

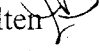


EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D. C. 20503

August 1, 2003

M-03-18
THE DIRECTOR

MEMORANDUM TO ALL DEPARTMENT AND AGENCY HEADS

FROM: Joshua B. Bolten 
Director

SUBJECT: Implementation Guidance for the E-Government Act of 2002

Purpose

This document provides agencies with guidance following the enactment of the E-Government Act of 2002 (Public Law 107-347, 44 U.S.C. Ch 36) which was signed by the President on December 17, 2002 and became effective on April 17, 2003.

The Administration sees this Act as a significant step forward in the way that Federal agencies should consider using information technology (IT) to transform agency business into a more citizen oriented and user friendly process. The E-Government Act:

- advocates a more citizen focused approach to current governmentwide IT policies and programs;
- establishes an Office of Electronic Government in the Office of Management and Budget (OMB) to improve Federal management of information resources;
- formalizes the establishment of a Chief Information Officers (CIO) Council;
- permanently reauthorizes and amends agency information security requirements through the Federal Information Security Management Act (FISMA);
- protects the confidentiality of certain types of data across the government and allows key statistical agencies to share business data through the Confidential Information Protection and Statistical Efficiency Act (CIPSEA); and
- supports activities that OMB and the executive branch are already pursuing under the President's Management Agenda's Expanding Electronic Government initiative.

This document provides agencies with guidance on specific actions that are now required under the E-Government Act. Agencies should apply the requirements of the Act, and this guidance, to any program that uses IT to improve the program's effectiveness and efficiency in delivering services to citizens.

Attachment A includes a description of new actions required of agencies, including new initiatives. Attachment B contains a table of required activities and products and their due date. Agencies should use this table to determine how the provisions and requirements of the Act may impact their programs. The table also provides information on which agencies will be leading the governmentwide implementation of these requirements – some agencies have specific duties under the Act, other agencies are already pursuing activities to support the particular initiative.

OMB will issue additional, separate guidance on specific sections of the E-Government Act not covered in this guidance in the coming months.

If your staff has questions about this guidance, or OMB's implementation of the provisions of the E-Government Act, please contact Brooke Dickson at (202) 395-3785 or BDickson@omb.eop.gov.

Attachments

The E-Government Act of 2002 Implementation of Responsibilities Under the Act

Congress has established a wide statutory framework for IT.¹ The E-Government Act enhances this framework. Many of the activities called for under the Act also support the five initiatives of the President's Management Agenda (PMA).

This document (1) outlines new E-Government Act requirements for Federal agencies; (2) explains what agencies are expected to provide under the E-Gov Act to support ongoing initiatives and new activities, including reports; and (3) explains how the Act authorizes certain ongoing governmentwide initiatives. This guidance also explains, throughout the document, how the E-Government Act fits within existing IT policy, such as OMB Circulars A-11 and A-130.

Section I. New E-Gov Act Requirements

A. Agency head responsibilities.

Agencies are to use the provisions of the E-Government Act and this guidance to interact more successfully with citizens. For example, agencies should continue to use existing guidance, authorities, and procedures² to choose IT investments via the agency's capital planning and investment control process, and to ensure that such investments are part of the agency's blueprint for modernizing its IT architecture (known as the agency's enterprise architecture).

Agency business processes should fulfill the needs of citizens, and as such, an agency should be willing to reorganize the ways it conducts business transactions with the public in order to accomplish this goal. This may include expanding initiatives that the agency is already undertaking, such as those that are part of the agency's implementation of the President's Management Agenda. Any changes to agency business processes should further the President's goal of a citizen centered government. To carry out this policy, agencies are expected to:

- **Define and deliver performance increases that matter to citizens** -- Agencies are already required under OMB Circular A-11, the Clinger-Cohen Act, and the Government Performance and Results Act (GPRA) to establish performance goals for IT and to link such goals to strategic plans. The E-Government Act builds on this process -- agencies are to develop performance measures for e-government

¹ The E-government Act (also called the "the E-Gov Act") builds upon a statutory framework for information technology (IT) that has been established through the Clinger-Cohen Act of 1996, the Paperwork Reduction Act of 1995, the Privacy Act of 1974, the Government Paperwork Elimination Act of 1998 (GPEA), the Computer Security Act and the Government Information Security Reform Act (GISRA), which was reauthorized through the Federal Information Security Management Act (FISMA).

