

SECTION 53—INFORMATION TECHNOLOGY AND E-GOVERNMENT (95% version)

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Ex-53 Agency IT Investment Portfolio

Summary of Changes

Adds High Risk Project designations as new investment category for projects that are only portions of a larger consolidated investment (section [53.8](#)).

Adds new IPv6 column to exhibit 53 (section [53.8](#)).

Adds new HSPD-12 column to exhibit 53 (section [53.8](#)).

Adds new On High-Risk List column to exhibit 53 (section [53.8](#)).

Adds new Segment Architecture column to exhibit 53 (section [53.8](#)).

Adds new Part 6, National Security Systems Investments to exhibit 53 (section [53.8](#)).

Changed Part 5. "Special Use IT Investments" to capture only IT Grants to State and Locals (section [53.8](#)).

53.1 Why must I report on information technology (IT) investments?

The information required allows the agency and OMB to review and evaluate each agency's IT spending and to compare IT spending across the Federal Government. Specifically the information helps the agency and OMB to:

- Ensure initiatives create a citizen-centered electronic presence and advance an E-Government (E-Gov) strategy including specific outcomes to be achieved;
- Understand the amount being spent on development and modernization of IT versus the amount being spent on operating and maintaining the status quo for IT;

- Identify costs for providing IT security as part of agency investment life cycle as well as IT security costs for supporting crosscutting or infrastructure related investments under the Federal Information Security Management Act (FISMA);
- Provide a full and accurate accounting of IT investments for the agency as required by the Clinger-Cohen Act of 1996;
- Ensure spending on IT supports agency compliance with the requirements of Section 508 of the Rehabilitation Act Amendments of 1998 (Electronic and Information Technology Accessibility) and Section 504 of the Rehabilitation Act of 1973 (Reasonable Accommodation);
- Ensure compliance with E-Government Act of 2002 and Paperwork Reduction Act of 1995;
- Ensure privacy is considered and protected in electronic activities;
- Identify investments supporting Homeland Security goals and objectives; and
- Review requests for agency financial management systems.

You must provide this information using the Agency IT Investment Portfolio (exhibit [53](#)) reporting format. This information should be consistent with information required in section 51.3. In addition, as an output of your agency's internal capital planning and investment control process, your budget justification for IT must provide results oriented information in the context of the agency's missions and operations. Your budget justification, including the status and plans for information systems, should be consistent with your agency's submissions on financial management activities required by section [52](#) and the applicable guidance in Part 7 (section [300](#)) of this Circular.

The total investment's costs must cover the entire risk-adjusted life cycle of each system and include all budgetary resources (direct appropriation, working capital fund, revolving funds, etc.). Budgetary resources are defined in section [20](#) of this Circular. Life cycle costs should also be risk adjusted to include any risks addressed on the Capital Asset Plan and Business Case. These total investment costs must be formulated and reported in order for OMB to meet the Clinger-Cohen Act's requirement which states, at the same time the President submits the budget for a fiscal year to Congress under section [1105\(a\) of title 31, United States Code](#), the Director shall submit to Congress a report on the net program performance benefits achieved as a result of major capital investments made by executive agencies in information systems and how the benefits relate to the accomplishment of the goals of the executive agencies.

53.2 What background information must I know?

The Federal Government must effectively manage its portfolio of capital assets to ensure scarce public resources are wisely invested. Capital programming integrates the planning, acquisition and management of capital assets into the budget decision-making process. It is intended to assist agencies in improving asset management and in complying with the results-oriented requirements of:

- The Government Performance and Results Act of 1993 (GPRA), establishing the foundation for budget decision-making to achieve strategic goals in order to meet agency mission objectives. Instructions for preparing strategic plans, annual performance plans, and annual program performance reports are provided in Part 6 of this Circular (see section [220](#)).
- The Program Assessment Rating Tool (PART), which assesses a program's performance and management, including the practices and procedures used to achieve results. Information on the

PART process and schedule, guidance for completing a PART assessment, and other supporting materials can be found at <http://www.whitehouse.gov/omb/part/>.

- The Federal Managers Financial Integrity Act of 1982 (FMFIA), Chief Financial Officers Act of 1990 (CFO Act) and Federal Financial Management Improvement Act of 1996, which require accountability of financial and program managers for financial results of actions taken, control over the Federal Government's financial resources, and protection of Federal assets. OMB policies and standards for developing, operating, evaluating, and reporting on financial management systems are contained in [Circular A-127](#), Financial Management Systems, and section 52 of this Circular.
- The Paperwork Reduction Act of 1995 (PRA), which requires agencies to perform their information resources management activities in an efficient, effective, and economical manner.
- The Clinger-Cohen Act of 1996, which requires agencies to use a disciplined capital planning and investment control (CPIC) process to acquire, use, maintain and dispose of information technology. OMB policy for management of Federal information resources is contained in Circular A-130, "Management of Federal Information Resources."
- The Federal Information Security Management Act (FISMA), which requires agencies to integrate IT security into their capital planning and enterprise architecture (EA) processes, conduct annual IT security reviews of all programs and systems, and report the results of those reviews to OMB.
- The E-Government Act of 2002 ([P.L. 107-347](#)), which requires agencies to support government-wide E-Gov initiatives and to leverage cross-agency opportunities to further E-Gov. The Act also requires agencies to establish a process for determining which government information the agency intends to make available and accessible to the public on the Internet and by other means. In addition, the Act requires agencies to conduct, and submit to OMB, privacy impact assessments for all new IT investments administering information in identifiable form collected from or about members of the public.
- The Federal Records Act, which requires agencies to establish standards and procedures to assure efficient and effective records management. The National Archives and Records Administration (NARA) issues policies and guidance for agencies to meet their records management goals and requirements. NARA also provides policies and guidance for planning and evaluating investments in electronic records management.
- The Privacy Act (5 U.S.C. § 552a), is an omnibus "code of fair information practices" which attempts to regulate the collection, maintenance, use, and dissemination of personal information by federal executive branch agencies.

