

APPENDIX D: OMB CIRCULAR A-130—MANAGEMENT OF FEDERAL INFORMATION RESOURCES

February 8, 1996

CIRCULAR NO. A-130¹
Revised

(Transmittal Memorandum No. 3)

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Management of Federal Information Resources

Circular No. A-130 provides uniform government-wide information resources management policies as required by the Paperwork Reduction Act of 1980, as amended by the Paperwork Reduction Act of 1995, 44 U.S.C. Chapter 35. This Transmittal Memorandum contains updated guidance on the "Security of Federal Automated Information Systems," Appendix III and makes minor technical revisions to the Circular to reflect the Paperwork Reduction Act of 1995 (P.L. 104-13). The Circular is reprinted in its entirety for convenience.

Alice M. Rivlin
Director
Attachment

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MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Management of Federal Information Resources

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¹ The text of OMB Circular A-130 has been reformatted for inclusion in this publication but the content is as posted at www.whitehouse.gov/OMB/circulars/a130/a130.html.

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1. Purpose: This Circular establishes policy for the management of Federal information resources. Procedural and analytic guidelines for implementing specific aspects of these policies are included as appendices.

2. Rescissions: This Circular rescinds OMB Circulars No. A-3, A-71, A-90, A-108, A-114, and A-121, and all Transmittal Memoranda to those circulars.

3. Authorities: This Circular is issued pursuant to the Paperwork Reduction Act (PRA) of 1980, as amended by the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35); the Privacy Act, as amended (5 U.S.C. 552a); the Chief Financial Officers Act (31 U.S.C. 3512 et seq.); the Federal Property and Administrative Services Act, as amended (40 U.S.C. 759 and 487); the Computer Security Act (40 U.S.C. 759 note); the Budget and Accounting Act, as amended (31 U.S.C. Chapter 11); Executive Order No. 12046 of March 27, 1978; and Executive Order No. 12472 of April 3, 1984.

4. Applicability and Scope:

- a. The policies in this Circular apply to the information activities of all agencies of the executive branch of the Federal government.
 - b. Information classified for national security purposes should also be handled in accordance with the appropriate national security directives. National security emergency preparedness activities should be conducted in accordance with Executive Order No. 12472.
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5. Background: The Paperwork Reduction Act establishes a broad mandate for agencies to perform their information resources management activities in an efficient, effective, and economical manner. To assist agencies in an integrated approach to information resources management, the Act requires that the Director of OMB develop and implement uniform and consistent information resources management policies; oversee the development and promote the use of information management principles, standards, and guidelines; evaluate agency information resources management practices in order to determine their adequacy and efficiency; and determine compliance of such practices with the policies, principles, standards, and guidelines promulgated by the Director.

6. Definitions:

- a. The term "agency" means any executive department, military department, government corporation, government controlled corporation, or other establishment in the executive branch of the Federal government, or any independent regulatory agency. Within the Executive Office of the President, the term includes only OMB and the Office of Administration.
- b. The term "audiovisual production" means a unified presentation, developed according to a plan or script, containing visual imagery, sound or both, and used to convey information.
- c. The term "dissemination" means the government initiated distribution of information to the public. Not considered dissemination within the meaning of this Circular is

distribution limited to government employees or agency contractors or grantees, intra- or inter-agency use or sharing of government information, and responses to requests for agency records under the Freedom of Information Act (5 U.S.C. 552) or Privacy Act.