² This includes OMB Circulars A-11 and A-130, letters issued under the authorities of the Clinger-Cohen Act, and OMB guidance on privacy, GPEA, and IT security.

that are both citizen and productivity-related (see section 202). These performance measures must be linked with the agency's Annual Performance Plan and the agency's Strategic Plan and used to meet agency objectives, strategic goals, and statutory mandates in E-Government and IT.

- **Communicate policies within and across agencies** – Agencies are already responsible for ensuring that a Chief Information Officer (CIO) oversees the agency's IT portfolio and identifies opportunities for partnership with other agencies under the Clinger Cohen Act. Accordingly, the agency CIO will serve as the primary official for assisting agency heads in implementing the E-government Act and this guidance in the agency. In addition, agency heads, through the agency CIO, will distribute this guidance throughout the agency.
- **Comply with section 508 to ensure accessibility** -- The Act requires agencies to continue to comply with section 508 of the Rehabilitation Act of 1973 (29 U.S.C. §794d) in carrying out the provisions of the Act (see section 202(d)).

As detailed below in section II.A., if an agency changes its processes for managing IT in complying with this guidance or the Act, agency heads must report these changes to OMB in the first E-Government Act status report, due on December 15, 2003.

1. Requirements of all agencies

- a. Agencies are expected to make their public regulatory dockets electronically accessible and searchable using Regulations.gov, the President's E-Rulemaking e-government initiative (see Section 206(d)). Agencies are also expected to accept electronic submissions to the online dockets. Consistent with Section 206(e) of the Act, OMB plans to issue a timeline for agency compliance with the provisions of section 206 by means of the activities of the Online Rulemaking E-Government initiative.
- b. Agencies must conduct Privacy Impact Assessments for new IT investments and online information collections, consistent with OMB's forthcoming guidance on the privacy provisions of the E-Government Act (see Section 208).
- c. Agency heads must establish and operate IT training programs, taking advantage of learning partnerships, such as the GoLearn.gov online training portal for government employees (see Section 209(b)(2)). This new requirement will be integrated with the human capital initiative under the President's Management Agenda. The Office of Personnel Management will issue guidance on Section 209 in the coming months (see 2(a)(i) and 2(b)(ii) below for more information).

2. New Requirements for Select Agencies

- a. Activities. In addition to the general activities above which are required of all agencies, several agencies have been assigned specific duties and initiatives under the Act:
 - i. The Director of the Office of Personnel Management will develop an IT workforce exchange program between the public and private sectors (see Section

- 209(c)). Agencies are expected to report their participation in the exchange program to the Office of Personnel Management on an annual basis, and include the number of exchanges between agency staff and private section employees in their report (see Section 209(c));
- ii. The General Services Administration has begun, through a rulemaking, to allow state and local governments to use Federal Supply Schedules for IT purchases, as provided and authorized by the Administrator of General Services (see Section 211(a));
 - iii. The National Science Foundation, in conjunction with OMB and the Office of Science and Technology Policy, will create a database and website to track federally funded research & development (R&D) (see Section 207(g)); and
 - iv. The General Services Administration will request that the National Academy of Sciences, acting through the National Research Council, enter into a contract to study on disparities in Internet access for online Government Services (see Section 215(a)).

