

Data on Information Technology

Summary of Changes

- Agencies are required to report data on information technology (IT) in a new format (exhibit 42). IT submissions for exhibit 40B (Report on Financial Management Systems) and for exhibit 43 (Agency-wide Summary on Obligations for Information Technology) are no longer required (section 42.3).
- Initial IT submissions will be submitted as paper copies; revised submissions reflecting final budget decisions will be submitted electronically through a special MAX application (section 42.3).

42.1 Purpose.

Data on information technology (IT) are collected for the oversight and review of IT and information resource management, as required by the Paperwork Reduction Act of 1995 and the Clinger-Cohen Act of 1996. This information is also used to review requests for agency financial management systems and to assist OMB in preparation of the Government-wide five-year plan required by the Chief Financial Officers (CFOs) Act of 1990.

The new format for reporting IT (exhibit 42) was developed jointly by OMB and the Chief Information Officers' Council and is designed to provide the basic information needed by agencies to link their internal planning, budgeting, and management of IT resources.

42.2 Definitions.

For reporting purposes, agencies will use the following definitions.

Information technology, as defined by the Clinger-Cohen Act of 1996, is 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. For purposes of the preceding sentence, equipment is used by an agency, if the equipment is used by the agency directly or is used by a contractor under a contract with the agency which (i) requires the use of such equipment or (ii) requires the use, to a significant extent, of such equipment in the performance of a service or the furnishing of a product. It includes computers, ancillary equipment, software, firmware and similar procedures, services (including support services), and related resources. It does not include any equipment that is acquired by a Federal contractor incidental to a Federal contract.

An **information system** is a discrete set of information technology, data, and related resources, such as personnel, hardware, software, and associated informa-

tion technology services organized for the collection, processing, maintenance, use, sharing, dissemination or disposition of information.

Financial management systems consist of financial systems and the financial portions of mixed systems necessary to support financial management.

A **financial system** is an information system, comprised of one or more applications, that is used for any of the following:

- collecting, processing, maintaining, transmitting, and reporting data about financial events;
- supporting financial planning or budgeting activities;
- accumulating and reporting cost information; or
- supporting the preparation of financial statements.

A financial system supports the financial functions required to track financial events, provide financial information significant to the financial management of the agency and/or required for the preparation of financial statements.

A **mixed system** is an information system that supports both financial and nonfinancial functions of the Federal Government or components thereof.

A **non-financial system** is an information system that supports non-financial functions of the Federal Government or components thereof and any financial data included in the system are insignificant to agency financial management and/or are not required for the preparation of financial statements.

42.3 Materials required.

Agencies are required to submit a report on information technology for PY–BY, in the format of exhibit 42, as described below. This report covers:

- IT systems by mission area (Part 1);
- IT infrastructure and office automation (Part 2);
- IT architecture and planning (Part 3); and
- total agency IT costs (Part 4).

Each agency with IT budget authority that exceeds \$50 million in PY, CY, or BY will report data for Parts 1–4 of exhibit 42. In addition, all agencies with budget authority for financial management systems of \$1 million or more in PY, CY, or BY are required to report on these systems in Part 1 of this exhibit. Agencies with IT budget authority below the \$50 million reporting threshold are not required to report on non-financial management systems in Part 1 or to complete the other parts of the exhibit. Budget authority will be reported in millions of dollars. Where obligations are a better measure of total costs for the PY, agencies may report obligation data for that year.

As a general rule, exhibit 42 submissions will cover IT for the agency as a whole. However, in some cases, OMB may require agencies to provide submissions at the bureau level.

An original and two paper copies of the report on IT (exhibit 42) will be required with the initial budget submission (see section 10.3(a)). *In addition, no later than 30 days after final budget decisions are made, agencies are required to enter exhibit 42 data directly into a special MAX application (i.e., not the MAX application that generates data for the Budget Appendix).* Data should be entered into MAX for each report included in agencies' initial budget submissions. These data should be updated to reflect any changes in IT data due to final budget decisions. *Agencies should note that electronic submission of exhibit 42 data will also be required next year as part of their initial budget requests for FY 2001.*

Information reported in exhibit 42 should be consistent with data reported in the object classes that include obligations for IT (i.e., object classes 11.1 through 12.2, 23.1, 23.2, 23.3, 25.2, 25.3, 25.7, 26.0, 31.0, and 41.0).