- d. The term "full costs," when applied to the expenses incurred in the operation of an information processing service organization (IPSO), is comprised of all direct, indirect, general, and administrative costs incurred in the operation of an IPSO. These costs include, but are not limited to, personnel, equipment, software, supplies, contracted services from private sector providers, space occupancy, intra-agency services from within the agency, inter-agency services from other Federal agencies, other services that are provided by State and local governments, and Judicial and Legislative branch organizations.
- e. The term "government information" means information created, collected, processed, disseminated, or disposed of by or for the Federal Government.
- f. The term "government publication" means information which is published as an individual document at government expense, or as required by law. (44 U.S.C. 1901)
- g. The term "information" means any communication or representation of knowledge such as facts, data, or opinions in any medium or form, including textual, numerical, graphic, cartographic, narrative, or audiovisual forms.
- h. The term "information dissemination product" means any book, paper, map, machine-readable material, audiovisual production, or other documentary material, regardless of physical form or characteristic, disseminated by an agency to the public.
- i. The term "information life cycle" means the stages through which information passes, typically characterized as creation or collection, processing, dissemination, use, storage, and disposition.
- j. The term "information management" means the planning, budgeting, manipulating, and controlling of information throughout its life cycle.
- k. The term "information resources" includes both government information and information technology.
- l. The term "information processing services organization" (IPSO) means a discrete set of personnel, information technology, and support equipment with the primary function of providing services to more than one agency on a reimbursable basis.
- m. The term "information resources management" means the process of managing information resources to accomplish agency missions. The term encompasses both information itself and the related resources, such as personnel, equipment, funds, and information technology.
- n. The term "information system" means a discrete set of information resources organized for the collection, processing, maintenance, transmission, and dissemination of information, in accordance with defined procedures, whether automated or manual.
- o. The term "information system life cycle" means the phases through which an information system passes, typically characterized as initiation, development, operation, and termination.
- p. The term "information technology" means the hardware and software operated by a Federal agency or by a contractor of a Federal agency or other organization that processes information on behalf of the Federal government to accomplish a Federal function, regardless of the technology involved, whether computers, telecommunications, or others. It includes automatic data processing equipment as that term is defined in Section 111(a)(2) of the Federal Property and Administrative Services

Act of 1949. For the purposes of this Circular, automatic data processing and telecommunications activities related to certain critical national security missions, as defined in 44 U.S.C. 3502(2) and 10 U.S.C. 2315, are excluded.

- q. The term "major information system" means an information system that requires 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.
- r. The term "records" means all books, papers, maps, photographs, machine-readable materials, or other documentary materials, regardless of physical form or characteristics, made or received by an agency of the United States Government under Federal law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the government or because of the informational value of the data in them. Library and museum material made or acquired and preserved solely for reference or exhibition purposes, extra copies of documents preserved only for convenience of reference, and stocks of publications and of processed documents are not included. (44 U.S.C. 3301)
- s. The term "records management" means the planning, controlling, directing, organizing, training, promoting, and other managerial activities involved with respect to records creation, records maintenance and use, and records disposition in order to achieve adequate and proper documentation of the policies and transactions of the Federal Government and effective and economical management of agency operations. (44 U.S.C. 2901(2))
- t. The term "service recipient" means an agency organizational unit, programmatic entity, or chargeable account that receives information processing services from an information processing service organization (IPSO). A service recipient may be either internal or external to the organization responsible for providing information resources services, but normally does not report either to the manager or director of the IPSO or to the same immediate supervisor.

7. Basic Considerations and Assumptions:

- a. The Federal Government is the largest single producer, collector, consumer, and disseminator of information in the United States. Because of the extent of the government's information activities, and the dependence of those activities upon public cooperation, the management of Federal information resources is an issue of continuing importance to all Federal agencies, State and local governments, and the public.
- b. Government information is a valuable national resource. It provides the public with knowledge of the government, society, and economy -- past, present, and future. It is a means to ensure the accountability of government, to manage the government's operations, to maintain the healthy performance of the economy, and is itself a commodity in the marketplace.
- c. The free flow of information between the government and the public is essential to a democratic society. It is also essential that the government minimize the Federal paperwork burden on the public, minimize the cost of its information activities, and maximize the usefulness of government information.
- d. In order to minimize the cost and maximize the usefulness of government information, the expected public and private benefits derived from government information should

- exceed the public and private costs of the information, recognizing that the benefits to be derived from government information may not always be quantifiable.
- e. The nation can benefit from government information disseminated both by Federal agencies and by diverse nonfederal parties, including State and local government agencies, educational and other not-for-profit institutions, and for-profit organizations.
 - f. Because the public disclosure of government information is essential to the operation of a democracy, the management of Federal information resources should protect the public's right of access to government information.
 - g. The individual's right to privacy must be protected in Federal Government information activities involving personal information.
 - h. Systematic attention to the management of government records is an essential component of sound public resources management which ensures public accountability. Together with records preservation, it protects the government's historical record and guards the legal and financial rights of the government and the public.
 - i. Agency strategic planning can improve the operation of government programs. The application of information resources should support an agency's strategic plan to fulfill its mission. The integration of IRM planning with agency strategic planning promotes the appropriate application of Federal information resources.
 - j. Because State and local governments are important producers of government information for many areas such as health, social welfare, labor, transportation, and education, the Federal Government must cooperate with these governments in the management of information resources.
 - k. The open and efficient exchange of scientific and technical government information, subject to applicable national security controls and the proprietary rights of others, fosters excellence in scientific research and effective use of Federal research and development funds.
 - l. Information technology is not an end in itself. It is one set of resources that can improve the effectiveness and efficiency of Federal program delivery.
 - m. Federal Government information resources management policies and activities can affect, and be affected by, the information policies and activities of other nations.
 - n. Users of Federal information resources must have skills, knowledge, and training to manage information resources, enabling the Federal government to effectively serve the public through automated means.
 - o. The application of up-to-date information technology presents opportunities to promote fundamental changes in agency structures, work processes, and ways of interacting with the public that improve the effectiveness and efficiency of Federal agencies.
 - p. The availability of government information in diverse media, including electronic formats, permits agencies and the public greater flexibility in using the information.
 - q. Federal managers with program delivery responsibilities should recognize the importance of information resources management to mission performance.

