

U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

DEPARTMENTAL REGULATION	Number: DR 3130-010
SUBJECT: United States Department of Agriculture Enterprise Information Technology Governance	DATE: December 3, 2015
	OPI: Office of the Chief Information Officer – Information Resource Management

<u>Section</u>	<u>Page</u>
1. Purpose	1
2. Special Instructions/Cancellations	2
3. Scope	2
4. Policy	3
5. Roles and Responsibilities	4
6. Procedures	8
7. Policy Exceptions	8
8. Compliance	8
9. Inquiries	9
Appendix A Definitions	A-1
Appendix B Acronyms and Abbreviations	B-1
Appendix C References and Authorities	C-1

1. PURPOSE

- a. This Departmental Regulation (DR) serves as policy for establishing and managing the United States Department of Agriculture's (USDA's) Enterprise Information Technology Governance (EITG) requirements, objectives, authorities, and roles and responsibilities, for major information technology (IT) investments, as defined in [DR 3130-008, Definition of Major Information Technology \(IT\) Investments](#). Specifically, this DR establishes policy that incorporates those management oversight controls and processes that are consistent with *The Clinger-Cohen Act of 1996*, [Title 40 \(40 U.S.C. 1401 et seq.\)](#), as well as language and provisions outlined in the USDA appropriations bill, *Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2015*, [Public Law \(P.L.\) 113-235](#), Division A, and

the Federal Information Technology Acquisition Reform Act ([FITARA](#)), P.L. 113-291, Title VIII, Subtitle D, Sections 831-837.

- b. A key aspect of successful IT investment portfolio management and governance is leveraging solid project management principles that incorporate best government and industry practices. This allows for a consistent and repeatable framework and implemented policy for planning, managing, governing, and overseeing all major IT investments over their entire life cycle.
- c. This policy further establishes a project management and accountability environment where USDA major IT investments can achieve consistently successful outcomes, utilizing automated workflows and repeatable processes that are in alignment with Department-wide, agency, and staff office specific business goals and objectives. Implementation of this policy allows the USDA to improve the quality of IT project planning and execution, while reducing overall investment risk. This Department-wide approach to IT governance, coupled with project management principles and best practices, places an emphasis on demonstrating measurable results for each of its major IT investments and to better justify management and technical actions taken as major IT investments are developed and maintained.

2. SPECIAL INSTRUCTIONS/CANCELLATIONS

- a. All USDA non-major IT investments are exempt from this policy and are governed at the agency or staff office as provided by [DR 3100-002](#), *Agency Information Resources Management Review Board*.
- b. All USDA non-major IT investments are further governed by [DR 3130-009](#), *Non-Major Information Technology (IT) Investments*.
- c. This DR supersedes DR 3600-000, *Sections 4f and 10b, USDA Information and Technology Transformation*, dated November 2, 2004.
- d. Within 6 months of the date of publication, all agencies and staff offices shall align their policies and procedures to comply with this DR.

3. SCOPE

- a. This DR applies to all USDA agencies, staff offices, employees, and contractors that manage and support USDA major IT investments.
- b. This DR applies to all USDA major IT investments, as defined in DR 3130-008, throughout their lifecycle as a major IT investment, regardless of funding source, whether owned and operated by USDA or operated on behalf of USDA.

Furthermore, this governance approach integrates and supports the following established USDA business processes to ensure a comprehensive IT investment portfolio management approach: capital planning and investment control (CPIC), earned value management (EVM), enterprise architecture (EA), Project and Portfolio Management (PPM), cyber security, acquisition approval request (AAR), risk management framework (RMF), and IT budget formulation and execution management.

