

PART 2006 - MANAGEMENT

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PART 2006 - MANAGEMENT

Subpart EE - Information Resource Management (IRM):
Technical Approval Process

§2006.1501 Purpose.

This Instruction establishes policies and procedures and assigns responsibilities for obtaining Technical Approval (TA) to initiate Information Resources Management (IRM) projects.

§2006.1502 Authority.

This Instruction implements United States Department of Agriculture (USDA) Departmental Regulation (DR) 3130-1, Acquisition of IRM Resources, dated April 2, 1991.

§2006.1503 Scope and applicability.

This Instruction applies to the initiation of IRM projects and acquisitions within Rural Development and includes any purchase, lease, inter- or intra-Agency transfer, or cooperative agreement.

§2006.1504 Definitions.

Federal Information Processing (FIP) Resources. Federal Resources devoted or related to IRM, such as computer hardware or software development, purchase, or maintenance. General Services Administration (GSA) defines "FIP resources" in Federal Information Resource Management Regulation (FIRMR) Subpart 201-4.001 and provides examples and exceptions in FIRMR Bulletin A-1. FIP resources are not limited to products that have as their primary purpose information processing. FIP resources which are embedded in another product are within the scope of the FIRMR. For example, a computer controlled elevator may be a FIP resource. (See DR 3130-1 for a description of each FIP resource category.)

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Administration
Management

Project Manager. Employee in the requesting office who is responsible for the acquisition or project under which the goods or services are required. This person should have the experience and expertise to administer the project through the approval process and would usually be a GM-14 Branch Chief or equivalent.

Technical Approval (TA). The acceptance by the Office of Information Resources Management (OIRM) or Rural Development of all technical and managerial aspects of a proposed project or acquisition, its implementation, and its operation within or for USDA. The dollar threshold of the acquisition in each Federal Information Processing (FIP) category determines which organization issues the TA.

Note: Refer to United States Department of Agriculture (USDA) Departmental Regulation (DR) 3130-1 for additional definitions.

§2006.1505 Types of IRM projects or acquisitions.

IRM projects and acquisitions vary in scope and diversity from simple to complex. Some projects require the acquisition of FIP resources, others require the use of existing contracts to fulfill project requirements, and all require the use of in-house resources to some degree. In-house resources will be included in the total IRM project costs, but will not be included in the determination of thresholds. The following are examples of IRM projects or acquisitions that require TA.

(a) New Application Information System (AIS) development projects. These projects involve the development and implementation of an AIS to support a new organization or a new or changed mission, replace an existing AIS which is no longer supportable or responsive to fulfilling mission needs, or automate functions being done manually.

(b) Information technology acquisitions. Information Technology Acquisitions include off-the-shelf application software, system software, computer equipment (e.g., microcomputers, laptop computers, and laser printers), and support services (e.g., software development and maintenance, and studies and analyses).

(c) AIS modification projects. AIS modification projects involve changes to the design specifications of an AIS to ensure that changing functional requirements are being met, to correct errors, or to improve technical performance of the AIS without change to the functional specifications.

(d) Studies and analyses projects. Studies and analyses are conducted to identify opportunities for improvement, to reduce cost and to increase the usefulness of information in support of Rural Development mission goals and objectives.

§2006.1506 Policy.

It is the policy of Rural Development to:

(a) Require Agency TA before initiating an IRM project or acquisition;

(b) Obtain USDA/OIRM TA for IRM projects and acquisitions that exceed thresholds prescribed by the Department; and

(c) Review IRM projects and acquisitions to ensure that they support strategic business goals, objectives, and priorities, are consistent with IRM plans, standards, and guidelines, consider feasible alternatives, and follow sound life cycle management practices.

§2006.1507 Objectives.

The objectives of the TA process are to ensure that:

(a) The requirements for the IRM project or acquisition are adequately defined and justified and that the proposed approach satisfies the identified requirements;

(b) Responsibilities of functional and technical managers are identified throughout the life cycle of an IRM project;

(c) An appropriate project management structure is established that helps assure project success;

- (d) There is IRM project management accountability;
- (e) All resources (e.g., people and/or dollars) are appropriately identified;
- (f) Appropriate levels of management oversight have been established to provide timely direction, coordination, control, and approval of the IRM project;
- (g) IRM objectives of USDA are supported;
- (h) Business objectives of USDA are supported;
- (i) Funds provided us by the taxpayer are spent wisely and in accordance with all Federal regulations;
- (j) The maximum effectiveness of IRM efforts as measured by improved services to Rural Development's customers.

