Federal Information Technology Acquisition Reform Act (FITARA) Common Baseline Implementation Plan, v2

United States Agency for International Development (USAID)

November 2015

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1 INTRODUCTION

For over five decades, the U.S. Agency for International Development (USAID) has saved lives and improved human welfare around the world. USAID is the lead U.S. Government agency that works to end extreme global poverty and enable resilient, democratic societies to realize their potential. To accomplish its critical mission, USAID has relied more and more on the use of information technology (IT).

The Federal Information Technology Acquisition Reform Act (FITARA), enacted in December 2014, imposes new requirements on Federal agencies for transparency and accountability for how IT is planned and implemented in the Federal government. Implementing FITARA provides USAID with a great opportunity to shape how IT is planned, acquired, and deployed across the Agency. The law requires USAID and other Federal agencies to strengthen the Chief Information Officer's (CIO) role in overseeing IT investments and ensuring the alignment of IT investments with Agency strategic business objectives.

2 BACKGROUND

USAID's CIO is responsible for developing the Agency IT strategic plan and providing technology services to support business operations across the globe. The CIO reports to the Bureau for Management (M), Assistant Administrator for Management (equivalent of Under Secretary for Management in other agencies). The CIO and other senior USAID officials face a number of challenges in the oversight of IT investments. For example, the CIO and other senior Agency officials do not have sufficient visibility into all IT investments funded by program budgets due to the dynamic nature of USAID's global operations.

To enable enhanced management and oversight, USAID established the Management Operations Council (MOC), which provides oversight, direction, and recommendations on the Agency's operational goals and objectives and related processes. The MOC is composed of senior executives from all USAID Bureaus and Independent Offices. It provides Agency-wide leadership for initiatives and investments to reform USAID's business systems and operations worldwide and to improve organizational performance, efficiency, and effectiveness. The Information Technology Steering Subcommittee (ITSS) is a subcommittee of the MOC and co-chaired by the CIO and a senior business executive. The ITSS provides oversight to the Agency's significant IT programs to ensure that the allocation of Capital Investment Funds (CIF) is aligned with the Agency's business priorities.

There are four Funding Categories for IT investments at USAID:

- Category 1: Provides USAID/Washington (USAID/W) Operating Expense (OE), Capital Investment Fund, and Cost Recovery-funded IT used for USAID operations.
- Category 2: Provides USAID/W and Mission program-funded IT used for USAID operations or within USAID Missions and offices.
- Category 3: Provides Mission OE-funded IT used for USAID operations.
- Category 4: Provides USAID/W and Mission program-funded IT not used for USAID operations or within USAID Missions and offices.

While each of these categories have guidance for seeking CIO review, improving the visibility and oversight of the different funding categories will be critical to implementing FITARA through centralized governance bodies, such as the MOC and ITSS.

3 FITARA COMMON BASELINE ASSESSMENT

3.1   APPROACH

After receiving OMB's FITARA Implementation Guidance, USAID established a FITARA Working Group, led by the Office of the Chief Information Office (M/CIO), to assess USAID's current state and develop an implementation plan to meet the FITARA Common Baseline requirements. The USAID FITARA Working Group is comprised of members from USAID's Bureaus and Independent Offices (B/IOs) included in Appendix A, relative to the areas of Budget Formulation and Planning, Acquisition and Execution, and Organization and Workforce.

The Working Group conducted the Self-Assessment against OMB's Common Baseline requirements with the goal of identifying Agency gaps in:
- **Policy** for Budget Formulation and Planning, Acquisition and Execution, and Organization and Workforce; and
- **Processes** for Budget Formulation and Planning, Acquisition and Execution, and Organization and Workforce.

For each FITARA requirement, USAID rated the degree to which the FITARA requirements were implemented using the rating scale in Table 1 (as instructed in the OMB guidance).

Rating	Description
(1) Incomplete	Agency has not started development of a plan describing the changes it will make to ensure that all baseline FITARA responsibilities are in place by December 31, 2015.
(2) Partially Addressed	Agency is working to develop a plan describing the changes it will make to ensure that all baseline FITARA responsibilities are in place by December 31, 2015.
(3) Fully Implemented	Agency has developed and implemented its plan to ensure that all common baseline FITARA responsibilities are in place.

TABLE 1: FITARA SELF-ASSESSMENT RATING SCALE

The Working Group developed USAID's FITARA Common Baseline Implementation Plan to address the gaps identified in Agency Policy and Process, and will identify the necessary internal controls to close the gaps no later than December 31, 2015.

3.2   SUMMARY OF THE SELF-ASSESSMENT RESULTS

The FITARA Common Baseline includes 17 different responsibilities (A – Q) for an agency, under the three different areas: Budget Formulation and Planning; Acquisition and Execution; and Organization and Workforce. Out of the 17 responsibilities identified in OMB's Common Baseline Self-Assessment template, USAID's Self-Assessment identified: 12 FITARA controls that are partially addressed; one that is fully implemented; and one that is incomplete. Because USAID has no component-level CIOs or equivalent decision makers, three of the Organization and Workforce items did not apply. Table 2 summarizes USAID's degree of implementation of the 17 responsibilities by area.

Area	Fully Implemented	Partially Addressed	Incomplete	N/A
Budget Formulation and Planning		4		
Acquisition and Execution		7	1	
Organization and Workforce	1	1		3
Total	1	12	1	3

TABLE 2: USAID FITARA COMMON BASELINE SELF-ASSESSMENT SUMMARY

While the majority of controls are in place, as described in the existing USAID governance processes and Agency policy, they only partially address OMB's Common Baseline requirements. The key gaps and challenges as identified include:

- How to provide full visibility into Agency-wide IT investments, including those funded by program and OE budgets;
- How to ensure oversight as required by OMB over the planning, budgeting, acquisition, and execution of all IT resources; and
- How to increase collaboration between business and IT organizations on strategic planning and operations to maximize the impact of IT in the mission.

4 IMPLEMENTATION PLAN

USAID considers the implementation of FITARA a great opportunity to transform the information technology management across the Agency. As IT is more and more important to USAID in accomplishing its mission across the globe, FITARA implementation will bring significant benefits including:

- Improved effectiveness of IT in the mission enablement;
- Increased efficiency of IT investments by eliminating duplicate information systems;
- Enhanced collaboration between IT organization and USAID Bureaus, Independent Offices, and Missions; and
- Strengthened protection against increasing information security and privacy threats.