4. POLICY

- a. This USDA EITG policy provides for a Department-wide governance and integrated IT investment and project management framework that ensures all USDA major IT investments are able to achieve consistently successful outcomes that better align with business needs and the ability to meet approved cost, schedule, and performance goals and milestones.
- b. This DR establishes, through the *Integrated IT Governance Framework: Guidebook* ([IITGF](#)), a consistent set of guidelines and best practices for managing all USDA major IT investments that encompasses the following:
 - (1) An approach for planning, managing and governing each major IT investment over its entire life cycle;
 - (2) Adherence to the investment life cycle phases as presented in the USDA IITGF with associated EITG deliverables and prescribed investment life cycle phase exit criteria;
 - (3) EITG decision gate reviews that assess the major IT investment progress against established investment life cycle exit criteria, cost, schedule, and performance milestones, prior to advancing to the next life cycle phase; and
 - (4) The Integrated Advisory Board (IAB) and the Executive Information Technology Investment Review Board ((EITIRB), also referred to herein as the ‘E-Board’) serve as executive-level governance bodies within the USDA that provide technical subject matter experts, strategic and executive leadership, respectively, for governance reviews and subsequent recommendations concerning major IT investments. The E-Board consists of the Deputy Secretary, Mission Area Under Secretaries, Assistant Secretary for Administration, Assistant Secretary for Civil Rights, USDA Chief Information Officer (CIO), USDA Chief Financial Officer, Director, Office of Budget and Program Analysis, and Director, Office of Communications.

5. ROLES AND RESPONSIBILITIES

- a. The USDA Secretary shall:
 - (1) Support the establishment, operation, and management of this policy; and
 - (2) Serve as the final decision authority for recommendations from the E-Board concerning major IT investments proceeding through the IITGF.

- b. The USDA Deputy Secretary shall:
 - (1) Serve as the Chair of the E-Board and make final recommendations to the Secretary concerning major IT investments proceeding through the IITGF; and
 - (2) Consult with USDA Mission Area Under Secretaries and the USDA CIO as necessary to review and prioritize the USDA major IT investments portfolio.

- c. USDA Mission Area Under Secretaries shall:
 - (1) Advise, assist, and provide recommendations to the USDA Secretary and the USDA CIO with regard to IT investment priorities;
 - (2) Serve as voting members of the E-Board;
 - (3) Support Mission Area personnel in the implementation of this policy and the USDA IITGF process;
 - (4) Consult, as needed, with their agency-level CIOs on matters pertaining to this DR;
 - (5) Support the governance of USDA major IT investments under their Mission Area based on quantitative and qualitative assessment criteria; and
 - (6) Support goals for improving the effectiveness and efficiency of IT investments and the USDA EITG.

- d. The USDA E-Board shall:
 - (1) Submit governance recommendations concerning major IT investments to the Secretary who will make the final governance decision;
 - (2) Evaluate, assess, and recommend submitted major IT investments to ensure they are managed as strategic business resources; and

- (3) Ensure that proposed major IT investments contribute to the Secretary's strategic vision and business requirements; comply with business goals established for the USDA EA and CPIC processes, as well as the risk management framework; employ sound cyber security measures, and provide positive return on investment and acceptable project risk.
- e. The USDA E-Board Chair shall:
- (1) Convene and preside at E-Board meetings and approve the agenda;
 - (2) Revise, by majority vote of the E-Board members, the E-Board Charter;
 - (3) Ensure E-Board members receive and review IAB summary recommendations for major IT investments proceeding through the IITGF;
 - (4) Facilitate the E-Board governance review and assessment process that culminates in an E-Board Governance Assessment Scorecard; and
 - (5) Provide governance recommendations to the Secretary.
- f. The USDA IAB shall:
- (1) Review and provide recommendations of major IT Investment Tailoring Agreement (ITA) requests as outlined in the IITGF taking into consideration the investments size in terms of development and operations cost, risk management, system development methodology, and scope of influence.
 - (2) Be comprised of technical subject matter experts representing agencies and staff offices in the disciplines of EA, CPIC, cyber security, records management, Section 508 accessibility, human resources, finance/budget, acquisition, enterprise applications and network support, USDA Chief Information Officer Council, and additional members as needed and approved by the IAB Chair;
 - (3) Serve in an advisory role and submit technical, subject matter recommendations regarding major IT investments to the E-Board; and
 - (4) Provide advice and recommendations to the USDA CIO, as needed.
- g. The USDA IAB Chair shall:
- (1) Be represented by the Associate Chief Information Officer (ACIO), Information Resource Management (IRM);
 - (2) Reserve the authority to delegate functions and responsibilities as necessary to carry out the IAB functions;