53.3 How do I ensure IT investments improve program performance and support the President's Management Agenda?

All IT investments must clearly demonstrate the investment is needed to help meet the agency's strategic goals and mission. They should also support the President's Management Agenda (PMA). The President's Budget defines the guiding principles for the investments supporting the PMA. For more information on the PMA refer to <http://www.results.gov>.

The capital asset plans and business cases (exhibit [300](#)) and "Agency IT Investment Portfolio" (exhibit [53](#)) demonstrate the agency management of IT investments and how these governance processes are used

when planning and implementing IT investments within the agency. Any attendant documentation should be maintained and readily available if requested by OMB.

The individual agency's exhibit 53 is used to create an overall "Federal IT Investment Portfolio" published as part of the President's Budget. OMB's portfolio review and budget process will ensure IT investments support the strategy identified in this section and ensure the Federal IT Investment Portfolio includes the most effective portfolio of investments to:

- Improve the management of programs to achieve better program outcomes;
- Ensure sound security of Federal information systems and appropriate protection of information held in those systems;
- Eliminate redundant or non productive IT investments;
- Support the Federal Enterprise Architecture (FEA);
- Support the Presidential initiatives and E-Gov strategy;
- Focus IT spending on high priority modernization initiatives;
- Manage major IT investments within 10% of cost, schedule, and performance objectives;
- Certify and accredit IT investments and systems; and
- Ensure privacy safeguards are implemented in electronic activities.

53.4 What special terms should I know?

Budget Execution represents activities related to apportioning and allocating funds to lower level organizations consistent with legal limitations and management objectives then reflected in the formulated budget, operating plans, status of funds reports, the reprogramming of funds, quarterly reporting to Treasury, outlay plans, and transfers.

Budget Formulation represents activities undertaken to determine priorities for future spending and to develop an itemized forecast of future funding and expenditures during a targeted period of time. This includes the collection and use of performance information to assess the effectiveness of programs and develop budget priorities.

Business Reference Model (BRM) is a function-driven framework used to describe the lines of business and sub-functions performed by the Federal Government independent of the agencies performing them. IT investments are mapped to the BRM to identify collaboration opportunities.

Capital Planning and Investment Control (CPIC) means the same as capital programming and is a decision-making process for ensuring IT investments integrate strategic planning, budgeting, procurement, and the management of IT in support of agency missions and business needs. The term comes from the Clinger-Cohen Act of 1996 and generally is used in relationship to IT management issues.

Certification and Accreditation (C&A) is a comprehensive assessment of the management, operational, and technical security controls in an information system, made in support of security accreditation, to

determine the extent to which the controls are implemented correctly, operating as intended, and producing the desired outcome with respect to meeting the security requirements of the system.

Federal Enterprise Architecture (FEA) is a business-based framework for government-wide improvement. It describes the relationship between business functions and the technologies and information supporting them. The FEA is being constructed through a collection of interrelated "reference models" designed to facilitate cross-agency analysis and the identification of duplicative investments, gaps, and opportunities for collaboration within and across federal agencies. For FY 2009, major IT investments should be aligned with each reference model within the FEA framework, except for the Data Reference Model. More information about the FEA reference models is available at <http://www.egov.gov>. The BRM and Service Component Reference Model (SRM) are briefly described in this section (53.4).

FEA Primary Mapping is the identification of the primary function or service this IT investment supports. For FY 2009, investments should identify a primary mapping to either the BRM (Line of Business and associated sub-function) *or* to the SRM (Service Type and associated Component). Only one primary FEA mapping should be provided for each investment. A BRM mapping should be used if the investment primarily supports a functional area. If the investment primarily provides a service cross-cutting multiple functional areas, the SRM mapping should be provided. Guidance on the codes for the BRM and SRM primary mappings can be found at <http://www.egov.gov>. Note: BRM lines of business and sub-functions in the Mode of Delivery business area are not valid as FEA primary mappings.

Financial Management Systems are financial systems and the financial portion of mixed systems (see definitions below) that support the interrelationships and interdependencies between budget, cost and management functions, and the information associated with business activities. As outlined in the Section 52, the total investment for Financial Management Systems is equal to the aggregated total of Budget Execution, Budget Formulations, and Financial Systems,

Financial Systems are comprised of one or more applications that are used for any of the following:

- Collecting, processing, maintaining, transmitting, and reporting data about financial events;
- Accumulating and reporting cost information; or
- Supporting the preparation of financial statements.

A financial system supports the processes necessary to record the financial consequences of events that occur as a result of business activities. Such events include information related to the receipt of appropriations or resources; acquisition of goods or services; payment or collections; recognition of guarantees, benefits to be provided, or other potential liabilities or other reportable activities.