§2006.1508 Responsibilities.

- (a) Deputy Administrator for Management (DAM). The DAM submits Agency requests for USDA/OIRM TA, based on recommendations of the Assistant Administrator for Information Systems Management (AAISM).
- (b) Assistant Administrator for Information Systems Management (AAISM). As the Senior IRM Official for Rural Development, the responsibilities for the AAISM include:
 - (1) Ensuring that all IRM projects and acquisitions are properly documented. This includes ensuring that all Agency, Departmental, and Federal regulations are strictly adhered to and followed.
 - (2) Approving Agency TAs.
 - (3) Reviewing start and stop dates for an IRM project's life and ensures that all analyses (e.g., requirements analysis, analysis of alternatives, and benefit/cost analysis) are adequate.
 - (4) Acting as a liaison between OIRM and Project Managers on USDA/OIRM TAs.

(c) Information Systems Security Officer. The security officer is responsible for:

(1) Monitoring Rural Development compliance with Federal, National, and Departmental information systems security policies and standards.

(2) Serving as the principal information systems security consultant to Rural Development components that use, develop, or operate automated information systems.

(d) Information Resource Manager, RDA. All IRM projects for RDA, regardless of cost, must be approved by the Information Resource Manager prior to being sent to AAISM. The RDA Information Resource Manager will coordinate programmatic, technical, and contracting functions ensuring compliance with all applicable Agency, Departmental, and Federal regulations, processes, and TA conditions.

(e) Project Manager. The Project Manager, with the assistance of Management Support Staff (MSS), will coordinate programmatic, technical, and contracting functions ensuring compliance with all applicable laws, regulations, processes, and TA conditions.

(f) Rural Development employees. All officials involved in IRM projects that require acquisitions must safeguard procurement information from unauthorized disclosure. This information is considered "PROCUREMENT SENSITIVE." The information includes all acquisition and life cycle costs, information regarding the requirements or the alternatives being considered, information provided for or designated for the Acquisition Review Team (ART), and Information discussed in Parallel Review meetings. All officials involved in acquisitions must sign an Optional Form 333 "Procurement Integrity Certification for Procurement Officials", prescribed by GSA.

§2006.1509 Technical Approval (TA).

(a) General. TA's are required for all IRM projects and acquisitions. They are required to ensure that adequate time and thought have been given to each project and to ensure that the project is truly necessary and cost beneficial. The dollar threshold of the IRM project in each FIP category will determine which

organization (USDA/OIRM or Rural Development) issues the TA. The TA is the acceptance by USDA/OIRM or Rural Development of all technical and managerial aspects of the proposed project or acquisition, its implementation, and its compliance with applicable rules and regulations. The Agency and the Department have granted an unlimited TA for purchases of FIP supplies and no additional TA is required. All other acquisitions of FIP resources must be issued under a separate Agency TA, which may be obtained by submitting a Form AD-700, "Procurement Request", and supporting documentation. Agency TA shall be considered granted upon signature of the AD-700 by the appropriate Agency official as described in paragraph (b) of this section. The Department delegates TA authority to agencies for amounts below certain established dollar thresholds. USDA/OIRM TA must be obtained for the acquisition of FIP resources which exceed the Agency's Departmentally delegated dollar threshold in any FIP category. Procedures regarding USDA/OIRM TA are described under §2006.1511 of this Instruction. A TA shall cover costs for an entire IRM project or acquisition including equipment, software, supplies, contracted and in-house resources, service upgrades, and additions over the entire system life.

(b) TA authority. The TA authority is established by OIRM and determined by the total IRM project cost per FIP category over the project's life cycle. TA authority is delegated as follows:

ALL FIP ACQUISITIONS

<u>Approving Official or Organization</u>	<u>TA Threshold</u>
Rural Development, AAISM	to Agency delegated TA threshold.
USDA/OIRM	above Agency Delegated TA Threshold.

