SUMMARY OF MAJOR CHANGES TO
DOD 7000.14-R, VOLUME 2B, CHAPTER 18
"INFORMATION TECHNOLOGY"

Substantive revisions are denoted by a * preceding the section, paragraph, table or figure that includes the revision

Hyperlinks are denoted by _underlined, bold, italic, blue font_

PARA	EXPLANATION OF CHANGE/REVISION	PURPOSE
180101.C	Identify the terms 'investment" and 'initiative' are interchangeable.	Update
180102.B	Update MIP coordination office as OUSD(I)/DUSD(ART)/MIP Office	Update
180102.G	Update Statement of Compliance (SoC) memo to require exempt organizations to submit a SoC.	Update
180102.K	Clarified the need for additional information on new IT systems.	Update
180102.M	Added the requirement for major initiatives to provide a monthly update to the OMB Federal Information Technology Dashboard through SNaP-IT.	Update
180103.C	Added link for SIPR version of SNaP-IT.	Update
180103.G.3	Added statement that Defense Business Systems are not identified as National Security Systems.	Update
180104.G-J	Added references.	Update
180105.3	Added definition for Business Services Segment Group.	Update
180105.9	Added definition for Cost.	Update
180105.12	Added definitions for Defense Business System and Defense Business System Modernization.	Update
180105.16	Added definition for Enterprise Services Segment Group	Update
180105.24	Added definition for Information Technology (IT) Portfolio.	Update
180105.30	Added definition for Obligation.	Update
180106	Updated the GIG values for Information Assurance Activities.	Update
180202.A	Added link for SIPR version of SNaP-IT.	Update
180401	Added link for SIPR version of SNaP-IT.	Update

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CHAPTER 18

INFORMATION TECHNOLOGY

1801   GENERAL

180101.   Purpose

A.   This chapter provides instructions applicable to supporting budgetary material and congressional justification for Information Technology (IT) initiatives and investments, as well as discussing requirements for contributions to approved Electronic Government (E-Gov) initiatives.

B.   These instructions apply to the Office of the Secretary of Defense (OSD), the Military Departments (including their National Guard and Reserve Components), the Joint Staff, Unified Commands, the Inspector General DoD, the Defense Agencies, the DoD Field Activities, the Joint Service Schools, the Defense Health Program, and the Court of Military Appeals, here after referred to as the Defense Components.

C.   When contextually appropriate, the terms 'investment' and 'initiative' are interchangeable within this chapter.

180102.   Submission Requirements

A.   General guidance for submission requirements is presented in Volume 2A, Chapter 1 of the DoD Financial Management Regulation (FMR) and in the OSD Program/Budget guidance memos. This chapter covers specific submission and distribution instructions for the IT Budget submission. All applicable automated database updates/formats will be submitted for both the OSD Program/Budget Estimates Submission and the Congressional Justification submission referred to in DoD as the President's Budget (PB) request. Only after the Office of Management and Budget (OMB) database is updated and OMB has approved the information for release, will the Office of the Assistant Secretary of Defense for Networks and Information Integration OASD(NII)/DoD Chief Information Officer (DoD CIO) further distribute information, as appropriate, to Congressional committees, GAO and IG activities in accordance with OMB Circular A-11, section 22.

B.   All Defense Components that have resource obligations supporting IT in any fiscal year of the Future Year Defense Plan (FYDP), will report IT data in preparation for the DoD Component's (Army, Navy/Marine Corp, Air Force, and Defense Wide) inputs to OMB Circular A-11 (Exhibit 53 and Exhibit 300), E-Government reviews, governance documents as required by OMB Circular A-130, "Management of Federal Information Resources," budget analyses, special data calls and Congressional displays. The Exhibit 300 is also known as the Capital Investment Report (CIR) and the two terms will be used interchangeably throughout this document. All DoD appropriation accounts and funds including Defense Working Capital Fund (DWCF) and Military Intelligence Program (MIP) are encompassed unless outlined in paragraph D below.   All MIP IT resource submissions shall be coordinated with the

OUSD(I)/DUSD(ART)/MIP Office.

C.   This chapter covers IT submissions, including National Security Systems (NSS), Command & Control (C2), Communications and related programs, Combat Identification, Information Assurance (including Information Systems Security), meteorological and navigation systems/programs as well as budgeting for contributions to intergovernmental E-Gov initiatives.

D.   The following resources are exempted from IT reporting:

1.   Nonappropriated Funds as defined by DoD FMR Volume 13, Chapter 1, Section 010102.

2.   U.S. Army Corps of Engineers Civil Works appropriations.

3.   IT acquired by a Federal Contractor incidental to performance of a Federal Contract.

4.   Programs, projects, and activities embedded in non-C2/Communications or weapon systems or embedded in Service force structure and, therefore, not readily identifiable in the budget. OASD (NII)/DoD CIO will determine what Command & Control and Communications (C3) activities will be reported. C2 and Communications systems will be recorded in the NII Resource Database.

5.   Highly sensitive and special access programs whose resources are specifically exempted from budget reporting by the ASD (NII)/DoD CIO and other OSD authorities. In general, these resources are reviewed through separate budget processes.

6.   National Intelligence Program (NIP) resources. The Intelligence Community Management Staff submits NIP via separate mechanisms.

E.   All Defense Components and Enterprise Portfolio Mission Areas must prepare separate executive overviews for the President's Budget and Congressional Justification Submission. OASD(NII)/DoD CIO will provide guidance with specific areas of interest that must be addressed within the executive overview.