Funding Source means the direct appropriation or other budgetary resources an agency receives. You need to identify the budget account and the budget authority provided. Report those budget accounts providing the financing for a particular investment. *To avoid double counting, do not report any accounts receiving intra-governmental payments to purchase IT investments or services as funding sources.*

Government Information means information created, collected, processed, disseminated, or disposed of by or for the Federal government.

High Risk Projects require special attention from oversight authorities and the highest levels of agency management because: 1) the agency has not consistently demonstrated the ability to manage complex projects; 2) of the exceptionally high development, operating, or maintenance costs, either in absolute terms or as a percentage of the agency's total IT portfolio; 3) it is being undertaken to correct recognized deficiencies in the adequate performance of an essential mission program or function of the agency, a component of the agency, or another organization, or 4) delay or failure would introduce for the first time inadequate performance or failure of an essential mission program or function of the agency, a component

of the agency, or another organization. If a High Risk Project is represented by an entire IT Investment, the IT Investment would be also known as a High Risk Investment.

Information Resource Management (IRM) Strategic Plan is strategic in nature and addresses all information resources management of the agency. Agencies must develop and maintain the agency's IRM strategic plan as required by [44 U.S.C. 3506\(b\)\(2\)](#). IRM strategic plans should support the agency's strategic plan required in OMB Circular A-11, provide a description of how information resources management activities help accomplish agency missions, and ensure IRM decisions are integrated with organizational planning, budget, procurement, financial management, human resources management, and program decisions.

Information System means a discrete set of information technology, data, and related resources, such as personnel, hardware, software, and associated information technology services organized for the collection, processing, maintenance, use, sharing, dissemination or disposition of information.

Information Technology, as defined by the Clinger-Cohen Act of 1996, sections 5002, 5141, and 5142, means 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. For purposes of this definition, equipment is "used" by an agency whether the agency uses the equipment directly or it is used by a contractor under a contract with the agency that (1) requires the use of such equipment or (2) requires the use, to a significant extent, of such equipment in the performance of a service or the furnishing of a product. Information technology includes computers, ancillary equipment, software, firmware and similar procedures, services (including support services), and related resources. It does not include any equipment acquired by a Federal contractor incidental to a Federal contract.

IT migration Investment means the partner agency's migration costs associated with moving an existing investment, system, process or capability to a Government-wide common solution.

Major IT Investment means a system or an acquisition requiring special management attention because it: has significant importance to the mission or function of the agency, a component of the agency or another organization; is for financial management and obligates more than \$500,000 annually; has significant program or policy implications; has high executive visibility; has high development, operating, or maintenance costs; is funded through other than direct appropriations; or is defined as major by the agency's capital planning and investment control process. OMB may work with the agency to declare other investments as major investments. If you are unsure about what investments to consider as "major," consult your agency budget officer or OMB representative. Investments not considered "major" are "non-major."

Managing Partner represents the agency designated as the lead agency responsible for the implementation of the E-Gov or LoB initiative. The managing partner is also responsible for coordinating and submitting the exhibit 300 for the initiative and the exhibit 300 will be represented as part of the managing partner's budget portfolio.

New IT Project means an IT investment newly proposed by the agency that has not been previously funded by OMB. This does not include investments existing within the agency that have not previously been reported to OMB.

Non-Major IT Investment means any initiative or investment not meeting the definition of major defined above but is part of the agency's IT Portfolio. All non-major investments must be reported individually on the exhibit 53.

On-going IT Investment means an investment that has been through a complete budget cycle with OMB and represents budget decisions consistent with the President's Budget for the current year (BY-1).

Partner Agency represents the agency for an E-Gov or LoB initiative designated as an agency that should provide resources (e.g., funding, FTEs, in-kind) to the management, development, deployment, or maintenance of a common solution. The partner agency is also responsible for including the appropriate line items in its Exhibit 53 reflecting the amount of the contribution for each of the E-Gov or LoB initiatives to which it is providing resources.

Partner Agency IT "fee-for-service" represents the financial fees paid for by a partner agency for IT services provided.

Privacy Impact Assessment (PIA) is a process for examining the risks and ramifications of using information technology to collect, maintain and disseminate information in identifiable form from or about members of the public, and for identifying and evaluating protections and alternative processes to mitigate the impact to privacy of collecting such information. Consistent with September 26th, 2003 OMB guidance ([M-03-22](#)) implementing the privacy provisions of the E-Government Act, agencies must conduct, and submit to OMB, any publicly available PIAs for all new or significantly altered information technology investments administering information in identifiable form collected from or about members of the public. Agencies choosing to conduct PIAs for IT investments administering information in identifiable form collected from or about agency employees need not submit them to OMB.

Records includes all books, papers, maps, photographs, machine readable materials, or other documentary materials, regardless of physical form or characteristics, made or received by an agency of the United States Government under Federal law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the Government or because of the informational value of data in them. Library and museum material made or acquired and preserved solely for reference or exhibition purposes, extra copies of documents preserved only for convenience of reference and stocks of publications and of processed documents are not included.

Segment Architecture Detailed results-oriented architecture (baseline and target) and a transition strategy for a portion or segment of the enterprise. Segments are individual elements of the enterprise describing core mission areas, and common or shared business services and enterprise services.

Service Component Reference Model (SRM) is a common framework and vocabulary used for characterizing the IT and business components collectively comprising an IT investment. The SRM helps agencies rapidly assemble IT solutions through the sharing and re-use of business and IT components. A component is a self-contained process, service, or IT capability with pre-determined functionality that may be exposed through a business or technology interface.