The transformation of IT management at USAID will be accomplished using a phased approach. Through December 2015, the FITARA Working Group will focus on determining the specific changes required to address the gaps identified in the FITARA self-assessment. By March 2016, USAID will obtain the approval from the Agency senior management for those changes. Process changes will be prototyped through September 2016. In 2016 and 2017, the changes will be incorporated into the Agency policy and processes. Organizational change management and training curriculum and material updates will continue through 2018. Over time, USAID will institutionalize and operationalize FITARA into operations.
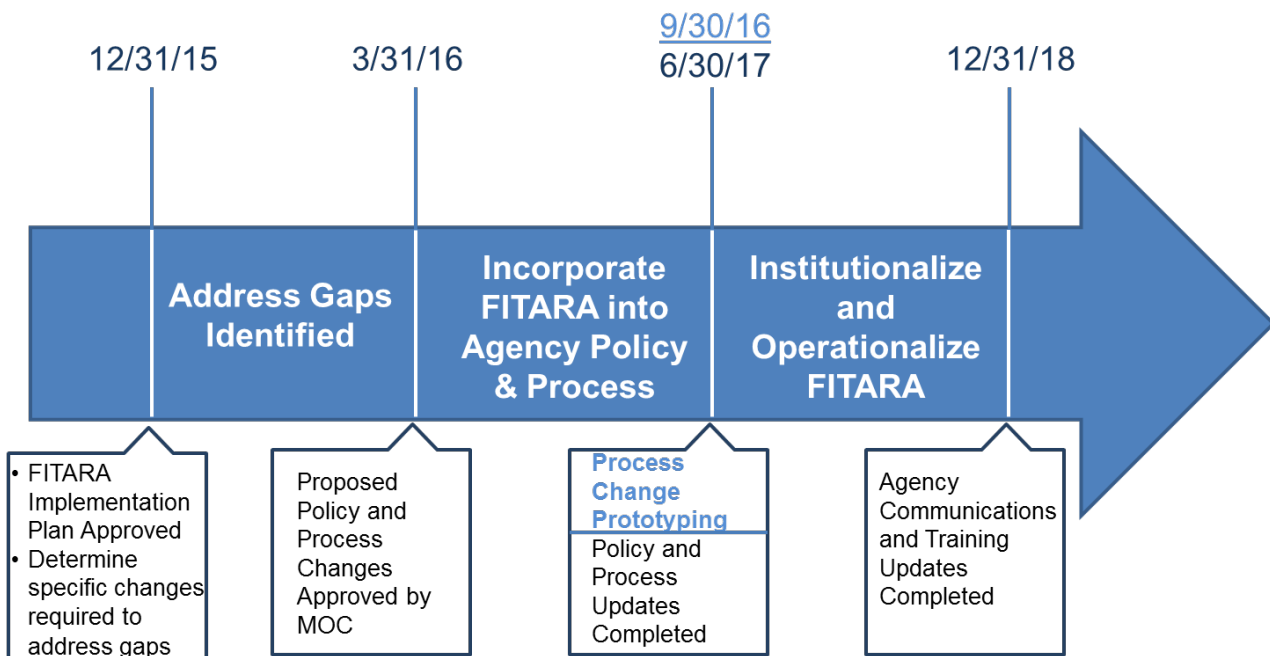
Transform IT Management at USAID Through FITARA Implementation

USAID has a large number of operating units – more than 75 Missions located worldwide and a number of Bureaus and Independent Offices in Washington, DC. To guide the operation of those business units, USAID has relied on a large number of prescriptive Agency policies. For example, there are Agency policies that provide guidance on how to plan and implement program and project in international development as well as policies on how to conduct acquisitions. To institutionalize FITARA at USAID, the OMB common baseline requirements must be incorporated into Agency policy for a number of areas including programming, acquisition, and information resource management.

USAID is an extraordinarily decentralized organization, with more than 75 field missions and numerous field offices. Historically, there is great variability in operational procedures and mission history and culture. Implementation of FITARA represents a significant change in the way Bureaus, Independent Offices, and Missions currently operate in relation to acquisitions involving IT.   In addition to incorporating FITARA into Agency policies, extensive communication and training will need to be conducted for the Agency-wide audience.   Development Objective and Project Managers, Program Officers, Contracting Officer Representatives (CORs) and Contracting Officers (COs) have a critical role in planning for and securing CIO approval for acquisitions for IT systems and services. M/CIO plans to implement an organizational change management (OCM) effort that informs staff within Bureaus, Independent Offices, and Missions about the policy and process changes. This will include working with Office of Human Capital and Talent Management and the Agency Acquisition Career Manager to ensure that training programs are updated to reflect updated policies and processes.

Changing policies and governing requests for investment will be complemented by an effort in M/CIO to better communicate the IT solutions available. This includes more formal documentation about how the USAID Program Cycle is implemented with software or systems - especially enterprise solutions - so the new requests can be directed more easily to existing alternatives.

To operationalize the changes under FITARA, a resourcing plan will also be needed to address the process changes.

The subsections below detail the Self-Assessment, conducted collaboratively through the FITARA Working Group, and the Agency Action Plans to establish each of the required responsibilities in the Common Baseline.

4.1   BUDGET FORMULATION AND PLANNING (A THROUGH D)

Target Result: "The CIO has a significant role in the decision processes for all annual and multi-year planning, programming, budgeting, and execution decisions."

Date	Milestone
3/31/2016	The proposed changes to the Mission Resource Request (MRR) and the Bureau Resource Request (BRR) guidance as well as the BFEM process will be presented to USAID Management Operations Council (MOC) for approval
3/31/2016	Changes to the membership and expanded scope of the ITSS authority will be presented to the MOC for approval
3/31/2016	Specific recommendation on the involvement of the CIO in programming planning will be presented to the MOC for approval
9/30/2016	Prototype process changes will be incorporated into the MRR and BRR guidance
9/30/2016	ITSS charter will be revised to add the Director of Budget and Resource Management (BRM) and the CAO to the committee and to expand the authority of the ITSS to include the oversight of Agency-wide IT investments
6/30/2017	Policy and process changes will be finalized and codified in Agency policy
6/30/2017	Revised programming policy will be completed and published

A.   Visibility of IT resources

- A1. *CIO Role/Responsibility*: Visibility of IT resource plans/decisions to CIO. The CFO and CIO jointly shall define the level of detail with which IT resource levels are described distinctly from other resources throughout the planning, programming, and budgeting stages. This should serve as the primary input into the IT capital planning and investment control documents submitted with the budget (formerly Exhibits 53 and 300).