F.   OASD (NII)/DoD CIO will designate investments required to submit an Exhibit 300 to meet OMB Circular A-11, Section 300 requirements. The Capital Asset Plan, Business Case and Selected Capital Investment Report (SCIR), a congressional report, are not limited to acquisition or development and modernization programs. A-11, Section 300 specifically discusses the broad requirements for reporting Electronic Government, Financial, legacy and sustainment initiatives.

G.   Statement of Compliance Requirement: The IT submissions are transmitted electronically, however, both the CIO and the Comptroller/Chief Financial Officer (CFO) of the Component must sign a joint or coordinated transmittal memo that states that the

submissions are complete; accurately aligned with primary budget, program and/or acquisition materials; and are consistent with subtitle III, title 40 (formerly called the Clinger-Cohen Act), 10 U.S.C. 2222 (Defense business systems only), OMB Circular A-11 and documented exceptions to the Circular, DoD CIO budget guidance memorandum, the Paperwork Reduction Act, Section 180102.D, 29 U.S.C. 794d (Section 508 of the Rehabilitation Action of 1973, Pub. Law No. 93-112, as amended), and other applicable Acts and requirements. The statement may be based on the Program Manager's statement of compliance. The statement should also include explanations for investments that do not conform to DoD CIO budget guidance memorandum. This statement of compliance must be provided by February 14 (or the following business day) of each year for the final submission for the President's Budget Request submission. DoD Components for which all Information Technology resources are exempt from reporting based on Section 180102.D above must submit a Statement of Compliance addressing the specific reasons for their exemption. This memorandum must be submitted annually to the OASD(NII)/DoD CIO, DASD(Resources) by February 14th (or the following business day), on component letterhead and signed by the components CFO and CIO.

H.   If OMB requires additional governance information to accompany the IT budget, the DoD CIO will determine how these requirements will be met, and provide direction to the Components via the DoD CIO Executive Board.

I.   Appointment of qualified project managers for investments listed in the IT Budget is a matter of high-level interest to OMB. Components are charged to provide complete Program Manager identification and qualification documentation to comply with Project Manager reporting requirements for Exhibit 300 only.

J.   10 U.S.C 2222 (h) requires that the Secretary of Defense submit, to Congress, budget information for all defense business systems.

*   K.   New investments in information technology involving $1M or more in the current year (CY) or budget year (BY) are required to submit a memorandum from the component CIO, on component letterhead, to the OASD(NII)/DoD CIO, DASD(Resources). At a minimum, this memorandum must indicate the investments Budget Initiative Number (BIN) and all associated DoD Information Technology Portfolio Repository (DITPR) ID numbers, title, acronym, description, BY justification, current acquisition milestones, dates for planned entry to future milestones, current Life Cycle Cost Estimate (LCCE) or FYDP estimate if a LCCE is not yet available, listing of other DoD participating components, responsible Mission Area and Domain or equivalent portfolio manager, and whether the investment is a financial or financial feeder system.   New investements will be addressed in a CIR or SCIR, as applicable. "New" initiatives do not arise from the breaking up of a larger initiative into separately managed initiatives, nor is an initiative "new" because of discovery that it had not been reported previously. "New" initiatives are "new starts" for purposes of this regulation.

L.   10 U.S.C 2445b requires that the Secretary of Defense submit, to Congress, annual reports on all Major Automated Information Systems (MAIS) acquisition programs, and any other investment in automated information system products or services that is expected to exceed a MAIS threshold but is not considered to be a MAIS program because a

formal acquisition decision has not yet been made with respect to such investment. This annual report, known as the MAIS Annual Report (MAR), is also a budget exhibit. Components shall ensure that the MAR information is consistent with other budget exhibits, for example the IT-1 and SCIR. It is highly desirable that the MAR, IT-1, and Exhibit 300 (EX300) use the same program description. In addition, Components shall notify the USD(AT&L) when an increase in program cost or a change in acquisition strategy results in reclassifying a formerly lower ACAT program as an ACAT I or IA program, as required by DoDI 5000.02.

       M.   Components with initiatives deemed "major" are required to provide monthly updates to the OMB Federal Information Technology Dashboard via Select & Native Programming-Information Technology (SNaP-IT). Updates shall at a minimum include any changes to the Cost and Schedule Performance and Contract information in EX300 forwarded at each President's Budget submission.

       180103.   Preparation of Material

       A.   This section covers material reporting requirements for IT resources submitted to the OASD (NII)/DoD CIO. The DoD CIO will provide an augmenting guidance letter annually on or about June 30th of the reporting year. The guidance will include changes in submission requirements to meet A-11 (Section 53 and 300), E-Government, and Congressional requirements (Selected Capital Investment Reports (SCIRs)), FY2003 DoD Authorization Act Section 351 requirements, Component Overviews, and Section 332 reporting; special areas of emphasis; and a listing of the initiatives that require an Exhibit 300.

       B.   All IT resources must be managed in accordance with appropriation guidance and applicable expense and investment criteria.