(a) Data on IT systems by mission area (Part 1). Part 1 provides information on IT investments that directly support an agency's designated mission areas. Mission areas should be consistent with the major functions and operations identified in the agency's strategic and annual performance plans. (See Part 2 of this Circular.) Data will be reported by mission area and IT system, project, program, or initiative. Information for each major IT system must be reported separately; for other IT systems, data should be aggregated and reported in the "all other" category. For reporting purposes, a major IT system is an IT system reported by an agency as part of its "Capital Asset Plan and Justification" (exhibit 300B). (See Part 3 of this Circular.)

For each system or program listed, separate entries are required to report budget authority for PY–BY for:

- development/modernization/enhancement of the system; and
- maintenance and operation of a system at its current capability (i.e., "steady state").

In addition, each funding source (e.g., direct appropriation or transfer from another account) for system or program will be listed and identify the amount of budget authority provided. Agencies should report on those accounts that provide the financing (e.g., direct appropriations or other amounts) for a particular investment. To avoid double counting, any accounts receiving intragovernmental payments (e.g., working capital funds) for purchase of IT investments or services should not be reported as funding sources.

Each agency is required to report on major financial management systems under the "Financial Management" mission area in Part 1. For example, an agency may report on one or more major financial systems (e.g, payroll system, core accounting system, benefits financing system, etc.) under this mission area. If an agency has small financial systems, they should be aggregated and reported in the "all other" category for the "Financial Management" mission area.

In some cases, an IT system may support several mission areas. When this occurs, agencies are required to determine the amount of budget authority supporting each mission area and report the appropriate amounts with the corresponding mission area. For example, for a mixed system (as defined in section 42.2), budget authority for the financial portion of the system should be reported under the "Financial Management" mission area and the non-financial system under the appropriate mission area(s).

(b) Data on infrastructure and office automation (Part 2). Part 2 includes information on IT investments that are common user systems, communications, and computing infrastructure, but are not directly related to singular program support. Each major IT infrastructure and office automation system, program, project or initiative will be reported separately. Major IT infrastructure systems are those included in this year's exhibit 300B submission. Other IT infrastructure and office automation should be aggregated in the "all other" category. Separate entries for development/modernization/enhancement, steady state, and funding sources are required for each system or program listed.

(c) **Data on IT architecture and planning (Part 3).** Part 3 provides information on IT investments that support strategic management of IT operations. Each major IT architecture and planning system, program, project or initiative will be reported separately. Major IT architecture systems are those included in this year's exhibit 300B submission. Other architecture and planning should be aggregated in the "all other" category. Separate entries for development/modernization/enhancement, steady state, and funding sources) are required for each system or program listed.

(d) **IT resources summary (Part 4).** Part 4 provides a summary of information reported on IT systems by mission area (Part 1), IT infrastructure and office automation (Part 2), and IT architecture and planning (Part 3). Separate entries are used to report total budget authority for development/modernization/enhancement, steady state, and total IT costs reported in Parts 1-3.

42.4 Reporting requirements.

(a) **Coding.**—Data will be reported on the applicable line entries, using the six-digit line number coding described below.

Line number codes	Description
XX-xxxx	The first two digits will take the following values: For Part 1 of the exhibit: 01—financial management mission area 11-89—other mission areas For Parts 1-4: 99—totals for all costs reported in the individual Parts of the exhibit (i.e., Parts 1, 2, 3, or 4), as follows: —totals for "Development/modernization/enhancement"; —totals for "Steady state"; and —totals for IT costs (i.e., the sum of "Development" and "Steady state" entries) in each individual Part. For Parts 2-4, the first two digits will always be "01", except total lines will be coded as "99", as described above.
xx-Xxxx	The third digit distinguishes between data reported in the "major system", "all other systems" or "subtotal" categories listed below: 1—major system (i.e., major IT system (in Part 1), major IT infrastructure system (in Part 2), or major IT architecture and planning system (Part 3) 2—all other systems 3—subtotals for each specific mission area and totals for the individual Parts of the exhibit.
xx-xXXx	The fourth and fifth digit (00-99) identifies the specific IT system for which data are reported.
xx-xxxX	The sixth digit identifies the component of the system or funding source for which data are reported, as follows: 1—development, modernization, and enhancement costs of the system 2—steady state (i.e., operating) costs of the system 3—subtotals for the sum of development, modernization, and enhancement costs, and steady state costs 4—appropriation or other sources that fund the costs of the system 7—subtotals for the sum of appropriation or other funding sources reported for the system

(b) **Data elements required.**—Explanations of the information technology data required for exhibit 42 are provided below. Data reported for major IT systems in Parts 1-3 should be consistent with information reported on these systems in exhibit 300B.