In addition, the following agencies have also agreed to undertake work on specific sections of the Act:

- v. The Secretary of Education and the Director of the Institute of Museum and Library Studies, in conjunction with OMB, will conduct a study of best practices for Community Technology Centers and develop an online tutorial for accessing government information and services, to further our understanding of citizen use of public facilities for Internet access (see Section 213);
- vi. The Department of Homeland Security (FEMA) will conduct a study on use of IT for crisis management. This will be done through the Disaster Management and Project SAFECOM E-Government initiatives (see Section 214);
- vii. The Department of the Interior, through the Federal Geographic Data Group, will develop common protocols for geographic information (see Section 216), which is being fulfilled through the Geo-Spatial One Stop E-Government initiative.

b. Guidance. To fulfill several of the initiatives outlined above, several agencies are directed by the Act to issue the following guidance:

- i. The Archivist of the United States will issue guidance to agencies on recordkeeping policies and procedures for Federal Government information on the Internet and other electronic records (see Section 207(e));
- ii. The Office of Personnel Management will issue guidance to agencies on IT training (see Section 209(b)(3)) and regulations implementing the IT Exchange Program (see Section 209(c)); and
- iii. The General Services Administration has issued rules on state and local use of Federal Supply Schedules for purchasing IT (see Section 211(b)).

B. Agency CIOs.

As noted above, the agency CIO will serve as the primary official for assisting agency heads in implementing the Act and this guidance in the agency. Agency CIOs are already expected to lead work under their agency's investment review board (IRB) to identify investments that further the agency's mission and programs in delivering services and information to citizens. In addition, agency CIOs should work with the IRB to identify and pursue investments that could be shared across the agency or with other agencies to address similar missions and constituencies. Agency CIOs should continue to ensure that e-government investments are reviewed as part of the agency's budget and capital investment process (i.e., developing a capital asset plan and business case) and that these processes are aligned with the agency's Federal Enterprise Architecture (FEA).

1. General Policy.

In implementing the Act and this guidance, agency CIOs should consult key stakeholders throughout their agencies, including program and project managers, content managers, librarians, public affairs representatives, records managers, and human resources managers.

Agency CIOs should also consider the following when selecting IT investments:

- delivering services and information to citizens electronically;
- reducing burden on citizens and businesses;³
- determining that the investment is part of the agency's modernization blueprint;
- ensuring interoperability of systems; and
- simplifying business processes and reusing technology where applicable.

2. Specific CIO requirements under the Act.

- a. **Participate in the functions of the CIO Council.** CIOs are expected to use their role on the Federal CIO Council to identify and leverage opportunities to partner with other agencies on the requirements of this Act – which includes assisting other agencies and OMB in implementing the Act where appropriate (see Section 101, 44 U.S.C. §3603);
- b. **Monitor implementation.** Agency CIOs must monitor their agency's implementation of IT standards promulgated by the Secretary of Commerce, including common standards for interconnectivity and interoperability, categorization of Federal Government electronic information, and computer system efficiency and security (see Section 202(f));
- c. **Privacy Impact Assessments.** Agency CIOs (or equivalent official as determined by the head of the agency) must ensure that privacy impact assessments are conducted and reviewed for applicable IT systems (see Section 208(b)); and
- d. **IT Training.** CIOs should also ensure that the agency head's responsibility to establish and operate IT training programs is consistent with the requirements of

³ The E-Government Act and the Paperwork Reduction Act encourage agencies to find ways to make government more responsive to citizens in the reduction of burden through the collection of information. To reduce collecting information from citizens and businesses, agencies are encouraged to collect data once and reuse it as necessary; buy IT once and take advantage of economies of scale; and simplify business processes by reusing technology that is interoperable to promote easier access for the customer.

Section 209, which outlines IT development provisions for the Federal workforce, including IT training (see Section 209(b)).

C. OMB Responsibilities.

The Act specifies requirements for three OMB officials: the Director, the Administrator of the Office of E-Government and IT, and the Deputy Director for Management.

1. The Director of OMB

The E-Government Act enhances OMB's authorities under the Clinger-Cohen Act⁴ with greater emphasis in the development of electronic initiatives across the government. For example, under the E-Government Act, OMB is responsible for overseeing governmentwide initiatives, including:

- An integrated Internet portal (see Section 204(a)), which is already being accomplished through the Firstgov.gov portal
- Creation by the National Science Foundation of a database and website to track Federally funded R&D (see Section 207(g))
- Share-in-savings contracts for IT procurements (up to 5 agencies may participate per year) (see Section 210(c)), to permit agencies to retain a portion of the savings derived from share-in-savings contracts
- Designating up to five pilot projects to integrate databases and data elements for public databases (see Section 212(d))
- Agency use of common geographic information practices (Section 216(d))