       C.   All IT resources will be reported within initiatives. With the exception of Defense business systems (see 180103.G.2), and programs, projects, and activities exempted by section 180102.D.4, initiatives can be systems, programs, projects, organizations, activities or grouping of systems. Each Component will manage its initiatives through the SNaP-IT web site, located at https://snap.pae.osd.mil/snapit/Home.aspx or https://snap.pae.osd.smil.mil/snapit for classified programs. Initiatives are registered with key categories of data required to meet internal and external reporting requirements. To register a new initiative or amend/update existing initiative data, Defense Components access SNaP-IT's on-line initiative registration capability. A unique Budget Initiative Number (BIN) is associated with each initiative. The current and archived lists of initiatives are maintained on the SNaP-IT web site. New and amended initiatives are validated by various entities (Deputy Chief Information Officer (DCIO), Portfolio Managers, Investment Review Board staff, Mission Area staff, DoD Architects, etc.) prior to approval and activation in SNaP-IT. Additional guidance for this registration process, known as "Open Season", is promulgated in the OASD(NII)/DoD CIO's annual guidance (see 180103(A)). Components are responsible for ensuring initiative data entered in SNaP-IT is consistent with that data entered into DITPR. At a minimum each DITPR line item must be aligned against an active SNaP-IT BIN.

       D.   All initiatives required to submit an Exhibit 300 (CIR and SCIR) will be

identified within the annual IT Budget guidance 180103.A. Regardless of actual investment amount, all funding for MAIS IT programs as defined in 10 U.S.C Chapter 144A   will be reported in the IT exhibit as major (exceptions to this rule will be annotated in the IT Budget Guidance). Components that serve as the executive or principal funding agent (aka "Owner") for initiatives must report all sections of the Exhibit 300.

       E.   Initiatives with multiple participating Defense Components are joint initiatives. All information submitted for a joint initiative is the responsibility of the initiative owner registered in SNaP-IT. The owner shall coordinate initiative data with each participating Defense Component of that joint initiative.

       F.   Group of Systems. With the exception of Defense business systems (see 180103(G)), initiatives can be groupings of systems if all the systems are within the same Mission Area, segment, managed under the same construct, and financed under the same resource construct (program/project/organization). All systems grouped into an IT Budget Initiative must report that initiative's BIN in the appropriate DITPR system record.

       G.   Defense Business Systems (DBS)

       1.   In order to satisfy requirements of 10 U.S.C. 2222, for certification of investments involving modernization of "Defense business systems," investments in Defense business systems must be reported individually within the Information Technology (IT) Budget.

       2.   All defense business systems must be included within the IT Budget at the system level, not as system of systems, group of systems, or bundle of systems (i.e., Defense Business System = Initiative).

       3.   The definition of a DBS is provided in section 180105.12. Within the SNaP-IT database, DBS are identified by the systems Mission Area and Type designations. All systems within the Business Mission Area (BMA) <u>AND NOT</u> identified as National Security Systems (NSS) are determined to be Defense Business Systems.

       H.   Financial Management and Financial Feeder Systems

       1.   OMB requires reporting of financial systems that obligate/cost more than $0.5M in any fiscal year and further designates them a major system for purposes of related reporting requirements, such as the Exhibit 300. However, DoD has asked for and received an exemption to this requirement. The budget reporting guidance document will provide the latest information on the exact nature of the exemption and will clarify which systems will be reported.

       2.   Financial Management systems are reported as one hundred percent financial in SNaP-IT. Financial feeder systems must report a percentage estimate indicating how much of the initiative is financially focused in the Budget Year. These percentages are captured in the SNaP-IT per initiative.

       I.   Information Assurance

1.   DoD categorizes Information Assurance as a major reportable category of the Global Information Grid (GIG) IT/ Defense Information Infrastructure (DII).

2.   Components with Information Assurance Activities (IAA) initiatives will manage its resources through the Select & Native Programming Data Input System Defense-wide Information Assurance Program (SNaP-DIAP) website located at *https://paesso.cape.osd.mil/*. All Information Assurance (IA) resources will be reported within IA initiatives and using the nine GIG values identified in 180106. Components are responsible for ensuring IA resource data entered into SNaP-DIAP is consistent with the data entered into SNaP-IT. Justification narratives must be forwarded to the National Security Agency (NSA) when the POM/BES is submitted to support the preparation of the DoD Information Assurance Program Congressional Justification Book.

3.   The ASD(NII)/DoD CIO Deputy Assistant Secretary of Defense for Identity and Information Assurance (DASD IIA) and the NSA, will prepare a single Department of Defense Information Assurance Program Congressional Justification materials supporting DoD's overall Information Assurance efforts. This information will be collected with the IT Budget submission utilizing the Select & Native Programming Data Input System-Defense Information Assurance Program (SNaP-DIAP), a module of SNaP-IT. Components must complete the SNaP-DIAP submission for all initiatives identified as IAA's in the "GIG Group". The DIAP staff will provide NSA with all IA data that is included in the IT/DIAP resource submission.

180104.   References

A.   DoD FMR, Volume 2A, Chapter 1 provides general funding and appropriation policies, including expense and investment criteria (Section 010201) and Budgeting for Information Technology and Automated Information Systems guidance (Section 010212), as well as general preparation instructions and distribution requirements. Volume 2A, Chapter 3 provides guidance on Operation and Maintenance appropriations, Volume 2B, Chapter 4 addresses requirements for Procurement appropriations, Volume 2B, Chapter 5 addresses RDT&E, Volume 2B, Chapter 6 provides specific policies related to Military Construction appropriations, and Chapter 9 provides specific policies related to the Defense Working Capital Fund (DWCF). Volume 2B, Chapter 16 discusses requirements for NIP and MIP justification materials. Additional IA justification guidance is provided above in (180103.I) and via an annual guidance letter.

