

APPENDIX 300B – SELECTED OMB GUIDANCE AND OTHER REFERENCES REGARDING CAPITAL ASSETS

EXECUTIVE ORDER

Executive Order No. 12893, "Principles for Federal Infrastructure Investments," provides principles for the systematic economic analysis of infrastructure investments and their management. OMB Bulletin No. 94-16, Guidance on Executive Order No. 12893, "Principles for Federal Infrastructure Investments" (March 7, 1994), provides guidance for implementing this Order and appends the Order itself.

OMB CIRCULARS AND MEMORANDUM

OMB Circular No. A-11, *Preparation and Submission of Budget Estimates* (June 1999):

Part 1

- Section 31.3, Full funding, requires that the agency request include full funding for procurement and construction. See section 300.5 for more discussion of this policy.
- Section 33.20, Major systems acquisitions, states that agencies should develop their estimates of major systems acquisitions, including information technology systems, consistent with the requirements of FASA Title V.
- Section 84, Character classification, requires information on different kinds of investment and grants to State and local governments.
- Section 53, Information on technology management, requires data on information technology.

Part 3: Planning, Budgeting, and Acquisition of Capital Assets

Capital Programming Guide (June 1997). This *Guide* is a Supplement to the Circular.

OMB Circular No. A-94, *Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs* (October 1992, with periodic revisions of the discount rate), provides guidance on benefit-cost, cost-effectiveness, and lease-purchase analysis for you to use in evaluating Federal activities including capital asset acquisition. It includes guidelines on the discount rate to use in calculating the present value of future benefits and costs, the measurement of benefits and costs, the treatment of uncertainty, and other issues. This guidance must be followed in all analyses you submit to OMB in support of legislative and budget programs.

OMB Circular No. A-109, *Major System Acquisitions* (April 1976), establishes policies for planning major systems that are generally applicable to capital asset acquisitions.

OMB Circular No. A-127, *Financial Management Systems* (revised July 23, 1993), prescribes policies and standards for you to follow in developing, operating, evaluating, and reporting on financial management systems. See future revisions as well as this one.

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OMB Circular No. A-130, *Management of Federal Information Resources* (revised February 20, 1996), provides principles for internal management and planning practices of your information systems and technology. The revision was published in the *Federal Register* February 20, 1996.

OMB Memorandum M-97-02, *Funding Information Systems Investments* (October 25, 1996). This memorandum is also known as “Raines Rules.”

PUBLICATIONS

Office of Management and Budget, Office of Information and Regulatory Affairs, *Evaluating Information Technology Investments: A Practical Guide* (Version 1.0) (November 1995).

U.S. General Accounting Office, *Assessing Risks and Returns: A Guide for Evaluating Federal Agencies' IT Investment Decision-Making*, GAO/AIMD-10.1.13 (February 1997).

_____, *Executive Guide: Improving Mission Performance Through Strategic Information Management and Technology*, GAO/AIMD-94-115 (May 1994).

_____, *Executive Guide: Leading Practices in Capital Decision-Making*, GAO/AIMD-99-32 (December 1998).

U.S. General Services Administration, Office of Policy, Planning, and Evaluation, *An Analytical Framework for Capital Planning and Investment Control for Information Technology* (May 1996).