(c) Acquisitions Requiring TA. IRM projects cannot commence until TA is received. The following are considered FIP resources and require TA:

- (1) Purchase or rental of any Automated Data Processing (ADP) equipment whether purchased from existing contracts or acquired on the open market.
- (2) Purchase or lease of any software.
- (3) Purchase or lease of any devices which utilize optical technology to include scanning devices and optical character readers.
- (4) The lease of any external computing devices (such as mainframe or supercomputer support) other than those provided by USDA.
- (5) Purchase or lease of radio or telephone communication requirements that exceed the current threshold.
- (6) Purchase or lease of facsimile machines or cellular telephones.
- (7) In-house or contracted support services.

§2006.1510 Procedures for initiating or amending Rural Development TA.

(a) For IRM projects under \$2,500, the documentation may be limited to a justification which states how the desired product will be used, and how it benefits the office for which it is being acquired. The justification shall include a brief statement of the impact of not receiving the product. The justification need not be more than a paragraph or two. It must be signed by a Branch Chief or higher official and attached to Form AD-700. All RDA IRM projects must be reviewed and approved by the RDA Information Resource Manager prior to being sent to the AAISM. Guidance in the preparation of this justification can be obtained from the AAISM.

(b) For IRM projects between \$2,500 and \$50,000 the following documentation is required:

(1) Completed Form AD-700 with requesting office approval and required signatures.

(2) Management summary. A brief description of the FIP resources to be acquired and how they will be used.

(3) Requirements analysis. A brief description of the FIP resource desired, the reason for the requirement, how the resource supports the Agency mission, the intended life cycle of the resource and, if applicable, what existing program the resource will support.

(4) Analysis of alternatives. A brief description of all the alternatives considered in making the decision to acquire FIP resources. The Project Manager shall document at least three alternatives considered, one of which is not acquiring the resource. These alternatives shall include technical as well as acquisition alternatives.

(5) Benefit/Cost analysis. A brief description of the benefits and costs associated with each feasible alternative identified in the analysis of alternatives.

(c) Exhibit A of this Instruction provides a guideline for the analyses listed in paragraph (b) of this section and may be completed in order to fulfill the requirements of paragraph (b) of this section. A Branch Chief or higher official must approve the analyses. All RDA IRM projects must be reviewed and approved by the RDA Information Resource Manager prior to being sent to the AAISM. The completed package shall be attached to Form AD-700 and forwarded to the Director, Management Support Staff (MSS), for action.

(d) When the estimated cost of an IRM project exceeds \$50,000, but does not exceed the Agency's delegated TA threshold in any FIP category, the following information must be provided:

(1) Completed Form AD-700 with requesting office approval and required signatures.

(2) Management summary which must include a brief description of the FIP resources to be acquired and how they will be used.

(3) Requirements analysis which must contain the following information:

(i) System life analysis which includes:

(A) Description of the IRM project;

(B) Life cycle of the IRM project; and

(C) Life cycle of the FIP resource to be acquired as applicable.

(ii) Description of how the IRM project supports the Agency's programs and mission.

(iii) Description of the Strategic IRM Plan objective (number and title) that this requirement supports.

(iv) See Exhibit A of this Instruction for additional information.

(4) Analysis of alternatives which must describe the technical and acquisition alternatives considered and the impact upon the Agency for each alternative. A minimum of three alternatives must be analyzed and documented, one of which will be the option of not acquiring the resource.
(See Exhibit A of this Instruction).

(5) Benefit/Cost analysis which must describe the benefits and costs of each feasible alternative described in the analysis of alternatives. This analysis must include all life cycle costs.
(See Exhibit A of this Instruction).

(e) The analyses (listed in paragraph (d) of this section) should be commensurate with the size and scope of the proposed IRM project. A \$60,000 project, for example, could be supported by just a few pages of well-written documentation, whereas a \$450,000 project would need to be supported by more substantial analysis and documentation. The documentation must be approved by a Branch Chief or higher official. All RDA IRM projects must be reviewed and approved by the RDA Information Resource Manager prior to being sent to the AAISM. Upon completion of the required documentation, the package shall be forwarded to the Director, MSS for action.

§2006.1511 Requests for new or amended USDA/OIRM TA.