The E-Gov Act also requires the Director to issue guidance on several sections of the Act, including:

- Electronic signatures, so that citizens can interact electronically with the Government in a secure manner (Section 203(b))
- Categorizing and Indexing standards for government information (Section 207(d))
- Standards for agency websites (Section 207(f))
- Agency reporting and dissemination of federally funded R&D (Section 207(g))
- Privacy issues, including privacy impact assessments, privacy notices on government websites, and privacy policies in machine readable formats (section 208(b))

Finally, the Director must also report to Congress annually on the status of implementation of the Act.

⁴ The Director of OMB's authorities under the Clinger Cohen Act include: Improving acquisition and use of IT by Federal agencies; Using the Federal budget process to analyze and track agency IT investments; Assessing best practices and other models for acquiring and managing IT; Issuing guidance to agencies on CPIC processes, including guidance on making multi-agency investments; Using the Federal appropriations process to manage and control executive agency IT investments.

2. The Administrator for E-Government and IT

The Act creates the Office of Electronic Government and Information Technology in OMB, which is headed by a Presidentially appointed Administrator. The Administrator assists the Director of OMB and the Deputy Director for Management in implementing the requirements of the Act, by providing overall leadership and direction to the executive branch on electronic government.

In particular, the Administrator oversees implementation of IT throughout the Federal government, including:

- oversight of the E-Government Fund, which was originally proposed in the President's Budget and codified in the Act, to support interagency partnerships and innovation in using E-Government;
- directing the activities of the CIO Council, which consists of Federal agency chief information officers, advising on the appointments of agency CIOs, and monitoring and consulting on agency technology efforts;
- advising the Director, pursuant to OMB's authorities under the Clinger-Cohen Act, on the performance of IT investments, as well as identifying opportunities for joint agency and government-wide IT projects;
- overseeing the development of enterprise architectures within and across agencies (see Section 101, 44 U.S.C. §3602), which is being fulfilled through the Federal Enterprise Architecture, the framework for describing the relationship between business functions and the technologies and information that support them;
- overseeing specific IT reform initiatives, activities, and areas of shared responsibility under this Act in areas relating to⁵:
 - Capital planning and investment control for IT;
 - The development of enterprise architectures;
 - Information security;
 - Privacy;
 - Access to, dissemination of, and preservation of government information;
 - Accessibility of IT for persons with disabilities; and
 - Other areas of electronic government.⁶
- In addition, the Act gives the Administrator a variety of specific responsibilities, as described in Section 101, §3602 (f)(1)-(17).

3. The Role of Other OMB Offices

⁵ As these issues can address other relevant laws that involve other offices in OMB, the Administrator will coordinate, consistent with statutory requirements, with these offices.

⁶ The Administrator is responsible for several specific initiatives under the Act, including sponsoring public dialogue with interested parties and stakeholders, develop a process for reviewing proposed innovative technologies, oversee the conduct of certain studies by specific agencies under Title II of this Act, and lead the development of common protocols for geographic (geo-spatial) information (see section 101, 44 U.S.C. § 3605, and sections 213, 214, and 216).

The Deputy Director for Management is required by the Act to chair the Federal CIO Council. The Administrator for E-Government and IT is required to work with the Administrator for the Office of Information and Regulatory Affairs in areas of shared responsibility. Other offices in OMB will be involved in providing guidance and oversight of specific sections of the Act. For example, the head of the Office of Federal Procurement Policy will lead OMB's work on Section 210 regarding the use of share-in-savings contracts for Federal procurements. OMB Resource Management Offices will work with the Office of E-Government and IT as they oversee budgetary activities related to E-Government and IT.

II. Supporting Requirements and Reports.

A. Annual E-Gov Act status report to OMB.

1. Annual update. The Act requires agencies to provide annual updates on their implementation of the provisions of the Act. Agencies must report to OMB each year by **December 15th** on the following general elements (see section 101, 44 U.S.C. § 3606 and Section 207(e)(4)):

- a. the status of implementing e-government initiatives,
- b. how E-Government initiatives have improved performance in delivering programs to constituencies;
- c. changes to their business processes in order to comply with this guidance and the Act; and
- d. compliance with other requirements in the Act.