System Of Records Notice (SORN) means a statement providing to the public notice of the existence and character of a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual. The Privacy Act of 1974 requires this notice to be published in the Federal Register upon establishment or substantive revision of the system, and establishes what information about the system must be included.

53.5 How do I determine whether I must report?

Submit an agency IT investment portfolio (exhibit 53) to OMB if either of the following are true:

- You are a government agency subject to Executive Branch review.
- Your financial management system budgetary resources are above \$500,000 in any given year.

53.6 How do I submit exhibit 53 and when is it due?

Section 53 requires the submission of exhibit 53 and PIAs. Additional attendant documents should be maintained and made available upon OMB request.

Initial draft of exhibit 53. In order for OMB and the agency to agree on what major investments and non-major investments will be reported for the 2009 budget process, OMB will be working with agencies to create initial draft exhibit 53s during the summer of 2006. Draft exhibit 53 should, at a minimum, include the unique IDs, investment title, and investment description. OMB will be providing additional information about these initial draft exhibit 53s.

You must submit an exhibit 53 in an electronic format, using a valid spreadsheet version, via the IT budget submission system or manually enter the information.

Your exhibit 53 and PIAs are due to OMB with the budget submission in a manner fully integrated with your agency's overall budget submission (see section [25.4](#)). In addition, you must update each exhibit 53 and the accompanying Capital Asset Plans and Business Cases (exhibit [300](#)) to reflect any changes due to final budget decisions.

If agencies are requesting supplemental funds, which include changes to the agency's portfolio, as part of their supplemental request, agencies should submit an updated exhibit 53.

53.7 If I submitted exhibit 53 last year, how do I revise it this year?

If your agency submitted an exhibit 53 for the 2008 Budget, the appropriate information can be used to create the new worksheet using the provided FY 2009 template (submissions not compliant with the provided template will be rejected). It is important the file is updated to reflect PY for FY 2007, CY for FY 2008, and BY for FY 2009. The FY 2009 exhibit 53 also requires MAX funding codes for all "Funding Sources" line items. Consistent with FY 2008 Budget submissions, "Investment Descriptions" will be limited to 255 characters.

53.8 How is exhibit 53 organized?

(a) *Overview.*

As a general rule, exhibit 53 covers IT investments for your agency as a whole. Provide investment amounts in millions (provide up to six decimal points, at least one decimal point is required) for PY through BY. Information reported here must be consistent with data you report in MAX schedule O, object classification (specifically, object classes 11.1 through 12.2, 23.1, 23.2, 25.2, 25.3, 25.7, 26.0, 31.0, and 41.0). Include all major IT investments, including financial management systems, reported in exhibit 300 as well as all migration, partner agency funding contribution, and non-major IT investments.

Exhibit 53 has five major parts:

- Part 1. IT investments for Mission Area Support.
- Part 2. IT investments for Infrastructure, Office Automation, and Telecommunications.
- Part 3. IT investments for Enterprise Architecture and Planning.
- Part 4. IT investments for Grants Management Systems.
- Part 5. Grants to State and Local IT Investments.
- Part 6. National Security Systems IT Investments.

All parts use the following common data elements:

- **2008 Unique Project Identifier (UPI)** means the unique project identifier used to report the investment in the 2008 Budget. Indicating the UPI used for the 2008 Budget process allows cross-walk and historical analysis crossing fiscal years for tracking purposes.
- **2009 UPI** means the identifier depicting agency code, bureau code, mission area (where appropriate), part of the exhibit where investment will be reported, type of investment, agency four-digit identifier, and two-digit investment category code. Details are provided in section [53.8](#).
- **Investment Title** means a definitive title explaining the investment. If the investment title has changed, include the previous name in parentheses. For "funding source" information, provide the 10 digit max account code ([OMB Circular A-11, Section 79.2](#)). Additional information can be found in Part III of this circular.
- **Investment Description** means a short public description (limited to 255 characters) for each investment (major, migration, partner contribution, and non-major). This description should explain the entry item, its components, and what program(s) it supports. This description should be understandable to someone who is not an expert of the agency. If the investment is part of a multi-agency initiative or part of another business case, please provide description of where that business case is located in the appropriate agency budget submission (i.e. managing partner UPI). For example, if the investment represents your agency's participation in one of the Presidential initiatives, the description should state that this investment represents your agency's participation in one of the Presidential initiatives and should refer to the UPI of the managing partner's business case (i.e. managing partner UPI). For "funding source descriptions" please consult your OMB representative for specifics about what information should be included in this field
- **Primary FEA Mapping - Line of Business or Service Type** means the 3-digit code for either the primary Line of Business from the FEA BRM OR the primary cross-cutting Service Type from the FEA SRM. This applies for all each major or non-major IT investment. BRM Line of Business and SRM Type codes can be found at <http://www.egov.gov>. Note: The BRM Mode of Delivery lines of business are not valid for Primary FEA Mappings.
- **Primary FEA Mapping - Sub-Function or Service Component** means the 3-digit code for either the primary Sub-function under the BRM Line of Business OR the primary cross-cutting Service Component under the SRM Service Type identified in the BRM Line of Business or SRM Service Type. BRM Sub-functions and SRM components codes can be found at <http://www.egov.gov>. Note: The BRM Mode of Delivery sub-functions are not valid for Primary FEA Mappings.
- **Percentage Budget Formulation (BF)** means an estimated percentage of the total IT investment budget authority associated with Budget Formulation (see section [52](#)).
- **Percentage Budget Execution (BE)** means an estimated percentage of the total IT investment budget authority associated with Budget Execution (see section [52](#)).
- **Percentage Financial** means an estimated percentage of the total IT investment budget authority associated with the financial components. See the financial system definition (section [53.4](#)) for a description of financial functions. Exclude information about budget formulation and execution activities when determining this.