Entry*	Description
Part 1. Data on IT Systems by Mission Area	Budget authority in millions of dollars will be reported for PY-BY for the following entries, using the line number coding scheme described in section 42.4(a). Report amounts for information technology investments that directly support an agency-designated mission area (e.g., command and control, human resource management, financial management). (For a definition of mission area, see section 42.3(a)). Include amounts for IT applications that cover more than one agency in the mission area with oversight over the project. Report each mission area in which IT systems, programs, projects, or initiatives are funded.
Mission Area <i>The first mission area reported should be "Financial Management"</i> xx-xxxx Major IT System	Under each mission area, list each IT system supporting the mission area that is reported on the agency's "Capital Asset Plan and Justification", exhibit 300B (see Part 3 of this Circular). Exhibit 42 submissions should cover all major IT systems, including financial management systems, reported in exhibit 300B.

Entry *	Description
	<p>Report amounts for major financial management systems under Mission Area 1 and identify this mission area as "Financial Management". If an agency has small financial management systems, they should be aggregated and reported in total under the "all other" entry for this mission area.</p> <p>When an IT system supports several mission areas, report the appropriate amounts under the corresponding mission area.</p>
xx-xxx1 Development/modernization/enhancement	Report program costs for new systems, changes or modifications to existing systems that improve capability or performance, changes mandated by the Congress or agency leadership, personnel costs for project management, and direct support. For each major IT system, this entry equals the sum of amounts reported for planning and full acquisition of that system in exhibit 300B.
xx-xxx2 Steady state	Report the costs of maintenance and operations at current capability and performance level including costs for personnel, maintenance of existing information systems, corrective software maintenance, voice and data communications maintenance, and replacement of broken IT equipment. For each major IT system, this entry equals amounts reported for maintenance of that system in exhibit 300B.
xx-xxx3 Subtotal, IT costs	For each major IT system, report the the sum of amounts for development/ modernization/enhancement and for steady state for each year.
xx-xxx4 Appropriation/Funding Sources	For each funding source (e.g., appropriation account, transfer from another agency), identify the account and amounts provided.
xx-xxx7 Subtotal, funding source	Report amounts for each account that provides financing for a particular investment. To avoid doublecounting, do not report accounts receiving intragovernmental payments for purchase of IT investments for services.
xx-xxxx All Other IT Systems	For each major IT system, report the sum of amounts reported as funding sources for each year. For each system, the subtotal for funding sources should equal the subtotal for IT costs for a year.
xx-xxx1 Development/modernization/enhancement	For each mission area, aggregate and report the costs for all other IT systems that support the mission but are not major IT systems, as defined above. Do not identify these IT systems separately.
xx-xxx2 Steady state	For each "All other IT systems" category, report amounts for development, steady state costs, funding sources, and subtotals, consistent with the line entry descriptions provided above.
xx-xxx3 Subtotal, IT costs	
xx-xxx4 Appropriation/Funding Sources	
xx-xxx7 Subtotal, funding source	
xx-3xxx Totals for a mission area	For each mission area, report totals for development and steady state costs and totals for all costs reported for the mission area.
99-3xxx Totals for all mission areas	Report totals for development and steady state costs and totals for all mission areas reported in Part 1.
Part 2. Data on IT Infrastructure and Office Automation	
xx-xxxx Major IT infrastructure system	Report amounts for IT investments that are common user systems, communications, and computing infrastructure, but are not directly related to singular program support (e.g., general LAN/WAN, desktops, data centers, telecommunications).
xx-xxx1 Development/modernization/enhancement	Report each major IT infrastructure system, program, project or initiative separately. Major IT infrastructure systems, projects, etc. are those reported on this year's exhibit 300B submission.
xx-xxx2 Steady state	For each IT infrastructure entry, report amounts for development, steady state costs, funding sources, consistent with the line entry descriptions provided above.
xx-xxx3 Subtotal, IT costs	
xx-xxx4 Appropriation/Funding Sources	
xx-xxx7 Subtotal, funding source	
xx-xxxx All other infrastructure systems	For each "All other infrastructure systems" category, aggregate and report the costs for all other IT infrastructure systems. Do not identify these IT systems separately.
xx-xxx1 Development/modernization/enhancement	Report amounts for development, steady state costs, funding sources, and subtotals, consistent with the line entry descriptions provided above.
xx-xxx2 Steady state	
xx-xxx3 Subtotal, IT costs	
xx-xxx4 Appropriation/Funding Sources	
xx-xxx7 Subtotal, funding source	