B.   DoD Directive 5000.1, "Defense Acquisition," DoD Instruction 5000.2, "Operation of the Defense Acquisition System," and the Defense Acquisition Guidebook discuss acquisition and program management requirements for preparation of acquisition program Capital Asset Plan and Business Cases.

C.   Office of Management and Budget (OMB) Circular No. A-11, "Preparation and Submission of Budget Estimates"- Section 53, Information Technology and E-Government and Section 300, Planning, Budgeting, Acquisition and Management of Capital Assets- provide the general Federal reporting requirements for IT resources.

D.   The Paperwork Reduction Act of 1995 and the Public Law 104-106 (Clinger-Cohen Act of 1996) contain supporting definitions regarding IT.

E.   OMB Circular A-130, "Management of Federal Information Resources" provides guidance on governance requirements including the Documented Capital Planning and Investment Control (CPIC) process, Agency Enterprise Architecture and the Information Resource Management (IRM) Plan.

F.   DoD Directive 8115.01, "Information Technology Portfolio Management" and DoD Instruction 8115.02, "Information Technology Portfolio Management Implementation," provides guidance and define responsibilities for DoD Mission Areas.

G.   Information System is defined in section 3502 of title 44 U.S.C.

H.   National Security System is defined in section 3542 of title 44 U.S.C.

I.   Information Technology is defined in section 11101 of title 40 U.S.C.

J.   DoD Directive 7045.20, "Capability Portfolio Management," establishes policy and assigns responsibilities for the use of capability portfolio management.

180105.   Definitions

1.   Budget Initiative Number (BIN). See Initiative Number.

2.   Business Mission Area (BMA).   The BMA ensures that the right capabilities, resources, and materiel are reliably delivered to our warfighters: what they need, where they need it, when they need it, anywhere in the world. In order to cost-effectively meet these requirements, the DoD current business and financial management infrastructure - processes, systems, and data standards - are being transformed to ensure better support to the warfighter and improve accountability to the taxpayer. Integration of business transformation for the DoD business enterprise is led by the Deputy Secretary of Defense in his role as the Chief Operating Officer of the Department.

3.   Business Services Segment Group. This segment includes initiatives for foundational mechanisms and back-office services used to support the mission of the agency. Segments included in this group are: Financial Management, Acquisition, Human Resources Management, Logistics/Supply Chain Management, and Installation Support.

4.   Communications and Computing Infrastructure (C&CI).   The C&CI reporting category includes the information processing (computing), transport (communications) and infrastructure management services used in DoD such as voice, data transfer (including electronic commerce and business interfaces), video teleconferencing, and messaging. The C&CI category is subdivided into operational areas and special interest programs.

5.   <u>Communications</u>.   Communications elements include fixed plant, sustaining base infrastructure in the US and selected overseas locations; long haul transmissions via Defense-owned or leased terrestrial facilities; transmissions via satellite or other radio systems; and mobile, tactical transmission systems.

6.   <u>Command and Control (C2)</u>.   Includes the facilities, systems, and manpower essential to a commander for planning, directing, coordinating and controlling operations of assigned forces. C2 capabilities cover the joint/tactical operations echelon and down to front line tactical elements.

7.   <u>Computing Infrastructure</u>. Automated information processing operations reported in the Communications and Computing Infrastructure (C&CI) section generally perform one or more of the following functions: processing associated with agency-approved automated information systems; timesharing services; centralized office automation; records management services; or network management support. Staff associated with these operations includes computer operators, computer system programmers, telecommunications specialists, helpdesk personnel and administrative support personnel.

8.   <u>Core Mission Services Segment Group</u>.   This segment group contains initiatives that directly support the Department's core missions. Segments included in this group are; Battlespace Awareness – Environment, Battlespace Awareness – Intelligence, Surveillance, and Reconnaissance (ISR), Battlespace Networks, Command and Control, Force Application, Protection, Building Partnerships, Force Management, Force Training, and Health.

9.   <u>Cost</u>. A monetary measure of the amount of resources applied to a cost objective. Within DoD, "costs" are identified following General Accounting Office accounting principles and standards as implemented in this Regulation. The fact that collections for some cost elements are deposited into Miscellaneous Receipts of the Treasury does not make those costs "extraneous." It simply means the Congress has not authorized such amounts to be retained by appropriation accounts. After costs have been identified, following Comptroller General cost accounting rules, a DoD Component may proceed to eliminate cost elements, or process waivers, in accordance with legal authorities.

10.   <u>Current Services (CS)</u>. At the Federal level, this is referred to as Steady State (SS). Current Services represents the cost of operations at the current capability and performance level of the application, infrastructure program and/or initiative when the budget is submitted. That is, the cost with no changes to the baseline other than fact-of-life reductions, termination or replacement. Current Services include: (1) personnel whose duties relate to the general management and operations of information technology, including certain overhead costs associated with PM offices; (2) maintenance of an existing application, infrastructure program or initiative; (3) corrective software maintenance, including all efforts to diagnose and correct actual errors (e.g., processing or performance errors) in a system; (4) maintenance of existing voice and data communications capabilities; (5) replacement of broken IT equipment needed to continue operations at the current service level; and (6) all other related costs not identified as Development/Modernization.

11.   Data Administration.   Program Area of Related Technical Activities. Activities reported in this area include: Data sharing and data standardization. Component data administration programs are defined in the Data Administration Strategic Plans.