The first reports are due to OMB by **December 15, 2003**. OMB anticipates issuing reporting instructions to agencies for the annual report in the future.

2. GPEA. Beginning in FY 2005, agencies should provide updates on their continued compliance with the Government Paperwork Elimination Act of 1998 (GPEA, (P.L. 105-277)) as part of the E-Government Act annual status report.

3. Specific statutory reporting requirements. Agencies that are responsible for specific statutory provisions may have separate reporting requirements. Please consult the responsibilities and products outlined in Attachment B for additional reporting requirements that may apply to specific agencies.

4. Support of OMB reports. OMB is also required to report to Congress on several initiatives, and agencies may receive requests from OMB for information about their participation in such areas as the IT Exchange Program and other IT workforce initiatives (Sec 209), use of share-in-savings contracts (Section 210), integration of data elements (Section 212), and community technology centers (Section 213).

B. Agencies are also expected to support the following activities:

1. The efforts of the Interagency Committee on Government Information (see Section 207) and the Federal Geographic Data Group, as appropriate (see Section 216); and
2. As appropriate, select agency activities noted in Section I.A.2 “Requirements of Select Agencies”, as well as activities noted under I.C.1 “The Director of OMB.”

III. Existing Activities Authorized by the Act

A. Administrative Offices and Programs. The E-Government Act establishes, in statute, the following:

1. The CIO Council (see Section 101, 44 U.S.C. §3603).
2. The Office of E-Government and Information Technology within OMB; the E-Government Administrator, also within OMB, heads the Office of E-Government and Information Technology (see Section 101, 44 U.S.C. §3602).
3. The E-Government Fund, which expands the current E-Government Fund being administered by the General Services Administration. (see Section 101, 44 U.S.C. §3604).

B. Government-wide activities. The Act also authorizes two government-wide activities, which have already been developed:

1. Digital Signatures. Section 203 requires agencies to “ensure that its methods for use and acceptance of electronic signatures are compatible with the relevant policies and procedures issued by the Director” of OMB. This requirement is being fulfilled through agency implementation of the Government Paperwork Elimination Act (GPEA), the E-SIGN Act, and the E-Authentication initiative.
2. Firstgov.gov portal. Section 204 requires OMB to oversee the maintenance of “an integrated Internet-based system of providing the public with access to Government information and services,” which is being fulfilled through the Firstgov.gov portal.

C. Cross-agency work. In addition, several requirements of the Act are being achieved through cross-agency work that is being done under the E-Government initiatives.

1. Section 203: E-authentication
2. Section 206: Online Rulemaking
3. Section 214: Disaster Management/Project SAFECOM
4. Section 216: Geospatial One Stop

The E-Government Act of 2002

Attachment B

Table of E-government Act Required Activities and Products

Required Activity or Product	Statutory and Other Timeframes	Lead
The Office of E-government and IT & Administrator (Sec 101, 3602)	Established on April 17, 2003	OMB
Sponsor ongoing dialogue with interested parties (including state, local, and tribal governments, private and non-profit sectors, and the general public) to find innovative ways to use IT to improve the delivery of Government information and services (Sec 101, 3602)	Ongoing	OMB
The CIO Council (Sec 101, 3603)	Established on April 17, 2003	OMB
The E-Government Fund (Sec 101, 3604)	Established on April 17, 2003	GSA/OMB
Establish program to encourage contractor innovations that enhance government-wide electronic services (Sec 101, 3605)	Ongoing	GSA/OMB
Annual E-Government Report to Congress (Sec 101, 3606)	March 1 of each year, beginning 2004	OMB
<ul style="list-style-type: none"> Agencies supporting reports to OMB 	By December 15 of each year, beginning in 2003.	All Agencies
Development of citizen and productivity-related performance measures to be incorporated into the agency's annual Performance Plan and the agency's Strategic Plan (Sec 202)	Ongoing	All Agencies
Implement interoperable electronic signature capability for secure electronic transactions with government (Sec 203)	Ongoing	GSA, to be conducted through the E-authentication initiative
Federal Internet Portal (Sec 204)	Ongoing	GSA, to be conducted through the FirstGov.gov initiative
Timetable for agency compliance with electronic dockets for regulatory agencies (Sec 206)	By March 2004 (in first E-Government Report to Congress)	OMB, to be conducted through the Online Rulemaking initiative
Establish Interagency Committee on	Established on June 17,	OMB

