

APPENDIX K – SELECTED OMB GUIDANCE AND OTHER REFERENCES REGARDING CAPITAL ASSETS

EXECUTIVE ORDERS

Executive Order No. 12893, "Principles for Federal Infrastructure Investments," provides principles for the systematic economic analysis of infrastructure investments and their management. OMB Bulletin No. 94-16, Guidance on Executive Order No. 12893, "Principles for Federal Infrastructure Investments" (March 7, 1994), provides guidance for implementing this Order and appends the Order itself.

OMB CIRCULARS AND MEMORANDA

OMB Circular No. A-11, *Preparing and Submitting Budget Estimates* (June 2002):

Part 2: Preparation and Submission of Budget Estimates

- Section [31.4](#), Full funding, requires that the agency request include full funding for procurement and construction. See section [300.6](#) for more discussion of this policy.
- Section [33.6](#), Systems acquisitions, states that agencies should develop their estimates of major systems acquisitions, including information technology systems, consistent with guidance in the *Capital Programming Guide*, the requirements of Title V of the Federal Acquisition Streamlining Act of 1994 (FASA), and the Clinger-Cohen Act of 1996.
- Section [52](#), Information on financial management, requires agencies to submit data on financial management plans, systems and resources.
- Section [53](#), Information technology, requires agencies to submit data on information technology investments.
- Section [84](#), Character classification, requires information on different kinds of investment and grants to State and local governments.

Part 7: Planning, Budgeting, Acquisition, and Management of Capital Assets

Capital Programming Guide (June 1997). The *Guide* is a policy Supplement to this Circular.

OMB Circular No. A-94, *Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs* (October 1992), publishes periodic revisions of the discount rate that are used to produce benefit-cost, cost-effectiveness, and lease-purchase analyses in evaluating Federal activities including capital asset acquisition. The circular includes guidelines on how to use the discount rate in calculating present value of future benefits and costs; measuring benefits and costs; and treating uncertainty and other issues. This guidance must be followed in all analyses you submit to OMB in support of legislative and budget programs.

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OMB Circular No. A-127, *Financial Management Systems* (revised July 23, 1993), prescribes policies and standards for you to follow in developing, operating, evaluating, and reporting on financial management systems. Revised further in Transmittal Memorandum #2 (June 10, 1999).

OMB Circular No. A-130, *Management of Federal Information Resources* (revised November 20, 2000), provides principles for internal management and planning practices of information systems and technology.

OMB Memorandum M-00-10, *OMB Procedures and Guidance on Implementing the Government Paperwork Elimination Act* (April 25, 2000). This memorandum provides guidance implementing on the Government Paperwork Elimination Act (GPEA), which requires agencies, by October 21, 2003, to provide for the (1) option of electronic maintenance, submission, or disclosure of information, when practicable as a substitute for paper; and (2) use and acceptance of electronic signatures, when practicable.

OMB Memorandum M-00-13, *Privacy Policies and Data Collection on Federal Websites* (June 22, 2000). This memorandum reminds agencies that they are required by law and policy to establish clear privacy policies for its web activities and to comply with those policies.

OMB Memorandum M-02-03, *2002 Discount Rates for OMB Circular A-94* (January 29, 2002). This memorandum provides the annual update of discount rates in Appendix C of OMB Circular A-94. These rates will be in effect February 2002 through the end of January 2003.

PUBLICATIONS

American National Standard Institute, *Earned Value Management Systems*, ANSI/EIA-748-1998, (approved May 19, 1998). Electronic Industries Alliance. Arlington, VA 22201.

Best Practices Committee, Federal Chief Information Officers Council, three separate documents:

1) *Smart Practices in Capital Planning* (October 2000); 2) *First Practices in Portfolio Management* (February 2002); and 3) *ROI and the Value Puzzle* (April 1999) (see www.cio.gov).

U.S. General Accounting Office, *Assessing Risks and Returns: A Guide for Evaluating Federal Agencies' IT Investment Decision-Making*, GAO/AIMD-10.1.13 (February 1997).