- **Percentage IT Security** means an estimated percentage of the total investment for budget year associated with IT security for a specific investment. Federal agencies must consider the following criteria to determine security costs for a specific IT investment:

The products, procedures, and personnel (Federal employees and contractors) that are primarily dedicated to or used for provision of IT security for the specific IT investment. Do not include activities performed or funded by the agency's Inspector General. When determining the percentage IT security include the costs of:

- Risk assessment;
- Security planning and policy;
- Certification and accreditation;
- Specific management, operational, and technical security controls (to include access control systems as well as telecommunications and network security);
- Authentication or cryptographic applications;
- Education, awareness, and training;
- System reviews/evaluations (including security control testing and evaluation);
- Oversight or compliance inspections;
- Development and maintenance of agency reports to OMB and corrective action plans as they pertain to the specific investment;
- Contingency planning and testing;
- Physical and environmental controls for hardware and software;
- Auditing and monitoring;
- Computer security investigations and forensics; and
- Reviews, inspections, audits and other evaluations performed on contractor facilities and operations.

Other than those costs included above, security costs may also include the products, procedures, and personnel (Federal employees and contractors) that have as an incidental or integral component, a quantifiable benefit to IT security for the specific IT investment. This includes system configuration/change management control, personnel security, physical security, operations security, privacy training, program/system evaluations whose primary purpose is other than security, systems administrator functions, and, for example, system upgrades within which new features obviate the need for other standalone security controls.

Many agencies operate networks, which provide some or all necessary security controls for the associated applications. In such cases, the agency must nevertheless account for security costs for each of the application investments. To avoid double counting agencies should appropriately allocate the costs of the network for each of the applications for which security is provided.

In identifying security costs, some agencies find it helpful to ask the following simple question, "If there was no threat, vulnerability, risk, or need to provide for continuity of operations, what activities would not be necessary and what costs would be avoided?" Investments that fail to report security costs will not be funded. Therefore, if the agency encounters difficulties with the above criteria they must contact OMB prior to submission of the budget materials.

- **Percentage Internet Protocol version 6 (IPv6)** means an estimated percentage of the total IT investment budget authority associated with the agency's IPv6 implementation.

- **Percentage Homeland Security Presidential Directive-12 (HSPD-12)** means an estimated percentage of the total IT investment budget authority associated with the agency's HSPD-12 implementation.
- **Supports Homeland Security** means an IT investment supporting the homeland security mission areas of 1) Intelligence and warning, 2) Border and transportation security, 3) Defending against catastrophic threats, 4) Protecting critical infrastructure and key assets, 5) Emergency preparedness and response, 6) Other. If the investment supports one of these mission areas, indicate which one(s) by listing the corresponding number(s) listed above. If the investment does not support homeland security, please leave blank.
- **Development/Modernization/Enhancement (DME)** means the program cost for new investments, changes or modifications to existing systems to improve capability or performance, changes mandated by the Congress or agency leadership, personnel costs for investment management, and direct support. For major IT investments, this amount should equal the sum of amounts reported for planning and acquisition plus the associated FTE costs reported in the exhibit 300.
- **Steady State (SS)** means maintenance and operation costs 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 major IT investments, this amount should equal the amount reported for maintenance plus the associated FTE costs reported in the exhibit 300.
- **Investment C&A status** means the current security Certification and Accreditation (C&A) status of the investment's system(s):
 - (00)—Systems within this investment have not been through the C&A process because the investment is not yet operational.
 - (02)—None of the systems have gone through the C&A process or have been granted full authority to operate (for operational investments).
 - (22)—Some or all of the systems within this investment have been through a C&A process, but no systems have been granted full authority to operate.
 - (25)—Some or all of the systems within this investment have been through a C&A process, some systems have been granted full authority to operate.
 - (55)—All of the systems within this investment have been through a C&A process and have been granted full authority to operate.
- **Project Management Qualification Status** means the qualification status of the investment's project manager (PM), as issued in CIO Council Guidance and referenced by OMB PM Guidance ([M-04-19](#)). The following options are available:
 - (1)—The project manager assigned for this investment has been validated as qualified in accordance with OMB PM Guidance. (Validated PMs include "Validated with Exception".)
 - (2)—The project manager assigned for this investment is in the process of being validated as qualified in accordance with OMB PM Guidance.
 - (3)—The project manager assigned for this investment is not validated as qualified in accordance with OMB PM Guidance.
 - (4)—The qualifications for the project manager named have not been evaluated.
 - (5)—No project manager is currently assigned for this investment.
 - (6)—N/A—This is not an IT project/investment.
- **On High-Risk List** is to represent the projects/investments that are included on the agencies High Risk List.