- A2. *CXO Role/Responsibility*: Visibility of IT resource plans/decisions in budget materials. The CFO and CIO jointly shall define the level of detail with which IT resource levels are described as detailed in A1.

Overall Rating: 2 – Partially Addressed

Agency Explanation for Overall Rating:

There are several categories of IT investments at USAID:

1. Central IT Budget

This budget is planned and managed by the CIO and overseen by the Information Technology Steering Subcommittee (ITSS). The ITSS is a governance body co-chaired by the CIO and a program executive and its members include executives from various bureaus and offices;

The CIO, Director of Budget and Resource Management (BRM) (Agency budget officer), and other senior officials have full visibility into the Central IT budget.

2. Program-funded IT for agency use

The program-funded IT is primarily planned and managed by executives within Bureaus/Independent Offices (B/IOs) and Missions.

The CIO, Director of BRM, and other senior officials lack sufficient visibility into program-funded IT as program-funded IT is not always identified or described in the budget submissions by B/IOs and Missions.

3. Operating Expense (OE) - funded IT

The OE-funded IT is planned and managed by B/IOs and Missions. The USAID Office of Management Policy, Budget, and Performance (M/MPBP) is responsible for preparing the overall agency OE budget.

The CIO and other senior agency officials have some visibility into the OE-funded IT.

Agency Action Plans (provide for ratings of 1 & 2)

The CIO will work with the USAID Director of Budget and Resource Management (BRM) and the Office of Management Policy, Budget, and Performance (M/MPBP) to define the level of detail with which IT resources levels are described distinctly from other resources.

The Director of BRM will work with the USAID CIO and Director of M/MPBP to revise agency guidance as appropriate to improve the visibility of IT resources through the planning, programming, and budgeting stages.

Background: USAID's budget consists of two components: program budget and operating expense (OE) budget. The program budget is submitted to the Office of BRM by USAID operating units (OUs) in the form of the Mission Resource Request (MRR) and the Bureau Resource Request (BRR). The OE budget is prepared by USAID Office of Management Policy, Budget, and Performance in the Bureau of Management (M/MPBP).

In February of each year, USAID Office of Budget and Resource Management, Department of State (State) Bureau of Budget and Planning, and the Office of US Foreign Assistance (F) jointly release Guidance for MRR and Guidance for BRR. For example, Guidance for MRR and Guidance for BRR for FY18 budget will probably be released in February 2016.

In April of each year, M/MPBP issues guidance for the Operational Expenses and Program Funded Operational Costs budget data call. M/MPBP uses a Federal Shared Service called Budget Formulation and Execution Manager (BFEM) to prepare the annual OE budget request based on input from OUs. The FITARA Working Group is working with M/MPBP to change the BFEM data collection to allow greater visibility to both the OE and program-funded IT used by the Agency.

Timeline: The proposed changes to the MRR guidance and the BRR guidance as well as the BFEM process will be presented to USAID Management Operations Council (MOC) for approval before 3/31/2016.

Concurrently, the CIO will work with BRM and M/MPBP to define prototype process changes to be incorporated into the BFEM so that if approved by the MOC, they can be implemented for the FY18 budget formulation cycle.

The prototype process changes will be incorporated the MRR and BRR guidance by 9/30/2016 for application to the next budget formulation cycle.

The policy and process changes will be finalized and codified in Agency policy by 6/30/2017.

Organizational change management activities will be completed by 12/31/2018.

B. CIO role in pre-budget submission

- ▪ B1. *CIO Role/Responsibility*: CIO role in pre-budget submission for programs that include IT and overall portfolio. The agency head shall ensure the agency-wide budget development process includes the CFO, CAO, and CIO in the planning, programming, and budgeting stages for programs that include IT resources (not just programs that are primarily IT oriented). The agency head, in consultation with the CFO, CIO, and program leadership, shall define the processes by which program leadership works with the CIO to plan an overall portfolio of IT resources that achieve program and business objectives and to develop sound estimates of the necessary IT resources for accomplishing those objectives.

- ▪ B2. *CXO Role/Responsibility*: CIO role in pre-budget submission for programs that include IT and overall portfolio. The agency head shall ensure the agency-wide budget development process includes the CFO, CAO, and CIO as described in B1 and that CIO guidelines are applied to the planning of all IT resources during budget formulation. The CFO and program leadership shall work jointly with the CIO to establish the processes and definitions described in B1.

Overall Rating: 2 – Partially Addressed

Agency Explanation for Overall Rating:

The CIO has a critical role in the planning, budgeting, and management of the central IT budget. The ITSS provides oversight over the Capital Investment Fund (CIF), which is a portion of the central IT budget. At the same time, however, the ITSS does not have authority to oversee the program-funded IT portfolio.

Currently, the Director of BRM and the CAO are not members of the ITSS.

There is no clearly defined process for B/IOs and Missions to work with the CIO, Director of BRM, and CAO in the planning, programming, and budgeting of program-funded IT resources.

Under the current agency policy, the Agency IT Strategic Plan and Enterprise Architecture serve as guidelines for the planning of all IT resources at USAID.

Agency Action Plans (provide for ratings of 1 & 2)

The CIO will work with USAID Management Operations Council (MOC) to revise the ITSS charter to add the Director of BRM and the CAO to the ITSS.

The CIO will work with the MOC to revise the ITSS charter to provide the ITSS authority to oversee the program-funded IT portfolio.

The Director of BRM will work with key stakeholders to review the current budget development process and make changes if necessary to ensure the involvement of the CIO and the CAO in the planning, programming, and budgeting stage for programs that include IT resources.

The CIO will revise the current agency policy for information technology management to ensure the involvement of program leadership in the agency IT strategic planning.

Background: The USAID MOC is the highest executive governance body for Agency management decisions at USAID. The ITSS is a subcommittee of MOC and is the highest executive governance body for information technology management at USAID. The ITSS is co-chaired by the CIO and a program executive. While the CIO is a permanent member and co-chair of the ITSS, program executives serve as the ITSS members on rotation basis including the co-chair served by a business executive. The ITSS is a sub-committee of the MOC. The ITSS is chartered to advise the MOC on investment selection, taking into account potential risk, cost, benefit, and priority in relation to other USAID investments and the Agency's Enterprise Architecture; ensure that approved investments comply with OMB Circular A-11; and recommend to the MOC approval or rejection of submitted requests for, and continuation of, CIF investments.

