposed enhancements to an AIS in accordance with the overall priorities of the Strategic Business Plans and IRM Plans as determined by the ARC. For designated AIS development projects, the board/committee is responsible for the functional review at each life cycle management milestone and for reviewing the overall management of the AIS development project. RD Instruction 2006-T assigns specific responsibilities and duties regarding these boards/committees.

(3) The SRB or Equivalent Committee Chairperson will participate in ARC meetings when the system he/she is chairing is on the agenda.

(4) The SRB or Equivalent Committee Chairperson will not have voting rights.

(c) <u>Deputy Administrator for Operations and Management</u>. The Deputy Administrator for Operations and Management will:

(1) Serve as Executive Secretary of the ARC.

(2) Coordinate the activities of the ARC prescribed in §2006.1571 (c) and (d) of this Instruction.

(3) Serve as an advisor to the USDA Executive Information Technology Investment Review Board (EITIRB). Incumbent reviews and approves all USDA major IT investments and ensures investment risks are among the elements considered for each alternative.

(d) <u>Chief Information Officer</u>. The Chief Information Officer will:

(1) Provide for the planning, directing, budgeting, and coordinating of IRM activities.

(2) Ensure that all automation initiatives are managed in accordance with sound life cycle management principles and practices and follow ARC-approved IRM plans, policies, standards, and guidelines.

(3) Serve as an advisor to the ARC.

(4) Conduct periodic reviews of IRM activities to identify opportunities for collaboration, for improvement, to reduce costs, to increase the usefulness of information, and, in general, further Rural Development mission goals and objectives.

(5) Review and approve automation initiatives (purchases of equipment, software, or services) up to $250,000 (per initiative per fiscal year not to exceed $500,000 per initiative) in purchase or contract costs.

§ 2006.1567(d) (Con.)

        (6) Approve IRM Handbooks that implement IRM policies.

        (7) Prepare a 3-year schedule of planned IRM reviews. (See § 2006.1553 (d) of this instruction.)

        (8) Ensure all investments do not exceed, by more than 10 percent, costs and schedule goals established, and failing that, determine whether deficiencies can be resolved or whether an investment should be redirected or terminated.

(e) <u>Assistant Administrators and Deputy Administrators</u>. Assistant Administrators and Deputy Administrators within their area of responsibility, will:

        (1) Review the progress of AIS development and enhancement projects at each life cycle management milestone (as well as appropriate intermediate points) to ensure the functional requirements are being satisfied in a cost-effective manner.

        (2) Exercise oversight for the evaluation and improvement of functional processes as well as the development of functional process performance measures.

        (3) Keep Senior level officials of the Agency they represent fully informed of ARC activities and actions.

(f) <u>The ARC Executive Secretary</u>. The ARC Executive Secretary will:

        (1) Ensure agenda items presented to the ARC are adequately documented, clear and concise, and include a discussion of the benefits and costs, schedule, and business and architectural implications of each feasible alternative.

        (2) Record the minutes and votes of each ARC meeting as described in § 2006.1571(a) and (d) of this Instruction.

        (3) Procedures for the ARC Executive Secretary are covered in § 2006.1571(c) and (d) of this Instruction.

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§ 2006.1568 <u>Composition of the ARC</u>.

    The ARC is composed of a senior level career manager from each of the Rural Development service agencies, or other USDA representatives, as designated in writing by the Under Secretary for Rural Development. (See Exhibit B)

    (a) The ARC Chairperson and Vice-Chairperson will be appointed by the Under Secretary for Rural Development on an annual basis and will come from the voting members designated by the Under Secretary. The ARC is composed of senior managers from Operations and Management (O&M), Rural Business-Cooperative Service (RBS), Rural Housing Service (RHS), Rural Utilities Service (RUS), and the Office of Community Development (OCD). These managers will have voting rights. The Chairperson is administratively supported by the ARC Executive Secretary.

    (b) The Rural Development Chief Financial Officer and Chief Information Officer will serve in a non-voting advisor capacity.

    (c) The ARC may invite representatives from the FSA and other agencies to attend meetings when common systems and issues are on the agenda.

§§ 2006.1569 - 2006.1570 [Reserved]

§ 2006.1571 <u>ARC procedures</u>.

    (a) <u>Voting</u>.

        (1) Substitutes may represent and vote on behalf of voting members at ARC meetings only when approved by the Under Secretary for Rural Development. Requests for substitutes must be submitted in writing to the Under Secretary for Rural Development and a copy must be provided to the ARC Chairperson. Such requests must explain why the ARC member will not be able to attend. Requests will be approved only when the official member is absent for a medical emergency or circumstances beyond his/her control.

        (2) An ARC quorum will consist of a simple majority of voting members. A quorum is required to conduct ARC business and actions.

        (3) At least three members present must vote in favor of an initiative for it to be decided by the ARC or recommended to the Under Secretary for Rural Development, for approval, as appropriate. Members who abstain from voting on an initiative will not be included in the computation of "at least three members present."

(4) The Executive Secretary will record the votes of the ARC members on each agenda item.

(b) <u>Meetings</u>.

(1) The ARC should meet at least quarterly. The Executive Secretary will prepare and the ARC will approve a draft work plan, covering a 1-year period, that shows the agenda items to be considered at each quarterly ARC meeting.

(2) The ARC may hold closed or executive meetings as it deems necessary to address time-sensitive critical automation initiatives.

(3) Agenda items for consideration by the ARC will be submitted to the Executive Secretary. Any Rural Development official may propose an agenda item for consideration.

(4) Non-government employees are only allowed to attend ARC meetings with the consent of the ARC Chairperson.