- **Breach** is to represent whether there has been a Category I incident involving any of the systems associated with this investment. In this category, this would include when an individual gains logical or physical access without permission to a federal agency network, system, application, data, or other resource; or there is a suspected or confirmed breach of personally identifiable information regardless of the manner in which it might have occurred.
- **Segment Architecture** represents the status of the investment's alignment to the agencies segment architecture process. The following options are available:
 - (1) - This investment is identified as supporting an approved, complete segment architecture
 - (2) - This investment is part of an incomplete or in-process segment architecture
 - (3) - This investment is part of a planned, but yet to be initiated, segment architecture
- **Funding Source** means any budgetary resource used for funding the IT investment. Budgetary resource is defined in section 20. For each funding source, identify the budgetary resources including the MAX funding codes used for a investment. Add as many funding source line items as are appropriate for the investment. To avoid double counting or under counting, the totals of the funding amounts for a investment must match the main investment line item, represented with the investment category of "00" or "24". Do not report funds received as part of intra-governmental payments to purchase IT investments or services, partner agencies should provide this as a part of the partner agency's IT portfolio.
- **Funding Source Subtotal** represents the total of all funding source line items used for funding a particular IT investment.

(b) *Part 1. IT investments for Mission Area Support.*

Consistent with your agency's strategic and annual performance plan, report amounts for IT investments directly supporting an agency-designated mission area (e.g., human resource management, financial management, command and control). Report each mission area in which IT investments are funded, itemizing the "major" and "non-major" IT investments within each mission area.

You must have a mission area titled "Financial Management", and it must be reported as the first mission area. Some IT investments support financial functions in addition to other functions. If an IT investment supports financial functions, you must include an estimated percentage of the total IT investment obligations associated with the financial components. See the financial system, budget formulation, and budget execution definitions provided in this section for a description of financial functions. Systems predominately supporting financial functions should be included in the first mission area, "Financial Management". If the IT investment reported is 100 percent financial, indicate "100" percent in the column. For mixed systems or investments, indicate the appropriate percentage that is financial.

(c) *Part 2. IT investments for Infrastructure, Office Automation, and Telecommunications.*

Report all IT investments supporting common user systems, communications, and computing infrastructure. These investments usually involve multiple mission areas and might include general LAN/WAN, desktops, data centers, cross-cutting issues such as shared IT security initiatives, and telecommunications. Report your IT security initiatives and investments not directly tied to a major investment on a separate line identified as "non-major."

(d) *Part 3. IT investments for Enterprise Architecture and Planning.*

Report amounts for IT investments supporting strategic management of IT operations (e.g., business process redesign efforts not part of an individual investment or initiative, enterprise architecture development, capital planning and investment control processes, procurement management, and IT policy development and implementation).

(e) *Part 4. IT investments for Grants Management Systems.*

Report amounts for IT investments representing planning, developing, enhancing or implementing a grants management system or portion thereof. Include any grants systems initiatives.

(f) *Part 5. Grants to State and Local IT investments.*

Report amounts for IT investments representing planning, development, enhancements or implementations of "Grants to State and Local". Agencies should only use this part to report "Grants to State and Local". Before using Part 5 for anything other than the previously identified, please check with your OMB representative.

(g) *Part 6. National Security Systems investments.*

Report amounts for IT investments representing planning, development, enhancements or implementations of National Security Systems. Only DoD may use this part.

53.9 How is exhibit 53 coded?

Use the following 17 digit line number coding system to update or complete your exhibit 53 (Each investment identified in the agency's portfolio must have a unique UPI):

Entry	Description
XXX-xx-xx-xx-xx-xxxx-xx	The first three digits are your agency code (see Appendix C).
xxx-XX-xx-xx-xx-xxxx-xx	The next two digits are your bureau code (see Appendix C). If this is a department only reporting or represents agency-wide activities, use 00 as your bureau code.
xxx-xx-XX-xx-xx-xxxx-xx	These two digits indicate the five parts of the exhibit 53: 01 = Part 1. IT investments for Mission Area Support 02 = Part 2. IT investments for Infrastructure, Office Automation, and Telecommunications 03 = Part 3. IT Investments for Enterprise Architecture and Planning 04 = Part 4. IT Investments for Grants Management Systems 05 = Part 5. Grants to State and Locals 06 = Part 6. National Security Systems (Defense Only).
xxx-xx-xx-XX-xx-xxxx-xx	These two digits indicate the mission area. Assign a unique code for each mission area reported.

Entry	Description
xxx-xx-xx-xx-XX-xxxx-xx	<p>These two digits indicate your agency's type of investment. Select one of the following two digit codes according to the type of investment you are reporting:</p> <p>01 = Major IT investments (see definition in section 53.3)</p> <p>02 = Non-major IT investments (see definition in section 53.3)</p> <p>03 = IT migration investment portion of a larger asset and for which there is an existing business case for the overall asset. Description of the IT investment should indicate the UPI of the major asset investment of the managing partner.</p> <p>04 = Partner agency funding contribution represents resources provided by partner agency for a joint effort for more than one agency. Use the 04 indicator to identify investments where the business case for the major IT investment is reported in another agency's exhibit 53. Description of the IT investment should indicate the UPI of the major asset investment of the managing partner.</p>
xxx-xx-xx-xx-xx-XXXX-xx	<p>This is a four-digit identification number to identify a specific IT investment. If a new investment is added to exhibit 53, locate the area of exhibit 53 where you are going to report the IT investment and use the next sequential number as your four digit identification number. To avoid duplicative UPIs, review agency's portfolio before finalizing this identification number for new or updated investments.</p>
xxx-xx-xx-xx-xx-xxxx-XX	<p>These two digits identify the investment category of the investment you are reporting. Select one of the following two digit codes according to what you report on the title line:</p> <p>00 = Total investment title line, or the first time the agency is reporting this particular investment. If this is one of the PMC E-Gov initiatives or an individual agency's participation in one of the PMC E-Gov initiatives, this two-digit code should be "24".</p> <p>04 = Funding source or appropriation</p> <p>07 = High-Risk Project as part of a larger investment</p> <p>09 = Any subtotal</p>