- (3) Provide executive-level direction to the IAB members;
 - (4) Facilitate recommendations that align with the Secretary's goals, objectives, and priorities; and
 - (5) Request advice or expertise from outside the IAB as necessary.
- h. The USDA CIO shall:
- (1) Serve as the USDA senior official to advise the Secretary and Deputy Secretary on EITG matters;
 - (2) Serve as the principal senior official for developing, establishing, executing, and maintaining the IITGF process;
 - (3) Ensure that this policy is implemented and followed for all USDA major IT investments; and
 - (4) Advise and assist the Under Secretaries, agency and staff office CIOs, and the E-Board in executing IT investment and governance oversight.
- i. The IRM ACIO shall:
- (1) Serve as the Chair of the USDA IAB;
 - (2) Develop, establish, execute, manage, implement, and support this policy and the IITGF;
 - (3) Oversee the IITGF implementation of USDA major IT investments by providing training and disseminating EITG information to Departmental, agency, and staff office employees;
 - (4) Review and approve waiver and ITA requests as further delineated in Section 7; and
 - (5) Enforce compliance as further delineated in Section 8.
- j. The Office of the Chief Information Officer (OCIO) IRM Director, Capital Planning and IT Governance Division shall:
- (1) Manage the day-to-day operations and processing of the EITG and IITGF;
 - (2) Support the IAB and E-Board as needed; and

- (3) Assign an IT Governance Lead to fully support the IITGF implementation of USDA major IT investments by providing timely and effective EITG training and disseminating EITG information to USDA, agency, and staff office employees.
- k. Agency and staff office CIOs shall:
- (1) Comply with the IITGF process and make any recommendations for improvements to the USDA CIO in writing;
 - (2) Ensure that agency or staff office internal IT investment governance management review processes are not less restrictive than those presented in the IITGF;
 - (3) Require that agency or staff office Program/Project Managers submit documentation according to the IITGF;
 - (4) Provide personnel to participate in USDA EITG reviews; and
 - (5) Inform the IAB and E-Board of the major IT investment's progress throughout its life cycle.
- l. Agency and staff office major IT investment Business Owners shall:
- (1) Identify the business needs and performance measures to be satisfied by the major IT investment;
 - (2) Support IITGF decision gate reviews;
 - (3) Validate that the major IT investment continues to meet business requirements throughout its life cycle; and
 - (4) Participate in user acceptance testing to validate that requirements are being met, as needed.
- m. Agency and staff office major IT investment Program/Project Managers shall:
- (1) Ensure that staff and contractors comply with the requirements of this DR for day-to-day management and governance of their major IT investment;
 - (2) Ensure that all appropriate business stakeholders and technical experts are involved throughout the life cycle of an IT project;
 - (3) Participate throughout the USDA major IT investment life cycle to ensure the investment remains aligned with Departmental, agency, or staff office business needs as well as the IITGF;

- (4) Provide governance documentation as provided for in the IITGF for the effective, timely, and efficient review of major IT investments throughout the entire investment life cycle;
- (5) Request of the IAB Chair, an ITA request of IITGF requirements, decision gates, and associated deliverables, if applicable;
- (6) Plan and conduct IITGF decision gate reviews and verify that the set of deliverables for each decision gate is complete; and
- (7) Request an IAB decision gate review.

6. PROCEDURES

This DR will be further delineated in a Departmental Manual (DM) that will present detailed EITG processes and procedures.

7. POLICY EXCEPTIONS

- a. All USDA agencies and staff offices are required to conform to this policy. In the event that a specific policy requirement cannot be met as explicitly stated, the agency or staff office may submit a waiver request memoranda. These waiver requests shall explain the reason for the request, identify compensating controls/actions that meet the intent of the policy, and identify how the compensating controls/actions provide a similar or greater level of compliance than the policy requirement. Agencies and staff offices shall address all policy waiver request memoranda to the IRM ACIO and submit the request to AgITGovernance@ocio.usda.gov for review and determination.
- b. All USDA agencies and staff offices may request an ITA exception to IITGF-specific requirements, decision gates, and deliverables associated with the major IT investment(s) by following the practice provided for in the IITGF. All ITA requests are reviewed and determinations rendered by the IAB Chair.