12.   Defense Business System (DBS). The term "defense business system" as defined at 10 USC 2222(j)(2) means an information system, other than a national security system, operated by, for, or on behalf of the Department of Defense, including financial systems, mixed systems, financial data feeder systems, and information technology and information assurance infrastructure, used to support business activities, such as acquisition, financial management, logistics, strategic planning and budgeting, installations and environment, and human resource management. "Defense business system modernization" as defined at 10 USC 2222(j)(3) means the acquisition or development of a new defense business system, or any significant modification or enhancement of an existing defense business system (other than necessary to maintain current services).

13.   Development/Modernization   (Dev/Mod).   Also   referred   to   as development/modernization/enhancement. Any change or modification to an existing Information System (IS), program, and/or initiative that results in improved capability or performance of the baseline activity. Improved capability or performance achieved as a by-product of the replacement of broken IT equipment to continue an operation at the current service levels is not categorized as Development/Modernization. Development/Modernization includes: (1) program costs for new applications and infrastructure capabilities that are planned or under development; (2) any change or modification to existing applications and infrastructure capabilities which is intended to result in improved capability or performance of the activity. These changes include (a) all modifications to existing operational software (other than corrective software maintenance); and (b) expansion of existing capabilities to new users; (3) changes mandated by Congress or the Office of the Secretary of Defense; (4) personnel costs for Project Management.

14.   DoD portion of Intelligence Mission Area (DIMA). The DIMA includes IT investments within the Military Intelligence Program and Defense component programs of the National Intelligence Program. The USD(I) has delegated responsibility for managing the DIMA portfolio to the Director, Defense Intelligence Agency, but USD(I) retains final signature authority. DIMA management will require coordination of issues among portfolios that extend beyond the Department of Defense to the overall Intelligence Community.

15.   Enterprise Information Environment Mission Area (EIEMA). The EIEMA represents the common, integrated information computing and communications environment of the GIG. The EIE is composed of GIG assets that operate as, provide transport for, and/or assure local area networks, campus area networks, tactical operational and strategic networks, metropolitan area networks, and wide area networks. The EIE includes computing infrastructure for the automatic acquisition, storage, manipulation, management, control, and display of data or information, with a primary emphasis on DoD enterprise hardware, software operating systems, and hardware/software support that enable the GIG enterprise. The EIE also includes a common set of enterprise services, called Core Enterprise Services, which provide awareness of, access to, and delivery of information on the GIG.

16.   Enterprise Services Segment Group.   This segment group includes initiatives for IT services and infrastructure that support core mission and business services. Segments included in this group are; Identity and Information Assurance (IIA), IT Infrastructure, and IT Management.

17.   Financial Feeder Systems. Financial Feeder Systems are sometimes also referred to as mixed or secondary financial systems. Financial feeder systems are information systems that support functions with both financial and non-financial aspects, such as logistics, acquisition, and personnel. They provide key information required in financial processes. For a feeder system, all Components must report the percentage of each feeder system that supports financial requirements.

18.   Financial Management Systems. Financial Management systems perform the functions necessary to process or support financial management activities. These systems collect, process, maintain, transmit, and/or report data about financial events or supporting financial planning or budgeting activities. These systems may also accumulate or report cost information, support preparation of financial transactions or financial statements or track financial events and provide information significant to the Agency's financial management.

19.   Global/Functional Area Applications (G/FAA). Also referred to as Global Applications, Global, or Functional Area Applications are associated with all DoD mission areas—C2, Intelligence and combat support, combat service support areas, and the DoD business areas. Selected initiatives will be categorized as NSS. Global applications rely upon the network, computing and communication management services including information processing, common services, and transport capabilities of the Communications and Computing Infrastructure. Related technical activities provide the architectures, standards, interoperability, and information assurance that these applications require to operate effectively as part of the Defense Information Infrastructure. Although an application/system may serve more than one function, it is generally classified according to it's predominate function across the department. Each Functional Application category is subdivided into Functional Areas that equate to principal staff functions and activities.

20.   Global Information Grid (GIG).   The GIG supports all DoD missions with information technology for National Security Systems, joint operations, Joint Task Forces, Combined Task Force commands, and DoD business operations that offer the most effective and efficient information handling capabilities available, consistent with National Military Strategy, operational requirements and best value enterprise level business practices. The GIG is based on a common, or enterprise level, communications and computing architecture to provide a full range of information services at all major security classifications.

21.   Information Assurance (IA).   REGARDLESS OF OMB SECTION 53 GUIDANCE IN A-11, DOD CATEGORIZES IA AS A MAJOR REPORTABLE CATEGORY OF THE GIG/IT/ DEFENSE INFORMATION INFRASTRUCTURE (DII). IA includes all efforts that protect and defend information and information systems by ensuring their availability, integrity, authentication, confidentiality, and non-repudiation. Also included are all provisions for restoration of information systems by incorporating protection, detection, and

reaction capabilities. As such, IA is broader in scope than information systems security and reflects the realities of assuring timely availability of accurate information and reliable operation of DoD information systems in increasingly inter-networked information environments.

22.   Information System (IS).   An information system is a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information. This includes automated information systems (AIS), enclaves, outsourced IT-based processes and platform IT interconnections. To operate information systems, Components must support related software applications, supporting communications and computing infrastructure and necessary architectures and information security activities.