Use the following 10 digit number coding system to update or complete your MAX Account ID code information:

Entry	Description
XXX-xx-xxxx-x	The first three digits are your agency code (see Appendix C).
xxx-XX-xxxx-x	The next two digits are your bureau code (see Appendix C).
xxx-xx-XXXX-x	This is a four-digit Account Symbol for the appropriate MAX Account. (see section 79.2)
xxx-xx-xxxx-X	This is a single digit Transmittal Code. (see section 79.2)

53.10 What are the steps to complete exhibit 53?

The following provides step-by-step instructions to complete each part of exhibit 53. See section [53.4](#) and [53.8](#) for definitions.

AGENCY IT INVESTMENT PORTFOLIO

Entry	Description
Part 1. IT investments for Mission Area Support	<p>Report amounts (DME & SS) for IT investments that directly support an agency-designated mission area. Report each mission area in which IT investments are funded. This information should map directly to your agency's strategic and annual performance plan. For IT investments that cover more than one agency, report in the mission area with oversight of the IT investment. Mission area 01 is reserved for your "financial management" IT investments.</p> <p>Step 1: For each mission area, list each major IT investment and the corresponding investment costs. For BY only, if financial or mixed, identify what percentage is financial. For BY only, if IT security costs are included, identify what percentage of the total investment is IT security. If this IT investment supports Homeland Security (HS) goals and objectives (see section 53.8) provide the number for the HS mission area.</p> <p>Step 2: For each mission area, list each non-major investment. If either of these has financial, mixed, or IT security, identify the appropriate percentages. If this system or investment supports Homeland Security goals and objectives (see section 53.8), answer yes.</p>
Part 2. IT investments for Infrastructure, Office Automation, and Telecommunications	<p>Each agency should have one business case (exhibit 300) encompassing all office automation, infrastructure, and telecommunications for the agency. This section of the exhibit 53 should have one line item indicating the major investment Unique ID for this departmental/agency-wide investment. If you are unsure what investments should be included in this area contact your OMB representative for clarification. Additional information about the relationship between this consolidated business case and the Infrastructure LoB can be found at http://www.egov.gov</p>
Part 3. IT Investments for Enterprise Architecture and Planning	<p>Each agency should list all enterprise architecture efforts. For FY 2009, enterprise architecture investments are not categorized as major investments, and an exhibit 300 is not required for them. Any capital planning and investment control process investments may be reported separately in this section. However, agencies should ensure the investments' UPI codes have the correct BRM primary mapping in order to clearly distinguish the EA investments from other planning investments (e.g., EA investments should be mapped to the "Enterprise Architecture" sub-function in the BRM).</p>
Part 4. IT Investments for Grants Management Systems	<p>Report amounts (DME & SS) for IT investments that support grants management operations.</p> <p>See classification instructions in section 53.8 under Grants Management.</p>
Part 5. Grants to State and Local	<p>Report amounts (DME & SS) for IT investments for Grants to State and Local.</p>
Part 6. National Security Systems	<p>Report amounts (DME & SS) for IT investments related to National Security Systems (Defense Only).</p>

These columns are required for the 2009 exhibit 53, Agency IT Investment Portfolio:

- Column 1: 2008 UPI (17–digits required)
- Column 2: 2009 UPI (17–digits required for all)
- Column 3: Investment Title
- Column 4: Investment Description (limited to 255 characters)
- Column 5: Primary FEA Mapping - Line of Business or Service Type (3 digit code)
- Column 6: Primary FEA Mapping - Sub-Function or Service Component (3 digit code)
- Column 7: BF Percentage (%)
- Column 8: BE Percentage (%)
- Column 9: Financial Percentage (%)
- Column 10: IT Security (%)
- Column 11: IPv6 (%)
- Column 12: HSPD-12 (%)
- Column 13: Homeland Security Priority Identifier (select all that apply)
- Column 14: Development, Modernization, Enhancement (DME) (PY/2007) (\$M)
- Column 15: Development, Modernization, Enhancement (DME) (CY/2008) (\$M)
- Column 16: Development, Modernization, Enhancement (DME) (BY/2009) (\$M)
- Column 17: Steady State (SS) (PY/2007) (\$M)
- Column 18: Steady State (SS) (CY/2008) (\$M)
- Column 19: Steady State (SS) (BY/2009) (\$M)
- Column 20: Investment C&A Status (00, 02, 22, 25, 55)
- Column 21: Project Management Qualification Status (1, 2, 3, 4, 5, 6)
- Column 22: On High-Risk List (Yes)
- Column 23: Breach (Yes/No)
- Column 24: Segment Architecture (1, 2, 3)

