



Fiscal Years 2006 and 2007 Assessments Of Federal Agencies' Exhibit 300s

*A Compilation Prepared for the
Office of Management and Budget*

**President's Council on Integrity and Efficiency
Executive Council on Integrity and Efficiency**

March 2007



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF INSPECTOR GENERAL

THE INSPECTOR GENERAL

March 2, 2007

The Honorable Karen S. Evans
Administrator for Electronic Government and Information Technology
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Ms. Evans:

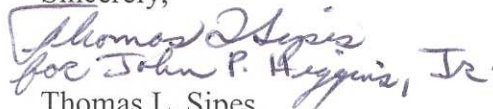
Based on your interest in ascertaining the reliability of agencies' Exhibit 300s, I requested that the Inspectors General (IG) community identify Fiscal Years 2006 and 2007 audit, inspection and evaluation products (completed assessments) relevant to the subject matter. I also requested that IG offices identify ongoing assessments they plan on completing in the coming months.

Participating IGs developed a synopsis for each completed or ongoing assessment. On behalf of the President's Council on Integrity & Efficiency (PCIE) and Executive Council on Integrity & Efficiency (ECIE), my office has compiled a consolidated response. Please find attached the *Fiscal Years 2006 and 2007 Assessments of Federal Agencies' Exhibit 300s, A Compilation Prepared for the Office of Management and Budget*.

The synopses are organized by agency and may include completed, as well as ongoing work. When products are available on the Internet, an URL has been provided for your convenience.

Should you have any questions about specific submissions, please contact the individuals listed in the report. For general questions about the compilation, please contact Charles Coe, Assistant Inspector General for Information Technology Audits and Computer Crime Investigations. He can be reached at 202-245-7033.

Sincerely,



Thomas L. Sipes

For John P. Higgins, Jr.

Inspector General, U.S. Department of Education
and Chair, PCIE Audit Committee

Introduction

Objective

The objective of this report was to compile and briefly summarize for the Office of Management and Budget (OMB) the assessments conducted by Inspectors General (IG) during Fiscal Years (FY) 2006 and 2007 regarding the reliability of OMB Exhibits 300.

Background

OMB uses a capital asset plan and business case known as the Exhibit 300 (300) to coordinate the collection of Departments and Agencies (agencies) information required by the Federal Acquisition Streamlining Act and the Clinger-Cohen Act (CCA). For IT investments, the 300s are used as one-stop documents for multiple IT management purposes such as: business cases for investments; IT security reporting; CCA, E-Government Act, and Government Paperwork Elimination Act implementation; agency's modernization efforts; and overall project (investment) management. The 300 submissions are also intended to ensure each investment is tied to the agency's mission statement, long-term goals and objectives, and annual performance plans developed pursuant to the Government Performance Results Act.

The 300 data are self-reported by each agency, and OMB has not conducted a systematic, independent verification of the reliability of the agency-provided data. From time to time, the Government Accountability Office (GAO) also relies on this self-reported information to meet congressional requests or conduct other government-wide assessments. It is, therefore, critical that IT investment plans and associated performance information reported to OMB through the 300 are accurate and reliable.

In a January 2006 report,¹ GAO raised questions about the accuracy and reliability of the 300s. The OMB Administrator for Electronic Government and Information Technology (Administrator) expressed interest in having the Inspector General (IG) community help ascertain the validity of the 300s.

In response to the Administrator's request, the President's Council on Integrity and Efficiency (PCIE) and Executive Council on Integrity and Efficiency (ECIE) asked members to identify those assessments conducted during FY 2006 or later that provide insightful information about the reliability of individual 300s or agencies' IT portfolios. PCIE/ECIE members were also encouraged to ensure pertinent assessments are included in their work programs for FY 2007 and subsequent years.

¹ GAO-06-250, *INFORMATION TECHNOLOGY: Agencies Need to Improve the Accuracy and Reliability of Investment Information*.

Applicable Agencies²

All of the major agencies must submit 300s:

- Agency for International Development
- Corps of Engineers
- Department of Agriculture
- Department of Commerce
- Department of Defense
- Department of Education
- Department of Energy
- Department of Health and Human Services
- Department of Homeland Security
- Department of Housing and Urban Development
- Department of Interior
- Department of Justice
- Department of Labor
- Department of State
- Department of Transportation
- Department of Treasury (including Internal Revenue Service)
- Department of Veterans Affairs
- Environmental Protection Agency
- General Services Administration
- National Aeronautics and Space Administration
- National Archives and Records Administration
- National Science Foundation
- Nuclear Regulatory Commission
- Office of Personnel Management
- Small Business Administration
- Smithsonian Institution
- Social Security Administration

Of the small agencies, the following submitted a 300 for FY 2008:³

- Arlington National Cemetery
- Selective Service
- Securities & Exchange Commission
- Federal Communications Commission
- Office of Government Ethics

Assessments Conducted

Table 1 identifies the agencies for which PCIE/ECIE members responded,⁴ and the general nature of each response. Synopses of pertinent assessment reports issued and brief descriptions of ongoing work, as submitted by each OIG office, follow. In many cases, the full reports are available on the Internet. Questions about individual assessments can also be addressed to the points of contact listed.

² OMB provided this list of agencies that submit 300s.

³ Based on the federal budget cycle, 300s for FY 2008 were first submitted in Fall 2006.

⁴ Most PCIE/ECIE members responded. Table 1 does not include those members for which the data call was not applicable because the agencies they oversee do not submit 300s to OMB. Although not listed by OMB, the Pension Benefit Guaranty Corporation provided a substantive response.

Table 1 – PCIE/ECIE Member Responses

Report Pages	Agency	Completed Assessment(s)	Ongoing Assessment(s)	No Pertinent Material ⁵
5-8	AID Agency for International Development	X	X	
	USDA Department of Agriculture			X
	DOC Department of Commerce			X
9-11	DOD Department of Defense	X		
12-13	ED Department of Education		X	
	DOE Department of Energy			X
	DHS Department of Homeland Security			X
14-15	HUD Department of Housing and Urban Development		X	
16-17	DOI Department of Interior	X		
	DOJ Department of Justice			X
	DOL Department of Labor			X ⁶
	State Department of State			X
18-23	DOT Department of Transportation	X	X	
24-25	Treasury Department of Treasury ⁷	X		
26-32	VA Department of Veterans Affairs	X	X	
33-34	EPA Environmental Protection Agency		X	
35-40	GSA General Service Administration	X	X	
41-45	IRS Internal Revenue Service ⁷	X	X	
46-49	NASA National Aeronautics and Space Administration	X	X	
50-55	NARA National Archives and Records Administration	X		
	NSF National Science Foundation			X
	NRC Nuclear Regulatory Commission			X
56-58	PBGC Pension Benefit Guaranty Corporation	X ⁶	X	
	SBA Small Business Administration			X
59-61	SI Smithsonian Institution		X	
62-68	SSA Social Security Administration	X	X	

⁵ A number of PCIE/ECIE members indicated they plan to incorporate an assessment of the 300s in future work plans.

⁶ The IG for the Pension Benefit Guaranty Corporation (PBGC) conducted an assessment that refers to Department of Labor practices' effect on PBGC.

⁷ Separate IGs oversee the Department of Treasury and the Internal Revenue Service.