23.   Information Technology & Information Technology Resources.   The Information Technology (IT) Resources that must be reported under this chapter are defined by OMB Circular A-11 and described by subtitle III of title 40 (formerly called the Clinger-Cohen Act of 1996) and include NSS resources. The term investment within the A-11 is very broad and includes IT resources in all life cycle phases (planning, acquisition or steady state). In particular, "Information Technology" means 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. It includes computers, ancillary equipment, software, firmware and similar services and related resources whether performed by in-house, contractor, other intra-agency or intergovernmental agency resources/personnel. Both system and non-system IT resources including base level units (communications, engineering, maintenance, and installation) and management staffs at all levels are included in IT resource reporting. Additional guidance regarding IT systems will be addressed in the annual IT Budget and DITPR Guidance memos.

24.   Information Technology (IT) Portfolio. The DoD IT portfolio consists of investments representing a common collection of capabilities and services. The portfolios are an integral part of the Department's decision making process and are managed with the goal of ensuring efficient and effective delivery of capabilities while maximizing the return on Enterprise investments.

25.   Initiative Number (IN). Initiative numbers are more commonly referred to as the Budget Initiative Numbers (BIN). A four digit identification number that is assigned to each initiative, program and system reported in the IT budget.

26.   Life-Cycle Cost (LCC). LCC represents the total cost to the Government for an IS, weapon system, program and/or initiative over its full life. It includes all developmental costs, procurement costs, MILCON costs, operations and support costs, and disposal costs. LCC encompasses direct and indirect initial costs plus any periodic or continuing sustainment costs, and all contract and in-house costs, in all cost categories and all related appropriations/funds. LCC may be broken down to describe the cost of delivering a certain capability or useful segment of an IT initiative. LCC normally includes 10 years of sustainment funding following Full Operational Capability. For investments with no known end date and that are beyond FOC,

LCC estimate should include 10 years of sustainment.

27. <u>Major Category</u>. A system or initiative requiring special management attention because of its importance to an agency mission; its high development, operating, or maintenance costs; or its significant role in the administration of agency programs, finances, property or other resources. Systems or initiatives that have been categorized as "Major" can include resources that are associated with the planning, acquisition and /or sustainment life cycle phases. Large infrastructure investments (e.g. major purchases of personal computers or local area network improvements) should be considered major initiatives. Includes programs identified as MAIS (also called ACAT IA) under DoD 5000 series documents.

28. <u>Mixed System</u>. See Financial Feeder System.

29. <u>National Security Systems (NSS)</u>. NSS includes any telecommunications or information system operated by the United States Government, the function, operation, or use of which involves intelligence activities, cryptologic activities related to national security, or command and control of military forces. NSS also includes equipment that is an integral part of a weapon or weapons system, or is critical to the direct fulfillment of military or intelligence missions. NSS DOES NOT include a system that is to be used for routine administrative and business applications (including payroll, finance, logistics, and personnel management applications).

30. <u>Obligation</u>. Amount representing orders placed, contracts awarded, services received, and similar transactions during an accounting period that will require payment during the same, or a future, period. Includes payments for which obligations previously have not been recorded and adjustments for differences between obligations previously recorded and actual payments to liquidate those obligations. The amount of obligations incurred is segregated into undelivered orders and accrued expenditures - paid or unpaid. For purposes of matching a disbursement to its proper obligation, the term obligation refers to each separate obligation amount identified by a separate line of accounting.

31. <u>Office Automation</u> (also referred to as "<u>Desktop Processing</u>"). Facilities that support file servers or desktop computers used for administrative processing (e.g. word processing, spreadsheets, etc) rather than application processing, should be reported as Office Automation (listed as a separate function).

32. "<u>Other</u>" <u>Category</u> (also referred to as "<u>All Other</u>"). For those "Development/Modernization" and/or "Current Services" costs/obligations as well as initiatives not designated in the major categories. "Other" category initiatives are aligned with the applicable GIG/IT/DII Reporting Structure functional/mission area (see Section 180106).

33. <u>Program Cost (also referred to as Initiative Cost)</u>. The total of all expenditures, in all appropriations and funds, directly related to the IS, program, or initiative's definition, design, development, and deployment; incurred from the beginning of the "Concept Exploration" phase through deployment at each separate site. For incremental and evolutionary program strategies, program cost includes all funded increments. Program cost is further

discussed in the DoD 5000 series.

34.   Related Technical Activities (RTAs).   RTAs service global/functional applications, C&CI and IA. While RTAs do not provide directly functional applications, data processing, or connectivity, they are required to ensure that the infrastructure functions as an integrated whole and meets DoD mission requirements. RTAs include such things as spectrum management, development of architectures, facilitation of interoperability, and technical integration activities. RTAs are considered necessary "overhead" for the GIG/DII. See Section 180106 for the GIG/IT/DII Structure Table.   The RTA category is subdivided into limited Program Areas.

35.   Segments. A portfolio management concept required by OMB Circular A-11. Segments serve as the basis for organizing IT investments for both budget management and performance management purposes. Three groups of segments have emerged to characterize the way in which their segments enable functional capabilities of the enterprise – and to differentiate the way in which initiatives are governed; Business Services Segment Group, Core Mission Services Segment Group, and Enterprise Services Segment Group.