Agency IT Investment Portfolio

FY 2009 Budget Exhibit 53 - Agency - (Circular A-11; Appendix - C)																	
2008 UPI (17-digits required)	2009 UPI (17-digits required for all)	Investment Title	Investment Description (limited to 255 characters)	Primary FEA Mapping (BRM or SRM)	Line of Business or Service Type (3 digit code)	RSPD IPV6 -12	Percentage (%)			Homeand Security (Select all that apply)	DME (\$M)	Share State (\$M)	Investment Status (00,02,22,25, 55)	Project Maturity Status (1,2,3,4,5,6)	On High- Risk List (Yes)	Breach List (Yes/No)	Segment Architecture (1,2,3)
							BF	BE	Financial								
		Agency Total IT Investment Portfolio															
		Part 1. IT Systems by Mission Area															
		123-45-01-01-01-1010-00	Description for investment							17.27	19.25	207.867	15.10	17.7	121.11		
		123-45-01-01-01-1010-00	Funding Source 1							13.92	19.3	101.51	6.7	8.3	11.71		
		123-45-01-01-01-1010-00	Funding Source 2							12.77	12.79	100.361	5.6	7.2	10.61		
		123-45-01-01-01-1010-00	Funding Source 3							2	2	2	2	2			
		123-45-01-01-01-1010-04	Description for investment														
		123-45-01-01-01-1010-04	Funding Source 1														
		123-45-01-01-01-1010-09	Description for investment														
		123-45-01-01-01-1010-09	Funding Source 1														
		123-45-01-01-01-1020-00	Description for investment														
		123-45-01-01-01-1020-04	Description for investment														
		123-45-01-01-01-1020-04	Funding Source 1														
		123-45-01-01-01-1020-04	Funding Source 2														
		123-45-01-01-01-1020-04	Funding Source 3														
		123-45-01-01-01-1020-09	Description for investment														
		123-45-01-01-01-1020-09	Funding Source 1														
		123-45-01-01-01-1025-00	Description for investment														
		123-45-01-01-01-1025-04	Description for investment														
		123-45-01-01-01-1025-04	Funding Source 1														
		123-45-01-01-01-1025-04	Funding Source 2														
		123-45-01-01-01-1025-04	Funding Source 3														
		123-45-01-01-01-1025-09	Description for investment														
		123-45-01-01-01-1025-09	Funding Source 1														
		123-45-01-01-01-1030-00	Description for investment														
		123-45-01-01-01-1030-00	Non-Major IT investment title														
		123-45-01-01-03-1040-00	Description for investment														
		123-45-01-01-03-1040-00	Migration investment title														
		123-45-01-01-04-1040-00	Description for investment														
		123-45-01-01-04-1040-00	Partner agency funding contribution														
		123-45-01-02-00-0000-00	Description for investment														
		123-45-01-02-01-1015-00	Description for investment														
		123-45-01-02-01-1015-00	Funding Source Name(s)														
		123-45-01-02-01-1015-04	Description for investment														
		123-45-01-02-01-1015-04	Funding Source Subtotal														
		123-45-01-02-01-1015-09	Description for investment														
		123-45-01-02-01-1025-00	Description for investment														
		123-45-02-00-00-0000-00	Description for investment														
		123-45-02-00-01-1015-00	Description for investment														
		123-45-02-00-01-1015-00	High-Risk Project title														
		123-45-02-00-01-1015-04	Description for investment														
		123-45-02-00-01-1015-04	Funding Source Subtotal														
		123-45-02-00-01-1015-09	Description for investment														
		123-45-02-00-01-1017-00	Description for investment														
		123-45-02-00-01-1017-04	Description for investment														
		123-45-02-00-01-1017-04	Funding Source Subtotal														
		123-45-02-00-01-1017-09	Description for investment														
		123-45-02-00-02-1027-00	Description for investment														
		123-45-02-00-02-1027-00	Non-Major IT investment title														
		123-45-03-00-00-0000-00	Description for investment														
		123-45-03-00-01-1015-00	Description for investment														
		123-45-03-00-01-1015-00	Major IT investment title														
		123-45-03-00-01-1015-04	Description for investment														
		123-45-03-00-01-1015-04	Funding Source Subtotal														
		123-45-03-00-02-1028-00	Description for investment														
		123-45-03-00-02-1028-00	Non-Major IT investment title														
		123-45-04-00-00-0000-00	Description for investment														
		123-45-04-00-01-1015-00	Description for investment														
		123-45-04-00-01-1015-04	Description for investment														
		123-45-04-00-01-1015-04	Funding Source Subtotal														
		123-45-04-00-01-1015-09	Description for investment														
		123-45-04-00-02-1028-00	Description for investment														
		123-45-04-00-02-1028-00	Non-Major IT investment title														
		123-45-05-00-00-0000-00	Description for investment														
		123-45-05-00-01-1111-00	Description for investment														
		123-45-05-00-01-1111-04	Description for investment														
		123-45-05-00-01-1111-04	Funding Source Subtotal														
		123-45-06-00-00-0000-00	Description for investment														
		123-45-06-00-01-1112-00	Description for investment														
		123-45-06-00-01-1112-04	Description for investment														
		123-45-06-00-01-1112-04	Funding Source Subtotal														
		123-45-06-00-01-1112-09	Description for investment														
		123-45-06-00-01-1112-09	Non-Major IT investment title														
		123-45-06-00-01-1112-09	Funding Source Subtotal														