Timeline: The changes to the membership and expanded scope of the ITSS authority will be presented to the MOC for approval before 3/31/2016.

The ITSS charter will be revised by 9/30/2016 to add the Director of BRM and the CAO to the committee and to expand the authority of the ITSS to include the oversight of Agency-wide IT investments.

C. CIO role in planning program management

- C1. *CIO Role/Responsibility*: CIO role in planning program management. The CIO shall be included in the internal planning processes for how the agency uses IT resources to achieve its objectives. The CIO shall approve the IT components of any plans, through a process defined by the agency head that balances IT investments with other uses of agency funding. This includes CIO involvement with planning for IT resources at all points in their lifecycle, including operations and disposition or migration.

- C2. *CXO Role/Responsibility*: CIO role in program management. CIO, CFO, and program leadership shall define an agency-wide process by which the CIO shall advise on all planning described in C1.

Overall Rating: 2 – Partially Addressed

Agency Explanation for Overall Rating:

The CIO leads the development of the Agency IT Strategic Plan and the Enterprise Architecture, but has limited involvement in strategic and program planning conducted by B/IOs and Missions.

The CIO is not currently required to approve the IT components in the program plan.

Agency Action Plans (provide for ratings of 1 & 2)

USAID Bureau for Policy, Planning, and Learning (PPL) will revise the programming policy and guidance as appropriate to increase the involvement of the CIO in planning program management and to require the approval of the applicable IT components in the program plan by the CIO.

Background: USAID has a well-defined framework for strategic planning of development documented in Agency programming policy. Programming policy requires the initial identification of the Acquisition and Assistance Strategy in the Project Appraisal Document which serves as a reference document for Project Authorization. USAID Bureau for Policy, Planning, and Learning is currently leading the effort to revamp the Agency programming policy. PPL will determine appropriate approach to incorporating the FITARA requirements in the revised programming policy.

Timeline: The specific recommendation on the involvement of the CIO in programming planning will be presented to the MOC for approval before 3/31/2016.

The revised programming policy will be completed and published by 6/30/2017.

D. CIO role in budget request

- D1. *CIO Role/Responsibility*: CIO reviews and approves major IT investment portion of budget request. Agency budget justification materials in their initial budget submission to OMB shall include a statement that affirms: – the CIO has reviewed and approves the major IT investments portion of this budget request; – the CFO and CIO jointly affirm that the CIO had a significant role in reviewing planned IT support for major program objectives and significant increases and decreases in IT resources; and – the IT Portfolio (formerly Exhibit 53) includes appropriate estimates of all IT resources included in the budget request.

- D2. *CXO Role/Responsibility*: CIO and CFO Certify IT Portfolio. The CFO shall work with the CIO to establish the affirmations in D1.

Overall Rating: 2 – Partially Addressed

Agency Explanation for Overall Rating:

The CIO currently reviews and approves the central IT budget, but has a limited role in the approval of IT components that are part of the program-funded budget.

Currently CIO and Director of BRM are not required to certify the IT portfolio.

Agency Action Plans (provide for ratings of 1 & 2)

The Director of BRM will revise the current budget approval process as appropriate to require that the CIO review and approve all of major IT investments in the budget request including program-funded IT that is identified.
The Director of BRM will work with the CIO to ensure that the Director of BRM and the CIO jointly affirm that the CIO had a significant role in reviewing planned IT support for major program objectives and significant increases and decreases in IT resources; and the IT Portfolio includes appropriate estimates of all IT resources included in the budget request.

Background: USAID's budget consists of two components: program budget and operating expense (OE) budget. The program budget is submitted to the Office of BRM by USAID operating units (OUs) in the form of the Mission Resource Request (MRR) and the Bureau Resource Request (BRR). The OE budget is prepared by USAID Office of Management Policy, Budget, and Performance in the Bureau of Management (M/MPBP).

The BRR informs the USAID proposal for USAID's Development and Humanitarian Assistance budget which is submitted to the Department of State (DOS). BRM works with the DOS Office of US Foreign Assistance Resources (F) to make budget decisions.

Timeline: The specific recommendation on the involvement of the CIO in the budget approval process will be presented to the MOC for approval before 3/31/2016.

The revised budget approval policy will be completed and published by 6/30/2017.

4.2 ACQUISITION AND EXECUTION (E THROUGH L)

Target Result: "The CIO has a significant role in the decision processes for all annual and multi-year planning, programming, budgeting, and execution decisions; management, governance and oversight processes related to IT; and certifies that IT investments are adequately implementing incremental development as defined in OMB capital planning guidance."

Date	Milestone
3/31/2016	FITARA Working Group will propose an approach to improving the CIO engagement with program managers to the MOC for approval
3/31/2016	Proposed changes to the acquisition planning process will be presented to USAID Management Operations Council (MOC) for approval
3/31/2016	Proposed changes to the IT project governance process will be presented to USAID Management Operations Council (MOC) for approval
3/31/2016	Changes to the membership and expanded scope of the ITSS authority will be presented to the MOC for approval
9/30/2016	ITSS charter will be revised to add the Director of BRM and the CAO to the committee and to expand the authority of the ITSS to include the oversight of Agency-wide IT investments
6/30/2017	Agency acquisition policies will be updated and published. Systems will be updated to require identification of acquisition actions that include IT
6/30/2017	GC statutory checklist will be updated
6/30/2017	CIO will publish the guidelines for IT projects outside the CIO Office
6/30/2017	Changes to the Agency acquisition policy will be completed

E. Ongoing CIO engagement with program managers

- E1. *CIO Role/Responsibility*: Ongoing CIO engagement with program managers. The CIO should establish and maintain a process to regularly engage with program managers to evaluate IT resources supporting each agency strategic objective. It should be the CIO and program managers' shared responsibility to ensure that legacy and on-going IT investments are appropriately delivering customer value and meeting the business objectives of programs.

- E2. *CXO Role/Responsibility*: Ongoing CIO engagement with program managers. Program managers shall work with the CIO to define IT performance metrics and strategies to support fulfillment of agency strategic objectives defined in the agency's strategic plan.

Overall Rating: 2 – Partially Addressed

Agency Explanation for Overall Rating:

Ongoing CIO engagement with program managers is on an ad hoc basis.
Engagement of CIO by program managers is also on an ad hoc basis.

Agency Action Plans (provide for ratings of 1 & 2)

The CIO will establish, in consultation with other members of FITARA Working Group, a regular engagement process with B/IOs and Missions to evaluate IT resources supporting each Agency strategic objective.