Entry*	Description
99-3xxx Totals for IT infrastructure systems	Report totals for development and steady state costs and totals for all IT infrastructure and office automation costs reported in Part 3.
<p>Part 3. Data on IT Architecture and Planning</p> <p>xx-xxxx Major IT architecture and planning system</p> <p> xx-xxx1 Development/modernization/enhancement</p> <p> xx-xxx2 Steady state</p> <p> xx-xxx3 Subtotal, IT costs</p> <p> xx-xxx4 Appropriation/Funding Sources</p> <p> xx-xxx7 Subtotal, funding source</p> <p>xx-xxxx All other architecture systems</p> <p> xx-xxx1 Development/modernization/enhancement</p> <p> xx-xxx2 Steady state</p> <p> xx-xxx3 Subtotal, IT costs</p> <p> xx-xxx4 Appropriation/Funding Sources</p> <p> xx-xxx7 Subtotal, funding source</p> <p>99-3xxx Totals for IT architecture and planning</p>	<p>Report amounts for IT investments that support strategic management of IT operations (e.g., BPR, architecture development, interoperability, planning, procurement management, and IT policy).</p> <p>Report each major IT architecture and planning system, program, project or initiative separately. Major IT architecture systems, projects, etc. are those reported on this year's exhibit 300B submission.</p> <p>For each IT architecture entry, report amounts for development, steady state costs, funding sources, consistent with the line entry descriptions provided above.</p> <p>For each "All other architecture systems" category, aggregate and report the costs for all other IT architecture systems. Do not identify these IT systems separately.</p> <p>Report amounts for development, steady state costs, funding sources, and subtotals, consistent with the line entry descriptions provided above.</p> <p>Report totals for development and steady state costs and totals for all IT architecture and planning system costs reported in Part 3.</p>
<p>Part 4. IT Resource Summary</p> <p>99-3xxx Totals for Mission Areas, Infrastructure, and Architecture</p>	Report totals for development and steady state costs and totals for all IT costs reported in Parts 1 through 4.

* Subtotals and totals in boldface will be automatically generated.

Report on Information Technology

Department of Government

(in millions of dollars)

Line number code	Entry	PY BA	CY BA	BY BA
Part 1. Data on IT Systems By Mission Area				
01-0000	Mission Area 1: Financial Management			
01-1000	Major IT:			
01-1010	Inventory system			
01-1011	Development/modernization/enhancement ..	1	18	23
01-1012	Steady state	16	16	17
01-1013	Subtotal, IT costs	17	34	40
	Appropriation/Funding Sources			
01-1014 01	Appropriation A	2	19	20
01-1014 02	Transfer from Agency XYZ	5	5	5
01-1014 03	Appropriation B	10	10	15
01-1017	Subtotal, funding sources	17	34	40
01-1020	Core accounting system			
01-1021	Development/modernization/enhancement ..	11	9	7
01-1022	Steady state	5	5	5
01-1023	Subtotal, IT costs	16	14	12
	Appropriation/Funding Sources			
01-1024 01	Source 1	4	5	6
01-1024 02	Source 2	12	9	6
01-1027	Subtotal, funding sources	16	14	12
01-2000	All Other Financial Management:			
01-2001	Development/modernization/enhancement ..	3	3	3
01-2002	Steady state	2	2	2
01-2003	Subtotal, IT costs	5	5	5
	Appropriation/Funding Sources			
01-2004 01	Source 1	4	4	4
02-2004 02	Source 2	1	1	1
01-2004 03	Source 3			
01-2007	Subtotal, funding sources	5	5	5
01-3000	Total: Mission Area 1			
01-3001	Development/modernization/enhancement ..	15	30	33
01-3002	Steady state	23	23	24
01-3003	Subtotal, Mission Area 1	38	53	57
11-0000	Mission Area 2: Human Resources			
11-1000	Major IT:			
11-1010	Personnel system			
11-1011	Development/modernization/enhancement ..	7,782	8,627	5,612
11-1012	Steady state	11,493	10,142	11,401
01-1013	Subtotal, IT costs	19,275	18,769	17,013