8. COMPLIANCE

On an ongoing basis, the IRM ACIO will monitor, measure, audit, report, and enforce compliance with provisions of this DR. Specific performance measures collected by the IRM ACIO will monitor how EITG decisions have increased transparency of major IT investment decisions; have demonstrated an increase in major IT development, modernization, and enhancement investments with a decrease in major

IT investment operations and maintenance spending; and have reduced the number of major IT investment corrective action plans and associated investment risks.

9. INQUIRIES

Direct all questions concerning this DR to the USDA IRM ACIO at AgITGovernance@ocio.usda.gov.

-END-

APPENDIX A

DEFINITIONS

- a. Business Owner. The Business Owner is responsible for authorizing and ensuring that funding and resources are in place to support the major IT investment.
- b. Enterprise Architecture (EA). The *Electronic Government Act of 2002* defines an Enterprise Architecture as: "a strategic information asset base which defines the mission; the information necessary to perform the mission; the technologies necessary to perform the mission; and the transitional processes for implementing new technologies in response to changing mission needs and includes: a baseline architecture; a target architecture; and a sequencing plan." (Source: [DR 3300-020](#))
- c. Enterprise Information Technology (IT) Governance (EITG). A set of responsibilities and practices exercised by a board and executive management with the goal of providing strategic direction, ensuring that objectives are achieved, ascertaining that risks are managed appropriately, and verifying that the enterprise's resources are used responsibly.
- d. Governance. A set of processes that ensures the effective and efficient use of information technology in enabling an organization to achieve its goals.
- e. Information System. A discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information. (Source: [44 U.S.C. SEC. 3502\(8\)](#))
- f. Information Technology (IT). Any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the executive agency. For purposes of the preceding sentence, equipment is used by an executive agency if the equipment is used by the executive agency directly or is used by a contractor under a contract with the executive agency which: (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. IT includes computers, ancillary equipment, software, firmware and similar procedures, services (including support services), and related resources. (Source: [40 U.S.C. SEC. 1401\(3\)](#))
- g. IT Investment Management. A management process to identify, select, control, and evaluate investments in information systems and resources. The process effectively and efficiently links mission needs, information, and IT; integrates with organizational planning, budgeting, procurement, management (financial,

- human resources, and program), and assessment; coordinates with the Department's current and targeted enterprise architecture; and maximizes the value while assessing and managing the risks in the selection, control, and evaluation of information resources.
- h. IT Portfolio Management. The combination and management of all IT assets, resources, and investments owned or planned by an organization in order to achieve its strategic goals, objectives, and mission.
 - i. Integrated IT Governance Framework (IITGF). Is an integral part of enterprise IT governance and consists of the leadership, structures, and processes that ensure that an organization's IT sustains and extends its strategies and objectives. Integrated IT governance requires a structure and processes to support repeatable decision making, alignment of IT activities to the enterprise's strategic goals and objectives, and a clearer understanding of authority and accountability.
 - j. Investment Tailoring Agreement (ITA). Tailoring consists of a request to the IAB for customizing or waiving particular IITGF-specific phases, activities, decision gates, deliverables, or investment governance reviews based on specific investment requirements or specific business needs. Tailoring requests can be completed at any stage of the IITGF process documented in the ITA deliverable. It is the agency or staff office project manager's responsibility to ensure that the major investment meets the required governance needs.
 - k. Life Cycle. A set of processes and their temporal relationships that describe a continuous flow of actions and states associated with the existence of system. The linear sequence of phases of a system's existence that span an initiating action to a closing action, with an implied future re-execution of the sequence. (Source: [DM 3595-001](#))
 - l. Major IT Investment. As defined in USDA DR 3130-008, an IT investment is Major if it meets one or more of the following criteria:
 - (1) Total life cycle Development, Modernization, and Enhancement (DME) investment costs are greater than \$20M;
 - (2) Total operations and maintenance costs for the seven-year period – beginning two Prior Years (PY) from the budget year (PY-1 and PY), through the Budget Year (BY) plus four additional years (BY+1, BY+2, BY+3, BY+4) – are in excess of \$200M;
 - (3) The investment has been identified by the USDA CIO as critical. This may include investments that have one or more of the following attributes:
 - (a) Mandated by legislation or Executive Order;