M/MPBP will work with M/CIO, the PPL Bureau, and other key stakeholders to ensure IT performance metrics and strategies are aligned with the Agency strategic objectives.

Background: USAID is composed of a number of Bureaus, Independent Offices, and more than 70 Missions over the world. The ITSS is co-chaired by the CIO and a program executive from one of the Bureaus or Independent Offices. The CIO has direct engagement with Mission Executive Officers (EXO's), a program manager equivalent, when specific requirements are identified. Furthermore, M/CIO has quarterly engagement with System Managers, who are IT professionals and report to the EXO.

With regard to the IT performance metrics, USAID collects and reports a number of metrics as required by OMB in numerous programs and collected in the Integrated Data Collection or other mechanisms. These metrics are used internally by the CIO to identify areas of underperformance and respond appropriately.

Timeline: The FITARA Working Group will propose an approach to improving the CIO engagement with program managers to the MOC for approval by 3/31/2016.

M/MPBP and M/CIO will work together to ensure the IT performance metrics are aligned with the Agency strategic objectives by 6/30/2017.

F. Visibility of IT planned expenditure reporting to CIO

- F1. *CIO Role/Responsibility*: Visibility of IT planned expenditure reporting to CIO. The CFO, CAO and CIO should define agency-wide policy for the level of detail of planned expenditure reporting for all transactions that include IT resources.

- F2. *CXO Role/Responsibility*: Visibility of IT planned expenditure reporting to CIO. The CFO, CAO and CIO shall define agency-wide policy for the level of detail of planned expenditure reporting for all transactions that include IT resources.

Overall Rating: 2 – Partially Addressed

Agency Explanation for Overall Rating:

Currently the CIO lacks visibility into planned IT expenditures outside the CIO organization.

Agency Action Plans (provide for ratings of 1 & 2)

The CAO will review and revise the Agency acquisition policy to require the reporting to the CIO of **all** of planned expenditures that include IT.

The CAO will work with other key stakeholders to define the level of details required for the reporting of planned expenditure for all transactions that include IT resources.

USAID General Counsel (GC) will work with PPL, M/CIO, and other members of the USAID FITARA Working Group to update the Statutory Checklist addition to the Agency programming policy, to include FITARA and FISMA requirements.

Background: The USAID Office of Acquisition and Assistance (M/OAA) in Bureau of Management is responsible for approving acquisitions and maintaining Agency acquisition policies. USAID Bureau of PPL is responsible for defining and maintaining Agency programming policy. USAID Office of BRM is responsible for approving Agency program budget. USAID General Counsel is responsible for maintaining a statutory checklist used in pre-obligation planning for Agency acquisitions. M/OAA and M/MPBP administer the Agency's Acquisition and Assistance Plan. Operating Units (OUs) include in the plan all planned actions $150,000 and above ($25,000 and above at their discretion) from all funding sources (OE and program). The A&A Plan System provides an opportunity for further identifying planned acquisitions that include IT.

Timeline: The proposed changes to the acquisition planning process will be presented to USAID Management Operations Council (MOC) for approval before 3/31/2016.

Agency acquisition policies will be updated and published by 6/30/2017. The A&A Plan System will be updated to require identification of acquisition actions that include IT by 6/30/2017.

The GC statutory checklist will be updated by 6/30/2017.

G. CIO defines IT processes and policies

- G1. *CIO Role/Responsibility*: CIO defines IT processes and policies. The CIO defines the development processes, milestones, review gates, and the overall policies for all capital planning, enterprise architecture, and project management and reporting for IT resources. At a minimum, these processes shall ensure that the CIO certifies that IT resources are adequately implementing incremental development (as defined in the below definitions). The CIO should ensure that such processes and policies address each category of IT resources appropriately—for example, it may not be appropriate to apply the same process or policy to highly customized mission-specific applications and back office enterprise IT systems depending on the agency environment. These policies shall be posted publicly at agency.gov/digitalstrategy, included as a downloadable dataset in the agency's Public Data Listing, and shared with OMB through the IDC. For more information, see OMB Circular A-130: Management of Information Resources.

Overall Rating: 2 – Partially Addressed

Agency Explanation for Overall Rating:

The CIO has defined a number of processes and policies, but compliance with those processes and policies are not always enforced for program-funded IT projects.

Agency Action Plans (provide for ratings of 1 & 2)

The CIO will continue to refine the IT processes and policies and work to improve compliance with the Agency IT processes and policies by program-funded IT projects.

Background: There are IT projects conducted by the Office of CIO and projects conducted outside of the Office of CIO. Through the improvement of visibility of IT investments, the Office of CIO will be able to improve the governance of the IT projects outside of the CIO Office.

Timeline: The proposed changes to the IT project governance process will be presented to USAID Management Operations Council (MOC) for approval before 3/31/2016.

The CIO will publish the guidelines for IT projects outside the CIO Office by 6/30/2017.

H. CIO role on program governance boards

- H1. *CIO Role/Responsibility*: CIO role on program governance boards. In order to ensure early matching of appropriate IT with program objectives, the CIO shall be a member of governance boards that include IT resources (including "shadow IT" or "hidden IT"—see definitions), including bureau Investment Review Boards (IRB). The CIO shall notify OMB of all governance boards the CIO is a member of and at least annually update this notification.

- H2. *CXO Role/Responsibility*: Participate with CIO on governance boards as appropriate.

Overall Rating: 2 – Partially Addressed

Agency Explanation for Overall Rating:

The CIO is a voting member of Management Operations Council (MOC). The MOC provides Agency-wide leadership for initiatives and investments to reform USAID business systems and operations worldwide and to improve organizational performance, efficiency, and effectiveness.

The CIO serves as co-chair on the ITSS, which is a sub-committee of the MOC.

The CIO is also a voting member on the Management Control Review Committee (MCRC).

Currently the Director of BRM is not a member of the ITSS and the CAO is not a member of the ITSS.

Agency Action Plans (provide for ratings of 1 & 2)

The CIO will notify OMB of all governance boards that include the CIO as a member.

The CIO will work with the MOC and ITSS to add Director of BRM and the CAO to the ITSS.

Background: The CIO currently serves on key governance boards. USAID published this information online in accordance with the IDC guidance.

The current gap is that the budget officer and CAO are not members of the IT executive governance board (ITSS).

Timeline: CIO governance board membership will be maintained and published online in coordination with FITARA implementation updates every April.