(a) USDA/OIRM TA must be obtained for the acquisition of FIP resources which exceed the Agency's delegated TA threshold in any FIP category. USDA/OIRM TA or amendment to USDA/OIRM TA's must also be obtained in the circumstances reflected below:

- (1) When the material changes include changes in such items as system life; acquisition method, type, or timing; and technical requirements of large or important parts of the system, including primary information needs and sensitivity, and new use of the FIP resource by large groups of people such as USDA employees or the public.
- (2) When the initial estimated acquisition costs did not exceed the Agency delegated TA in any FIP category (and, consequently, no USDA/OIRM TA was requested), but later increases by more than \$25,000 and the aggregate amount exceeds the Agency delegated TA authority in one or more FIP categories.
- (3) When the costs of a Departmentally approved TA are expected to be exceeded by more than 10 percent.
- (4) When the cost of an IRM project is likely to exceed the Departmentally approved TA amount within 120 days, but in no case less than 30 days.
- (5) When the IRM project completion date is expected to be more than 4 months longer than the latest OIRM approved target completion date.
- (6) When specified in the initial TA.
- (7) When the benefit/cost ratio falls below 1.0.
- (8) When the payback period rises to 80 percent of the IRM project's life.

(b) Requests for an amended TA should be submitted at least 120 days, but in no case less than 30 days in advance of the required commencement date.

§2006.1512 Initiating a request for USDA/OIRM TA.

(a) The Project Manager is responsible for preparing a USDA/OIRM TA request as described below. The Project Manager shall coordinate with MSS in preparing a USDA/OIRM TA request. All RDA IRM projects must be reviewed and approved by the RDA Information Resource Manager prior to being sent to MSS. Coordinating with MSS will ensure that the necessary documentation and analyses are completed and are commensurate with the cost, potential risk, and complexity of the TA request.

(b) A USDA/OIRM TA request must include:

(1) A cover memorandum addressed to the Director, OIRM, prepared for signature by the DAM, describing the IRM project for which the TA is being requested, the project life cycle cost, the benefits, the "business purpose," and the impact on Agency operations if the TA is not granted.

(2) Form AD-834, "IRM Technical Approval Request Certification", showing previously approved requests, current requests, and the cumulative costs of the IRM project. This form is the primary vehicle for exhibiting project life cycle costs and other acquisition-related information.
(See DR 3130-1).

(3) Form AD-835, "IRM System and Service Security Certification".
(See DR 3130-1).

(4) Requirements analysis which is an analysis that describes functional requirements and the scope and magnitude of an existing problem or opportunity. It must also identify the IRM Strategic Plan Objective (number and title) that this requirement supports. The requirements analysis also serves as written justification of the need to acquire FIP resources.
(See Exhibit A of this Instruction).

(5) Analysis of alternatives which is an analysis that compares and evaluates reasonable technical and acquisition alternatives for meeting the need described in the requirements analysis and to determine which alternatives are feasible. (See Exhibit A of this Instruction). A minimum of three alternatives must be analyzed and documented, one of which will be the option of not acquiring the resource.

(6) Benefit/Cost analysis which is an analytical process of determining the cost to implement a proposal and the estimated benefits over a stated IRM project life. The analysis provides managers, users, designers, and evaluators with adequate benefit and cost information to analyze and evaluate alternative approaches. The document should provide the information necessary for management to make decisions on whether to initiate or continue the IRM project. A benefit/cost analysis should be sufficient to demonstrate that the proposed IRM project is economically feasible. A well written qualitative analysis may be more convincing than an incomplete quantitative analysis. A benefit/cost analysis must cover benefits, costs, and if applicable, a comparative benefit-to-cost summary on all feasible alternatives. Benefit/cost analyses for submission to the Department must be prepared using the appropriate Department spreadsheet. Information necessary for the benefit/cost analyses must be submitted by the Project Manager to the Information Resources Management Division (IRMD), which will prepare the benefit/cost analyses.

(c) Depending on the type and magnitude of the acquisition project, the following may also be required:

(1) Telecommunications analysis.

(2) Departmental computer center impact statement.