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	Appropriation/Funding Sources			
11-1014 01	Source 1	782	627	612
11-1014 02	Source 2	7,000	8,000	5,000
11-1014 03	Source 3	11,493	10,142	11,401
11-1017	Subtotal, funding sources	19,275	18,769	17,013
11-2000	All Other Human Resources:			
11-2001	Development/modernization/enhancement ..	6,589	8,854	9,377
11-2002	Steady state	12,888	11,500	10,989
11-2003	Subtotal, IT costs	19,477	20,354	20,366
11-2004 01	Appropriation/Funding Sources: Source ..	19,477	20,354	20,366
11-3000	Total: Mission Area 2			
11-3001	Development/modernization/enhancement ..	14,371	17,481	14,989
11-3002	Steady state	24,381	21,642	22,390
11-3003	Subtotal, Mission Area 2	38,752	39,123	37,379
99-3000	All Mission Areas			
99-3001	Development/modernization/enhancement ..	14,386	17,511	15,022
99-3002	Steady state	24,404	21,665	22,414
99-3003	Total, All Mission Areas	38,790	39,176	37,436
	Part 2. Data on IT Infrastructure and Office Automation			
	Major IT Infrastructure System:			
	Corporate network system			
01-1011	Development/modernization/enhancement ..	3,542	3,344	8,765
01-1012	Steady state	3,434	7,654	5,578
01-1013	Subtotal, IT costs	6,976	10,998	14,343
	Appropriation/Funding Sources			
01-1014 01	Source 1	3,056	5,400	8,767
01-1014 02	Source 2	3,500	1,500	2,121
01-1014 03	Source 3	420	4,098	3,455
01-1017	Subtotal, funding sources	6,976	10,998	14,343
01-1020	Long-haul communications			
01-1021	Development/modernization/enhancement ..	3,443	7,456	5,758
01-1022	Steady state	3,555	4,344	5,465
01-1023	Subtotal, IT costs	6,998	11,800	11,223
	Appropriation/Funding Sources			
01-1024 01	Source 1	2,000	3,000	3,500
01-1024 02	Source 2	2,000	3,000	3,000
01-1024 03	Source 3	2,998	5,800	4,723
01-1027	Subtotal, funding sources	6,998	11,800	11,223
01-2000	Other Infrastructure System:			
01-2001	Development/modernization/enhancement ..	6,734	3,544	9,090
01-2002	Steady state	12,234	4,534	3,423
01-2003	Subtotal, IT costs	18,968	8,078	12,513
	Appropriation/Funding Sources			
01-2004 01	Source 1	6,667	4,343	3,222
01-2004 02	Source 2	4,567	3,567	7,879
01-2004 03	Source 3	7,734	168	1,412
01-2007	Subtotal, funding sources	18,968	8,078	12,513

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All Infrastructure Systems:				
99-3001	Total Development/modernization/ enhancement	13,719	14,344	23,613
99-3002	Total Steady state	19,223	16,532	14,466
99-3003	Total, All Infrastructure Systems..	32,942	30,876	38,079
Part 3. Data on IT Architecture and Planning				
Major IT Architecture and Planning:				
IT modernization blueprint:				
01-1010				
01-1011	Development/modernization/enhancement ..	3,453	2,234	7,865
01-1012	Steady state	5,675	7,654	6,775
01-1013	Subtotal, IT costs	9,128	9,888	14,640
Appropriation/Funding Sources				
01-1014 01	Source 1	3,000	4,500	11,000
01-1014 02	Source 2	3,500	1,500	2,121
01-1014 03	Source 3	2,628	3,888	1,519
01-1017	Subtotal, funding sources	9,128	9,888	14,640
Other IT Architecture and Planning:				
01-2000				
01-2001	Development/modernization/enhancement ..	3,454	5,535	2,121
01-2002	Steady state	12,225	19,888	21,000
01-2003	Subtotal, IT costs	15,679	25,423	23,121
Appropriation/Funding Sources				
01-2004 01	Source 1	567	786	988
01-2004 02	Source 2	4,567	3,567	7,879
01-2004 03	Source 3	10,545	21,070	14,254
01-2007	Subtotal, funding sources	15,679	25,423	23,121
All IT Architecture and Planning				
99-3001	Total Development/modernization/ enhancement	6,907	7,769	9,986
99-3002	Total Steady state	17,900	27,542	27,775
99-3003	Total, All IT Architecture	24,807	35,311	37,761
Part 4. IT Resources Summary				
Mission Area, Infrastructure, and Architecture Totals:				
99-3001	Development/modernization/enhancement ..	35,012	39,624	48,621
99-3002	Steady state	61,527	65,739	64,655
99-3003	Total, All IT costs	96,539	105,363	113,276