The changes to the membership and expanded scope of the ITSS authority will be presented to the MOC for approval before 3/31/2016.

The ITSS charter will be revised by 9/30/2016.

I.   Shared acquisition and procurement responsibilities

- I1. *CIO Role/Responsibility*: Shared acquisition and procurement responsibilities. The CIO reviews all cost estimates of IT related costs and ensures all acquisition strategies and acquisition plans that include IT apply adequate incremental development principles (see definitions).

- I2. *CXO Role/Responsibility*: Shared acquisition and procurement responsibilities. The CAO, in consultation with the CIO and—where appropriate—CFO, shall ensure there is an agency-wide process to ensure all acquisitions that include any IT: – are led by personnel with appropriate federal acquisition certifications (FACs),[23]including specialized IT certifications as appropriate; – are reviewed for opportunities to leverage acquisition initiatives such as shared services, category management, strategic sourcing, and incremental or modular contracting and use such approaches as appropriate; – are supported by cost estimates that have been reviewed by the CIO; and – adequately implement incremental development.

Overall Rating: 2 – Partially Addressed

Agency Explanation for Overall Rating:

Currently, if an acquisition is conducted by CIO, the CIO reviews all cost estimates and ensures acquisition strategies and plans apply adequate incremental development principles.
However, if an acquisition that includes IT is conducted outside CIO, the CIO is asked to review the acquisitions only on ad hoc basis.

Currently, not every acquisition that includes IT is led by personnel with appropriate FACs/PPM certification.

Agency Action Plans (provide for ratings of 1 & 2)

The CAO, in collaboration with the CIO, will lead revisions to the current agency acquisition policy and related Standard Operating Procedures (SOPs) if any, to require that the CIO review all acquisitions that include IT.

The CAO, in collaboration with the CIO, will lead the revision to the current agency acquisition policy to require that acquisitions that include IT be led by personnel with appropriate FAC/PPM certification.

Background: USAID CAO (Director of Office of Acquisition and Assistance in the Bureau of Management) is responsible for maintaining Agency acquisition policy. The Agency Acquisition Career Manager in M/OAA manages the Agency's Federal Acquisition Certification program.

Timeline: The proposed changes to the acquisition policies and processes will be presented to USAID Management Operations Council (MOC) for approval before 3/31/2016.

The changes to the Agency acquisition policy will be completed by 6/30/2017.

J.   CIO role in recommending modification, termination, or pause of IT projects or initiatives

- J1. *CIO Role/Responsibility*: CIO role in recommending modification, termination, or pause of IT projects or initiatives. The CIO shall conduct TechStat reviews or use other applicable performance measurements to evaluate the use of the IT resources of the agency. The CIO may recommend to the agency head the modification, pause, or termination of any acquisition, investment, or activity that includes a significant IT component based on the CIO's evaluation, within the terms of the relevant contracts and applicable regulations.

Overall Rating: 2 – Partially Addressed

Agency Explanation for Overall Rating:

The CIO defined the process for conducting agency TechStat sessions a couple of years ago to review troubled IT investments and take actions on those investments. But the CIO has not conducted a TechStat session for some time.

Agency Action Plans (provide for ratings of 1 & 2)

The CIO will work with the ITSS to improve the TechStat process for the CIO to make recommendations on the modification, termination, or pause of IT projects or initiatives including projects/initiatives within and outside the CIO.

Background: The CIO monitors investment performance and risk and determines when a TechStat accountability review is required. In addition, the ITSS authority will be expanded for it to request a TechStat review by M/CIO. The ITSS will be responsible for notifying OMB of a planned TechStat, and M/CIO will be responsible for the reporting of outcomes via the quarterly OMB Integrated Data Collection (IDC).

Timeline: The TechStat will be restored and at least on TechStat review will be performed by M/CIO by the end of 6/30/16 (Q3). It is expected that the November 2016 IDC submission will include a report the outcomes and plans that result from the session.

K.   CIO review and approval of acquisitions

- K1. *CIO Role/Responsibility*: CIO review and approval of acquisition strategy and acquisition plan. Agencies shall not approve an acquisition strategy or acquisition plan (as described in FAR Part 7) or interagency agreement (such as those used to support purchases through another agency) that includes IT without review and approval by the agency CIO. For contract actions that contain IT without an approved acquisition strategy or acquisition plan, the CIO shall review and approve the action itself. The CIO shall primarily consider the following factors when reviewing acquisition strategies and acquisition plans: – Appropriateness of contract type; – Appropriateness of IT related portions of statement of needs or statement of work; – Appropriateness of above with respect to the mission and business objectives supported by the IT strategic plan; and – Alignment with mission and program objectives in consultation with program leadership.

- K2. *CXO Role/Responsibility*: CAO is responsible for ensuring contract actions that contain IT are consistent with CIO-approved acquisition strategies and plans. The CAO shall indicate to the CIO when planned acquisition strategies and acquisition plans include IT. The CAO shall ensure the agency shall initiate no contract actions or interagency agreements that include IT unless they are reviewed and approved by the CIO or are consistent with the acquisition strategy and acquisition plan previously approved by the CIO. Similar process for contract modifications. CAO shall also ensure that no modifications that make substantial changes to the scope of a

significant contract are approved that are inconsistent with the acquisition strategy and acquisition plan previously approved by the CIO unless the modification is reviewed and approved by the CIO.

Overall Rating: 2 – Partially Addressed

Agency Explanation for Overall Rating:

The acquisition strategy and plan created by M/CIO are reviewed and approved by the CIO. But CIO review and approval is not currently required for acquisitions conducted outside the CIO. In addition, the CIO review and approval for interagency agreements are not always required.

The CAO is not currently required to inform the CIO of the acquisitions that include IT if those acquisitions are conducted outside CIO.

Agency Action Plans (provide for ratings of 1 & 2)

The CAO will work with the CIO and other members of the FITARA Working Group to revise the acquisition policies and processes to ensure that CIO review and approval of acquisition strategy and acquisition plan for acquisitions that contain IT.

Background: USAID's 300 series of ADS chapters includes general acquisition policy, including requirements for acquisition planning and the use of Individual Acquisition Plans. A Contract Review Board is in place to review Agency solicitation and award documents for acquisitions at or above $25 million. IT-specific acquisition policy is documented in some 500 series chapters. All planned actions $150,000 and above ($25,000 and above at the Operating Unit's discretion) from all funding sources (OE and program) must be entered into the A&A Plan System.