(3) Parallel Review. A Parallel Review may be required at the discretion of OIRM, but normally occurs when the estimated acquisition cost of an IRM project exceeds \$500,000. Under a Parallel Review, the requirements analysis, analysis of alternatives and benefit/cost analysis may be completed in conjunction with the Parallel Review process and are subject to review and modification by the ART.

§2006.1513 Initiating a request for amended USDA/OIRM TA.

When an amendment to an existing TA is required, the following items must be submitted by the Project Manager to the AAISM.

(a) Cover memorandum. A memorandum addressed to the Director of the Office of Information Resources Management prepared for signature by the Deputy Administrator for Management. It must describe the IRM project or acquisition for which the amended TA is being requested, the project's life cycle cost, the benefits, the "business purpose," and the impact on Agency operations if the TA is not granted. All amended TA requests must also include the USDA/OIRM TA number (issued by OIRM).

(b) Description of reasons. A detailed description of all changes requiring the amended TA.

(c) Form AD-834. Follow the instructions contained in USDA DR 3130-1 to complete or revise a Form AD-834.

(d) Requirements Analysis and Analysis of Alternatives (if necessary) and Benefit/Cost Analysis. These analyses must be revised to include all material changes. The benefit/cost analysis must reflect the latest estimated costs to complete the project. Benefit/cost analysis modifications will be completed by the Information Resources Management Division in the USDA Benefit/Cost Analysis (BCA) Template, using information supplied by the Project Manager. (See Exhibit A of this Instruction).

§2006.1514 Processing procedures for USDA/OIRM TA's.

(a) Upon receipt, MSS will log and assign a log number to all requests for USDA/OIRM TA.

(b) MSS will conduct a preliminary review to ensure that the proper documentation accompanies the TA request. The review process is based upon a number of conditions, including the dollar amount, the type of request, disciplines impacted, and complexity of the TA request. MSS will notify the Project Manager of any additional requirements based upon the aforementioned review.

(c) A properly documented and supported TA is submitted to OIRM by the DAM.

(d) OIRM will review each TA and advise MSS of any additional requirements and the approximate date when the TA will be approved.

(e) The OIRM decision on a TA request will be transmitted to the DAM by memorandum from the approving OIRM official.

§2006.1515 Parallel Review.

A Parallel Review may be required at the discretion of OIRM, but normally occurs when the estimated acquisition cost of an IRM project exceeds \$500,000. OIRM will notify MSS if the IRM project is subject to Parallel Review.

§2006.1516 Documentation.

MSS will maintain all documentation as required in DR 3130-1 supporting the TA. This includes, but is not limited to:

- (a) IRM project's life cycle costs.
- (b) Requirements analysis.
- (c) Analysis of alternatives
- (d) Benefit/Cost analysis.
- (e) Contractual documentation.

§2006.1517 Annual reporting requirements.

(a) By December 1 of each calendar year, an annual report will be submitted to OIRM that describes the status of each IRM project where the Department has granted TA. This report will contain a brief summary of the major events, such as a description of implementation, milestones, accomplishments, an effectiveness evaluation, and any major modifications to the project or obstacles encountered. The report must also contain revised cost information with accrued actual costs in lieu of estimated costs and describe how the projected benefits are being achieved.

(b) Each Project Manager will be responsible for maintaining information required and submitting it to MSS no later than October 15 of each calendar year. The MSS will then consolidate the required information and submit to OIRM in a comprehensive annual report. The individual projects will be identified by TA number, and the report will comply with the requirements reflected above as well as any additional reporting conditions placed upon specific TA's.

§2006.1518 References.

GSA		Federal Procurement Data System
GSA		Federal Acquisition Regulations
GSA		Federal Information Resources
		Management Regulation
OMB Circular A-130		Management of Federal Information
		Resources
USDA	DR 3111-1	Long-Range IRM Planning
USDA	DR 3130-1	Acquisition of IRM Resources
USDA	DR 3130-4	Parallel Review Process and Trail
		Boss Program
USDA	DR 3140-1	ADP Security Policy
USDA	DM 3140-1	ADP Security Manual
USDA	OIRM	Memoranda dated November 27, 1991,
		and February 28, 1992

§§2006.1519 - 2006.1550 [Reserved]

Attachment: Exhibit A

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Exhibit A not automated - see manual