(c) <u>Coordination of agenda items</u>. The Executive Secretary may coordinate, when appropriate, agenda items with ARC members for comments and concurrence without convening an ARC meeting. Unanimous concurrence or non-concurrence by the ARC members during the coordination of any agenda item will result in its approval or disapproval, as appropriate, without convening the ARC. If an agenda item is not unanimously resolved during the coordination process, the ARC will be convened to establish a position on it.

(d) <u>Records and supporting documentation</u>.

(1) The Executive Secretary should provide the ARC, at least two weeks before the quarterly ARC meeting begins, a read-ahead package that contains supporting material for each ARC agenda item. The package should contain background information and other applicable supporting documentation on each ARC agenda item. The background information should describe the initiative under consideration and should present benefits and costs (as appropriate), schedule, technical risks, and architectural and business implications of each feasible alternative. The package should also contain a status report on active projects of all actions decided by or recommended by the ARC and approved by the Under Secretary for Rural Development.

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(2) Decisions of the ARC should be recorded and presented by the Executive Secretary to the Under Secretary for Rural Development, for action, as appropriate, within two weeks of the completion of the ARC meeting.

(3) Minutes of each ARC meeting should be prepared by the Executive Secretary and coordinated with each ARC member present during the meeting for concurrence and comment. Documentation such as briefing slides and supplemental materials reviewed and/or discussed by the ARC as part of the decision-making process will be retained with the minutes.

(4) If ARC decision documents or minutes relate to funding, contracts, schedules for work that could be contracted, or similar information, the documents will be marked Procurement Sensitive.

(5) Documentation supporting deliberation of the ARC should be retained by the Executive Secretary for 5 years.

(e) Independent analysis. The ARC may make full use of all appropriate sources and tools as needed to support its decision-making process. Sources include the Department's Office of the Chief Information Officer the Department's Office of Operations on procurement matters, or other Federal agency experts and independent consultants.

§§ 2006.1572 - 2006.1600 [Reserved]

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Automation Review Council (ARC)

Charter

Purpose

To ensure executive oversight of major automation purchases, projects, and policies in Rural Development.

Composition

The Under Secretary for Rural Development is the ultimate decision-making official for Rural Development automation activities. The Under Secretary for Rural Development appoints the voting and non-voting members of the ARC. Voting members include senior level career managers from Operations and Management (O&M), Rural Business-Cooperative Service (RBS), Rural Housing Service (RHS), Rural Utilities Service (RUS), and the Office of Community Development (OCD).

The ARC will invite representatives from the Farm Service Agency and other Agencies to participate in meetings when common systems and issues are on the agenda. The ARC Chairperson must ensure that the participation of the representatives of the other Agencies will not impede Rural Development from moving expeditiously forward.

Substitutes may represent and vote on behalf of voting members at ARC meetings only when approved by the Under Secretary for Rural Development. Requests for substitutes must be submitted in writing to the Under Secretary and a copy must be provided to the ARC Chairperson. Such requests must explain why the ARC member will not be able to attend. Requests will be approved only when the official member is absent for a medical emergency or circumstances beyond his/her control.

Duties

❖ Provides high-level oversight of the overall Rural Development Information Resources Management (IRM) Program.
❖ Recommends approval of the IRM Strategic Plan.
❖ Prioritizes automation agenda.
❖ Ensures that automation initiatives directly support the Business and IRM plans.
❖ Recommends funding levels of the IRM budget.

* ❖ Reviews overall ADP budget expenditures.
* ❖ Approves IRM policies or policy changes, which impact the user community.
* ❖ Review/recommend proposed major automation activities.
* ❖ Ensures projects are appropriately justified.
* ❖ Ensures sufficient funding and personnel resources are available for each project.
* ❖ Designates personnel to manage, participate in, and support approved projects.
* ❖ Oversees approved projects.
* ❖ Identifies critical projects that need to be monitored on a periodic basis.
* ❖ Ensures projects are on time, on budget, meet objectives, etc.
* ❖ Recommends approval of major changes in project scope.
* ❖ Resolves conflicts regarding major changes in project scope, resource commitments, etc.
* ❖ Ensures investment is in accordance with eGovernment initiatives.

Procedures

* ❖ Voting

  * A minimum of three members voting in favor of an initiative is required for it to be recommended to the Under Secretary for Rural Development.
  * Members who are in the minority on a decision may submit a minority opinion to the Under Secretary for Rural Development, for consideration.

* ❖ Records

  * Decisions of the ARC will be recorded in writing. Documentation which is reviewed/discussed by the ARC as part of the decision making process will be retained with the ARC's minutes.

* ❖ Meetings

  * The ARC should meet at least quarterly. The ARC may hold closed or executive meetings as it deems necessary to monitor critical projects.

General

❖ The ARC will consider all automation projects and purchases of equipment, software, and services that exceed $250,000 in systems life cycle costs, initial purchase, contract, and/or other resources costs to the Agency. The ARC may also oversee initiatives which fall below the $250,000 threshold which it designates as having significant or critical impact on Agency programs and systems.

❖ The ARC will oversee all phases of the systems life cycle management process.

❖ The ARC will make full use of appropriate tools, review entities, and resources determined necessary to ensure project success. These include but are not limited to:

- Office of the Chief Financial Officer
- Office of the Chief Information Officer
- Office of Operations
- Private sector subject-matter expert organizations
- Departmental automated tools (e.g., automated BCA spreadsheet)
- Independent contractors

❖ Projects for consideration by the ARC may be proposed from any source. Typically this will be the Deputy Administrator or Assistant Administrator from the benefiting program area, but it might also be the Chief Information Officer, Administrator, Associate Administrator, or an interested State Director. All proposals will be coordinated through the Chief Information Officer who is responsible for ensuring the adequacy of project documentation.

Approved: _____ Date: _____

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