Timeline: The proposed changes to the acquisition planning process will be presented to USAID Management Operations Council (MOC) for approval before 3/31/2016.

Agency acquisition policies will be updated and published by 6/30/2017.

L. CIO approval of reprogramming

- ▪ L1. *CIO Role/Responsibility*: CIO approval of reprogramming. The CIO must approve any movement of funds for IT resources that requires Congressional notification.

- ▪ L2. *CXO Role/Responsibility*: CIO approval of reprogramming. The CFO shall ensure any notifications under L1 are approved by the CIO prior to submission to OMB.

Overall Rating: 1 - Incomplete

Agency Explanation for Overall Rating:

CIO approval of reprogramming is not currently required.

Agency Action Plans (provide for ratings of 1 & 2)

The Director of BRM will document the requirement for CIO approval before the submission to F Bureau if there are any movement of funds for IT resources that require Congressional notification.

Background: Guidance for Reprogramming Foreign Assistance Program Funds is provided by the Office of Budget and Resource Management (BRM) and the DOS Office of US Foreign Assistance Resources (F). The USAID Office of Management Policy, Budget, and Performance in the Bureau of Management (M/MPBP) manages the Agency's Operating Expense budget through quarterly reviews of Operating Units (OUs) data in the A&A Plan System.

Timeline: The proposed changes to the budget execution process will be presented to USAID Management Operations Council (MOC) for approval before 3/31/2016.

Agency budget execution policies will be updated and published by 6/30/2017.

4.3   ORGANIZATION AND WORKFORCE (M THROUGH Q)

Target Result: "The CIO reports to the agency head (or deputy/COO) and assesses the requirements established for agency personnel regarding knowledge and skill in information resources management and the adequacy of those requirements for facilitating the achievement of the established IRM performance goals; and assesses the extent to which the positions and personnel at the executive and management levels meet those requirements."

Date	Milestone
7/31/2016	USAID CHCO will work with the CIO to complete the development of competency requirements for IT staff

M. CIO approves new bureau CIOs

- M1. *CIO Role/Responsibility*: CIO approves bureau CIOs. The CIO shall be involved in the recruitment and shall approve the selection of any new bureau CIO (includes bureau leadership with CIO duties but not title—see definitions). The title and responsibilities of current bureau CIOs may be designated or transferred to other agency personnel by the agency head or his or her designee as appropriate, and such decisions may take into consideration recommendations from the agency CIO.

Overall Rating: Not Applicable

Agency Explanation for Overall Rating:

USAID does not have Bureau level CIOs and generally does not have an IT organization at the Bureau level. USAID consists of a number of functional and regional Bureaus as well as Independent Offices.

There are staff who perform an IT support function outside of the agency CIO, however these are not bureau CIOs nor are they ever intended to be. Through the process and policy changes as well as the training and communications that USAID

will implement the IT support function will be centralized with the agency CIO, not designated or transferred to other agency personnel.

A Deputy Assistant Administrator (DAA) for a USAID Bureau is usually responsible for strategic planning, budgeting, procurement, human resources, project design, monitoring and evaluation, and communication. While the DAA often works with the agency CIO on Bureau IT needs, the DAA does not have CIO duties for the Bureau.

N. CIO role in ongoing bureau CIOs' evaluations

- N1. *CIO Role/Responsibility*: CIO role in ongoing bureau CIOs' evaluations. The CHCO and CIO shall jointly establish an agency-wide critical element (or elements) included in all bureau CIOs' performance evaluations. In cases where the bureau CIO is a member of the Senior Executive Service and the agency uses the Basic SES Appraisal System, this critical element(s) is an "agency-specific performance requirement" in the Executive Performance Plan. Each such agency may determine that critical element(s) (ECQs) contain these requirements. For agencies that do not use the Basic SES Appraisal System or for bureau CIOs who are not members of the SES, then these shall be critical elements in their evaluations. The [agency] CIO must identify "key bureau CIOs" and provide input to the rating official for this critical element(s) for at least all "key bureau CIOs" at the time of the initial summary rating and for any required progress reviews. The rating official will consider the input from the [agency] CIO when determining the initial summary rating and discusses it with the bureau CIO during progress reviews.

- N2. *CXO Role/Responsibility*: CIO role in ongoing bureau CIOs' evaluations. The CHCO and CIO shall jointly establish an agency-wide critical element (or elements) for the evaluation of bureau CIOs as described in N1.

Overall Rating: Not Applicable

Agency Explanation for Overall Rating:

See explanation for M.

Agency Action Plans (provide for ratings of 1 & 2)

O. Bureau IT Leadership Directory

- O1. *CIO Role/Responsibility*: Bureau IT Leadership Directory. CIO and CHCO will conduct a survey of all bureau CIOs and CIO and CHCO will jointly publish a dataset identifying all bureau officials with title of CIO or duties of a CIO. This shall be posted as a public dataset based on instructions in the IDC by August 15, 2015 and kept up-to-date thereafter. The report will identify for each: – Employment type (e.g. GS, SES, SL, ST, etc.) – Type of appointment (e.g. career, appointed, etc.) – Other responsibilities (e.g. full-time CIO or combination CIO/CFO) – Evaluation "rating official" (e.g. bureau head, other official) – Evaluation "reviewing official" (if used) – Whether [agency] CIO identifies this bureau CIO as a "key bureau CIO" and thus requires the [agency] CIO to provide the rating official input into the agency-wide critical element(s) described in N1.

- O2. *CXO Role/Responsibility*: Bureau IT Leadership Directory. CHCO will work with CIO to develop the Bureau IT Leadership Directory as described in O1.

Overall Rating: Not Applicable

Agency Explanation for Overall Rating:

See explanation for M.

P.   IT Workforce

- ▪ P1. *CIO Role/Responsibility*: IT Workforce. The CIO and CHCO will develop a set of competency requirements for IT staff, including IT leadership positions, and develop and maintain a current workforce planning process to ensure the department/agency can (a) anticipate and respond to changing mission requirements. (b) maintain workforce skills in a rapidly developing IT environment, and (c) recruit and retain the IT talent needed to accomplish the mission.

- ▪ P2. *CXO Role/Responsibility*: IT Workforce. CIO and CHCO —and CAO where relevant— shall develop a set of competency requirements for IT staff, including IT leadership positions, and develop and maintain a current workforce planning process to ensure the department/agency can (a) anticipate and respond to changing mission requirements. (b) maintain workforce skills in a rapidly developing IT environment, and (c) recruit and retain the IT talent needed to accomplish the mission.