- (b) Require a common infrastructure investment;
 - (c) Considered strategic or mandatory-use investments;
 - (d) Differ from or greatly impact the Department's infrastructure, enterprise architecture or standards guidance; and
 - (e) Involve multiple-agency funding.
- m. System. A system is a generic IT term used for brevity to mean either an application or general support system. A collection of computing and/or communications components and other resources that support one or more functional objectives of an organization. (Source: [DM 3595-001](#))

APPENDIX B

ACRONYMS AND ABBREVIATIONS

AAR	Acquisition Approval Request
ACIO	Associate Chief Information Officer
BY	Budget Year
CIO	Chief Information Officer
CPIC	Capital Planning and Investment Control
DM	Departmental Manual
DME	Development, Modernization, and Enhancement
DR	Departmental Regulation
E-Board	Executive Information Technology Investment Review Board
EA	Enterprise Architecture
EITG	Enterprise Information Technology Governance
EITIRB	Executive Information Technology Investment Review Board
EVM	Earned Value Management
FITARA	Federal Information Technology Acquisition Reform Act
GPRA	Government Performance and Results Act of 1993
IAB	Integrated Advisory Board
IITGF	Integrated Information Technology Governance Framework
IRM	Information Resource Management
IT	Information Technology
ITA	Investment Tailoring Agreement
OCD	Oversight and Compliance Division
OCIO	Office of the Chief Information Officer
OMB	Office of Management and Budget
P.L.	Public Law
PY	Prior Year
RMF	Risk Management Framework
SEC	Section
SOP	Standard Operating Procedure
U.S.C.	United States Code
USDA	United States Department of Agriculture

APPENDIX C

REFERENCES AND AUTHORITIES

[44 U.S.C. § 3502](#), *Definitions (relating to Federal Information Policy)*

The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2015, [P.L. 113-235](#), Division A, December 16, 2014

The Clinger Cohen Act of 1996, Title 40 ([40 U.S.C. 1401 et seq.](#))

The Federal Information Technology Acquisition Reform Act (FITARA), P.L. 113-291, Title VIII, Subtitle D, Sections 831-837, December 19, 2014

[DM 3560-000](#), *Capital Planning & Investment Control (CPIC) for Security*, February 17, 2005

[DM 3575-001](#), *Security Controls in the System Life Cycle/Systems Development Life Cycle*, May 27, 2005

[DM 3595-001](#), *USDA Cyber Security Manual Series 3500, Appendix A, Glossary*, May 16, 2005

[DR 3100-002](#), *Agency Information Resources Management Review Board*, December 13, 1983

[DR 3130-006](#), *USDA Earned Value Management*, June 10, 2015

[DR 3130-008](#), *Definition of Major Information Technology (IT) Investments*, February 27, 2015

[DR 3130-009](#), *Non-Major Information Technology Investments*, mm/dd/yyyy

[DR 3300-020](#), *Telecommunications Mission Area Control Officer (TMACO) - Roles and Responsibilities*, August 30, 2010

[DR 3600-000](#), *USDA Information and Technology Transformation*, November 2, 2004

[DR 4030-001](#), *Section 508 Program*, September 8, 2014

[OCD-SOP-004](#), *USDA Six Step Risk Management Framework (RMF) Process Guide*, Revision 2.38, December 2012

OMB, [Federal Information Technology Shared Services Strategy](#), May 2, 2012

OMB, [M-11-29](#), *Memorandum for Heads of Executive Departments and Agencies: Chief Information Officer Authorities*, August 8, 2011

OMB, [M-13-09](#), *Memorandum for the Heads of Executive Departments and Agencies: Fiscal Year 2013 PortfolioStat Guidance: Strengthening Federal IT Portfolio Management*, March 27, 2013

USDA, [Integrated Information Technology Governance Framework: Guidebook](#), version 3.2, April 1, 2014

USDA, [USDA Information Technology Capital Planning and Investment Control Guide](#), May 5, 2013

NOTE: References in this section reflect the current guidance as of the writing of this DR. USDA agencies and staff offices must employ the most current guidance available.