Government Information (Sec 207)	2003	
Issue Policies on : <ul style="list-style-type: none"> o Categorization and indexing standards o Standards for Agency Websites o Policies to improve agency reporting and dissemination of Federally funded R&D (Sec. 207) 	By December 2005	OMB
Archivist to issue policies and procedures for recordkeeping of Federal Government information on the Internet and other electronic records (Sec 207(e)(2)-(3))	By December 2005	NARA
Work with agencies to create public domain directory of Government websites (taxonomy) (Sec 207)	By December 2004	OMB
Issue guidance on Privacy Impact Assessments (PIAs) and agency privacy notices on websites (Sec 208)	Ongoing	OMB
IT Workforce issues (Sec 209) <ul style="list-style-type: none"> o Analyze personnel needs of Federal government in IT and IRM o Identify current gaps o Oversee development of curricula, training methods, and training priorities for projected personnel needs o Assess current training offerings in IT 	Ongoing	OPM, in consultation with OMB, the CIO Council and GSA
	Ongoing	OPM, in consultation with OMB
Develop IT training programs (Sec 209)	Ongoing	Agencies, in consultation with OPM, the CIO Council, and GSA
Ensure that agencies collect standardized information on IT and IRM workforce assessments (Sec 209)	Ongoing	OMB
<ul style="list-style-type: none"> o Oversee the IT exchange program and develop implementing regulations (Sec 209) 	Ongoing	OPM
IT Workforce Reports to Congress (Sec 209) I. Report on existing government-wide IT training programs and recommendations for improvement or establishment of a program if none exist.	By Sept 2003	OPM in consultation with the CIO Council and GSA

<p>II. IT Exchange Program</p> <ul style="list-style-type: none"> ○ Report on existing personnel exchange programs ○ Prepare a bi-annual report for Congress on agency use of the IT Exchange Program (to be published in Federal Register and on the Internet) 	<p>April 17, 2004</p> <p>April 30th and October 31st of each year</p>	<p>OPM</p> <p>OPM</p>
Modification of FAR for government-wide use of share-in-sharing contracts (sec 210)	By January 2004	OMB/OFPP/FAR Council
Report to Congress on share-in-savings progress (Sec 210)	By April 2005	OMB in consultation with executive agencies
Report to Congress on State and local use of Federal Supply Schedules (Sec 211)	By March 2004	GSA/OMB
Designation of up to 5 pilot projects that integrate data elements (Sec 212)	Ongoing	OMB
Report to Congress on study of data integration (Sec 212)	April 2006	OMB in consultation with agencies and others
Study and report to Congress on best practices of Community Technology Centers (Sec 213)	By April 2004	OMB, to be conducted by the Department of Education
Development of an online tutorial on government information and services (Sec 213)	Ongoing	OMB, to be conducted by the Department of Education and the Institute of Museum and Library Services
Study on use of IT to Enhance Crisis Response (Sec 214)	Ongoing	OMB, to be conducted by DHS (FEMA)
Report to Congress on Crisis Management (Sec 214)	2 years following contract date	OMB
Pilot Projects and Further Reports on using IT in Disaster Management (Sec 214)	Following study and report	OMB
Digital Divide study (Sec 215)	Ongoing	GSA, to be conducted by the National Academy of Sciences/National Research Council
Report to Congress on Digital Divide (Sec 215)	December 2004	GSA
Common Geospatial Protocols (Sec 216)	Ongoing	OMB, in consultation with Interior and an interagency group, to be conducted through the Geospatial One Stop initiative