Overall Rating: 2 – Partially Addressed

Agency Explanation for Overall Rating:

USAID Human Capital and Talent Management (HCTM) Office has completed an IT workforce planning model. In addition, HCTM is in the process of defining competency requirements for IT staff.

Agency Action Plans (provide for ratings of 1 & 2)

The USAID CHCO will work with the CIO to complete the development of competency requirements for IT staff.

Background: Initial competency development has begun and the CHCO will be working with M/CIO to finalize competency development.

Timeline: The IT competencies will be completed by 7/31/16.

Q.   CIO reports to agency head (or deputy/COO)

- ▪ Q1. *CIO Role/Responsibility*: CIO reports to agency head (or deputy/COO). As required by the Clinger Cohen Act and left in place by FITARA, the CIO "shall report directly to such agency head to carry out the responsibilities of the agency under this subchapter." This provision remains unchanged, though certain agencies have since implemented legislation under which the CIO and other management officials report to a COO, Undersecretary for Management, Assistant Secretary for Administration, or similar management executive; in these cases, to remain consistent with the Clinger Cohen requirement as left unchanged by FITARA, the CIO shall have direct access to the agency head (i.e., the Secretary, or Deputy Secretary serving on the Secretary's behalf) regarding programs that include information technology.

Overall Rating: 3 – Fully Implemented

Agency Explanation for Overall Rating:

CIO reports to Assistant Administrator of Bureau for Management (equivalent of Under Secretary for Management in other agencies).

Agency Action Plans (provide for ratings of 1 & 2)

USAID Automatic Directives System (ADS) Chapter 101, Agency Programs and Functions

CIO Assignment Plan

As explained under Control M, USAID does not have Bureau level CIOs and generally does not have an IT organization at the Bureau level. USAID consists of a number of functional and regional Bureaus as well as Independent Offices. At this point, there is no plan to delegate/assign the CIO's authority and responsibilities to personnel at those Bureaus, Independent Offices, or Missions.

5 CONCLUSION

Implementation of FITARA's requirements is already underway at USAID as part of Agency's effort to improve IT centralization. Over the next three years, the USAID CIO and other key stakeholders will strive to institutionalize FITARA requirements into day-to-day Agency operations. As a result, we expect significant progress to be made towards accomplishing even greater IT efficiencies and while providing greater support to the Agency's mission in international development.

The following organizations are represented in the USAID FITARA Working Group.

Bureau for Africa (AFR): The Bureau for Africa operates 29 regional and bilateral missions in Africa. The Bureau works with our partners to improve access to and delivery of health services, to support more accountable and democratic institutions, to start businesses and foster an environment attractive to private investment, and to stave off conflict and strengthen communities.

Bureau for Global Health (GH): GH supports field health programs, advances research and innovation in selected areas relevant to overall Agency health objectives, and transfers new technologies to the field through its own staff's work, coordination with other donors, and a portfolio of grants. Global health issues have global consequences that not only affect the people of developing nations but also directly affect the interests of American citizens.

Bureau for Policy, Planning Learning (PPL): PPL is responsible for leading the Agency's policy planning efforts, shaping overall strategic and program planning, ensuring the Agency's evolution as a learning and evaluation organization, and overseeing donor engagement while guiding USAID as the premier development agency.

Management Bureau/Office of the Chief Information Officer (M/CIO): The Office of the Chief Information Officer (M/CIO) is responsible for information resources management (IRM), as defined in the E-Government Act of 2002 and OMB Circular A-130 this includes but is not limited to developing Agency strategic and operational planning for all information and technology management functions and developing and maintaining enterprise architectures as blueprints to guide IT modernization.

Management Bureau/Management Policy, Budget, and Performance (M/MPBP): M/MPBP serves as the Agency's lead advisory office in support of management and operations by providing analytical expertise to modernize operational policy, budget, performance, and business operations.

Management Bureau/Office of Acquisition and Assistance (M/OAA): M/OAA provides stewardship of U.S. taxpayer funds through the management, evaluation/audit, and awarding of USAID awards including contracts, grants, cooperative agreements, and other award types with small business and local capacity development goals that serve to deliver foreign assistance.

Office of Budget and Resource Management (BRM): BRM is responsible for USAID's resource and budget planning, oversight, and coordination to optimize the agency's investments. BRM works to ensure that USAID budget requests and resources are aligned to support USAID's mission to end extreme poverty, and promote resilient, democratic societies while advancing our security and prosperity, informed by policy priorities, and development performance data. BRM supports the Administrator, in close coordination with the State Department, to recommend program budgets and resource allocations.

Office of the General Counsel (GC): GC provides legal advice, counsel, and services to the Agency and its officials and ensures that USAID programs are administered in accordance with legislative authorities.

Office of Human Capital and Talent Management (HCTM): The HCTM supports all of USAID's diverse workforce, including Foreign Service, Civil Service, Foreign Service Nationals, contractors, as well as employees hired through other mechanisms. HCTM's goal is to get the right people, with the right skills, in the right place, at the right time and at the right cost, working to fulfill USAID's mission.

Bureau for Economic Growth, Education, and Environment: The Bureau for Economic Growth, Education, and Environment (E3) provides technical leadership, research, and field support for worldwide activities in the areas of Economic Growth and Trade, Infrastructure and Engineering, Education, Environment and Global Climate Change, Water, and Gender Equality and Women's Empowerment.

B/IO/M	Bureau, Independent Office and Mission
BRM	Budget and Resource Management
CAO	Chief Acquisition Officer
CIO	Chief Information Officer
CIF	Capital Investment Fund
DAA	Deputy Administrator
FAC P/PM	Program and Project Managers
F Bureau	Office of the U.S. Foreign Assistance Resources
FISMA	Federal Information Security Management Act
FITARA	Federal Information Technology Acquisition Reform Act
GC	USAID General Counsel
HCTM	USAID Human Capital Talent Management Office
IDC	Integrated Data Collection
ITSS	Information Technology Steering Sub-Committee
MCRC	Management Control Review Committee
M Bureau	Bureau for Management
M/CIO	Office of the CIO
M/MPBP	Office of Management Policy, Budget and Performance
MOC	Management Operations Council
OE	Operating Expense
OMB	Office of Management and Budget

PPL	USAID Bureau for Policy, Planning, and Learning
USAID	U.S. Agency for International Development
USAID/W	USAID Washington