36.   Select & Native Programming-Information Technology (SNaP-IT).   The electronic system used by the OASD (NII)/DoD CIO to collect IT Budget data and generates reports mandated by OMB and Congress.   SNaP-IT is a database application used to plan, coordinate, edit, publish, and disseminate Information Technology (IT) budget justification books required by the Office of Management and Budget (OMB) and Congress. SNaP-IT generates all forms, summaries, and pages used to complete the publishing of the IT Congressional Justification materials (the IT-1, overviews, Selected Capital Investment Reports required by Section 351) and OMB submissions, such as the Exhibit 53, the Exhibit 300s, and monthly updates to the OMB Information Technology Dashboard.   SNaP-IT provides users the ability to gain access to critical information needed to monitor and analyze the IT budget submitted by the Services and Agencies.

37.   Special   Interest   Communications   Programs.   Special   interest communications programs are reported under IT/DII Communications and Computing Infrastructure (C&CI) division. Electronic Commerce/Electronic Data Interchange and Distance Learning Systems are special interest programs that should be reported in this area. The resource category "Other" may not be used with Special Interest Communications.

38.   Steady State (SS). See definition for Current Services.

39.   Technical Activities.   This refers to activities that deal with testing, engineering, architectures and inter-operability.

40.   Warfighting Mission Area (WMA). The WMA provides life cycle oversight to applicable DoD Component and Combatant Commander IT investments (programs, systems, and initiatives). WMA IT investments support and enhance the Chairman of the Joint Chiefs of Staff's joint warfighting priorities while supporting actions to create a net-centric distributed force, capable of full spectrum dominance through decision and information

superiority. WMA IT investments ensure Combatant Commands can meet the Chairman of the Joint Chiefs of Staff's strategic challenges to win the war on terrorism, accelerate transformation, and strengthen joint warfighting through organizational agility, action and decision speed, collaboration, outreach, and professional development.

         180106.   <u>Reporting Structure</u>

         IT investments shall be managed by enterprise portfolios divided into Mission Area portfolios which are defined as Warfighting, Business, DoD portion of Intelligence, and Enterprise Information Environment. In addition all information technology resources will be associated with at least one Information Technology/Defense Information Infrastructure (IT/DII) category, the Federal Enterprise Architecture (FEA) Business Reference Model (BRM), and the OMB approved Segment. Initiatives are also reported by appropriation details (Appropriation, BA, PE, and BLI) and by "major" and "other" categories. *SNaP-IT* records these business rules. Initiatives that cross more than one functional area, such as C&CI, RTA, or IA, may need to be broken down by area and registered in the Master BIN List maintained in SNaP-IT by OASD (NII)/DoD CIO. The reporting area will normally be based upon the preponderance of the mission concept.

Global Information Grid (GIG)
and
Information Technology/Defense Information Infrastructure (IT/DII) Reporting Structure

A. Global/Functional Area Applications Area	B. Communications and Computing Infrastructure (C&CI)	C. Related Technical Activities (RTA's)	D. Information Assurance Activities
1. Acquisition 2. Civilian Personnel 3. Command and Control 4. Economic Security 5. Environmental Security 6. Financial Management* 7. Health 8. Information Management 9. Information Operations/ Warfare 10. Intelligence 11. Joint Infrastructure 12. Logistics – Business 13. Logistics – Warfighter 14. Military Personnel & Readiness 15. NCB Defense Programs 16. Other 17. Policy 18. Reserve Affairs 19. Resource Management 20. Science and Technology 21. Security Activities (non IA) 22. Space 23. Test and Evaluation 24. Transportation 25. Weapons Systems *Mixed systems will be categorized	1. User Productivity Tools (a) Common Access Card/ Smart Card (except PKI) (b) Electronic Business/ Electronic Commerce 2. Computing Infrastructure (End User; Local Servers, Regional/ Global Computing, Development Environments) 3. Information Distribution Services (Seat Management, etc) 4. Other Communications Infrastructure Activities 5. Net-Centric Services	1. Spectrum Management 2. Data Administration 3. Technical Activities (e.g. Testing Engineering Architectures) 4. Business Process Reengineering and Pre Concept Decision Activities 5. Advanced Research and Development Activities (e.g. Next Generation Internet) 6. E-Government Payments 7. Modeling & Simulation	(ISSP and other IA) 1. Computer Network Defense 2. Cryptographic Systems 3. Cyber Identity/Access Management 4. Engineering and Development 5. Cryptographic Key Production and Management 6. Assured Information Sharing (AIS) 7. Workforce Development 8. IA Operational Resiliency 9. Defense Industrial Base Cyber Security/IA

- Numbered or Lettered levels indicate the minimum reporting level.

1802   PROGRAM AND BUDGET ESTIMATES SUBMISSION

      180201.   Purpose

      This section provides guidance for preparation and submission of the Information Technology Budget Estimate Submission (BES) to the OASD (NII)/DoD CIO, and for preliminary updates to OMB resource exhibits in September in preparation for the OMB "draft guidance" and IT budget hearings. Resources reported in the IT submission must be consistent with other primary appropriation justification and FYDP submissions. Supplemental guidance may be issued for other data requirements directed by the DoD CIO, Congress or OMB. Timelines for updates will be provided as information becomes available and will be designated in the program and budget call memo. Technical requirements and templates are provided in SNaP-IT.

      180202.   Submission Requirements

      A.   The following information is required. Unless modified in a subsequent budget call, Components WILL use the formats on the SNaP-IT Web page (*https://snap.pae.osd.mil/snapit/Home.aspx*   or   *https://snap.pae.osd.smil.mil/snapit/*)   and provide an automated submission.

      1.   Initiative Registration. Add, update, delete, and modify initiative data to accurately represent the current environment for the IT investment and the Component using the SNaP-IT initiative registration and 'Open Season' process. This includes Titles, Descriptions, Type of IT, IT/NSS Classification, GIG and Federal Enterprise Architecture (FEA) information, and Component participation requirements.

      2.   IT Investment Resources. Collection of resources by Component, Appropriation/Fund (Treasury Code); Investment Stage; Budget Activity/Line Item; OSD Program Element Code; PY, CY, BY, BY+1, +2, +3, and +4 for submitting the Exhibit 53 as required by OMB A-11, Section 53.

      3.   Exhibit 300. Capital Asset Plan and Business Case (IT) for major initiatives. The Exhibit 300 (or CIR), is discussed in OMB's A-11 Section 300, Planning, Budgeting, Acquisition, and Management of Capital Assets. Components are required to complete an Exhibit 300 for those investments identified by OASD(NII)/DoD CIO.

      B.   Distribution of the OSD budget estimates material will be available electronically through the SNaP-IT site.

      C.   Additional reporting requirements will be identified in the call memorandum, as necessary. Additional management and supporting data may be designated by the DoD CIO to support detailed justification requirements.

180203. Arrangement of Backup Exhibits

The SNaP-IT will provide an option to assemble information in the sequence shown in Section 180202, as applicable. Components will be able to generate Exhibit 53 level data outputs for internal review only.

1803 CONGRESSIONAL JUSTIFICATION/PRESENTATION

180301. Purpose

This section provides guidance on organizing the IT resource justification materials submitted in support of the President's Budget. The Department will submit draft and final consolidated outputs to OMB in the January timeframe and for Congress by the date set by the Comptroller, usually in the first week of March.

180302. Justification Book Preparation

Justification information will be taken from the SNaP-IT system, reflecting OMB requirements for Exhibits 53 and 300. Special outputs will be designed for select initiatives and summaries based on Congressional requirements. Component requirements and review of these outputs will be discussed in the final budget call memorandum. Congressional justification materials will be extracted or derived from materials developed for OMB updates.

180303. Submission Requirements

Submission requirements are as specified in Section 180202, except as noted below:

- IT Overview. Information Technology Investment Portfolio Assessment Overview is an Executive summary of a Component's and the Enterprise Portfolio Mission Area's IT Investments providing high-level justification of the portfolio selections and priorities. Information provided must be consistent with the Component's overall budget justification materials. An Information Assurance section is required and must be consistent with information reported in IA justification materials, ISSP justification and financial reporting. Format will be provided via the SNaP-IT web page or OASD (NII)/DoD CIO budget guidance.

- SCIR. Add/Update/Modify SCIR data within SNaP-IT for all initiatives designated by OASD NII/DoD CIO as requiring submission of an SCIR.

180304. Input for Summary Information Technology Justification Books

A. General. All exhibit data shall be submitted in automated form and be consolidated in SNaP-IT (https://snap.pae.osd.mil/snapit/Home.aspx). The OASD (NII)/DoD CIO are responsible for providing the DoD Information Technology summary tables per

Congressional direction. SNaP-IT will generate the OMB and Congressional President's Budget reporting packages after the Component IT Overview and Exhibit 300 documents have been submitted to the OASD (NII)/DoD CIO/DASD (Resources) and/or posted to the SNaP-IT web page. SNaP-IT will generate correct identification information, a cover page, a table of contents, an overview and appendices; the IT Index, report, annex and appendix and the Exhibit 300 or Congressional extract reports. These will generate a single, integrated submission in Adobe Acrobat Portable Document Format (pdf) format that can be used for internal coordination. To accomplish this requirement, the Defense Components will populate the SNaP-IT to generate their submission. The OASD (NII)/DoD CIO will maintain (and make available to Components and OSD staff) the electronically IT Budget database. Other specific guidance for IT budget materials will be provided as required.

      B.   Distribution of the final appropriately released justification material will be made electronically and by CD ROM to Congress and the OMB. Releasable information will be available through public web site(s). CD ROMs will be provided to the Government Accounting Office (GAO) and the DoD Inspector General.

- OASD (NII)/DoD CIO will provide data to OMB for review.

- Components will send their draft submissions through final Security Review in accordance with Comptroller instructions and provide copies of the appropriate release form to OASD (NII)/DoD CIO, ODASD (Resources), the Director of Resource Program & Budget, and as an attachment to the President's Budget Request transmittal form, due within five working days of final submission.

- OASD (NII)/DoD CIO will consolidate electronic submissions from the Defense Components and the Enterprise Portfolio Mission Areas and prepare integrated and individual portfolio overviews, summary information and graphics. The justification books will be forwarded to OMB for review and release approval.

- Once security and OMB have released the justification books, summary and detail data will be transmitted to the Congress (House Defense Appropriations Subcommittee, Senate Defense Appropriations Subcommittee, House Armed Services Committee, and Senate Armed Services Committee). Any data made available to Congress will be available on the public web page(s) and via CD ROM distribution made in accordance with the format, table and media guidance (Justification Material Supporting the President's Budget Request) in *__Volume 2A, Chapter 1__*.

1804   INFORMATION TECHNOLOGY PROGRAM SUBMISSION FORMATS

     180401.   Format Location

The required input formats are located on the *__SNaP-IT__* Web page *__https://snap.pae.osd.mil/snapit/Home.aspx__* or *__https://snap.pae.osd.smil.mil/snapit/__*