8. Policy:

- a. Information Management Policy
 - 1. Information Management Planning. Agencies shall plan in an integrated manner for managing information throughout its life cycle. Agencies shall:

- (a) Consider, at each stage of the information life cycle, the effects of decisions and actions on other stages of the life cycle, particularly those concerning information dissemination;
- (b) Consider the effects of their actions on members of the public and ensure consultation with the public as appropriate;
- (c) Consider the effects of their actions on State and local governments and ensure consultation with those governments as appropriate;
- (d) Seek to satisfy new information needs through interagency or intergovernmental sharing of information, or through commercial sources, where appropriate, before creating or collecting new information;
- (e) Integrate planning for information systems with plans for resource allocation and use, including budgeting, acquisition, and use of information technology;
- (f) Train personnel in skills appropriate to management of information;
- (g) Protect government information commensurate with the risk and magnitude of harm that could result from the loss, misuse, or unauthorized access to or modification of such information;
- (h) Use voluntary standards and Federal Information Processing Standards where appropriate or required;
- (i) Consider the effects of their actions on the privacy rights of individuals, and ensure that appropriate legal and technical safeguards are implemented;
- (j) Record, preserve, and make accessible sufficient information to ensure the management and accountability of agency programs, and to protect the legal and financial rights of the Federal Government;
- (k) Incorporate records management and archival functions into the design, development, and implementation of information systems;
 - 1. Provide for public access to records where required or appropriate.
 - 2. Information Collection. Agencies shall collect or create only that information necessary for the proper performance of agency functions and which has practical utility.
 - 3. Electronic Information Collection. Agencies shall use electronic collection techniques where such techniques reduce burden on the public, increase efficiency of government programs, reduce costs to the government and the public, and/or provide better service to the public. Conditions favorable to electronic collection include:
 - (a) The information collection seeks a large volume of data and/or reaches a large proportion of the public;
 - (b) The information collection recurs frequently;
 - (c) The structure, format, and/or definition of the information sought by the information collection does not change significantly over several years;
 - (d) The agency routinely converts the information collected to electronic format;
 - (e) A substantial number of the affected public are known to have ready access to the necessary information technology and to maintain the information in electronic form;

- (f) Conversion to electronic reporting, if mandatory, will not impose substantial costs or other adverse effects on the public, especially State and local governments and small business entities.
4. Records Management. Agencies shall:
- (a) Ensure that records management programs provide adequate and proper documentation of agency activities;
 - (b) Ensure the ability to access records regardless of form or medium;
 - (c) In a timely fashion, establish, and obtain the approval of the Archivist of the United States for, retention schedules for Federal records; and
 - (d) Provide training and guidance as appropriate to all agency officials and employees and contractors regarding their Federal records management responsibilities.
5. Providing Information to the Public. Agencies have a responsibility to provide information to the public consistent with their missions. Agencies shall discharge this responsibility by:
- (a) Providing information, as required by law, describing agency organization, activities, programs, meetings, systems of records, and other information holdings, and how the public may gain access to agency information resources;
 - (b) Providing access to agency records under provisions of the Freedom of Information Act and the Privacy Act, subject to the protections and limitations provided for in these Acts;
 - (c) Providing such other information as is necessary or appropriate for the proper performance of agency functions; and
 - (d) In determining whether and how to disseminate information to the public, agencies shall:
 - (i) Disseminate information in a manner that achieves the best balance between the goals of maximizing the usefulness of the information and minimizing the cost to the government and the public;
 - (ii) Disseminate information dissemination products on equitable and timely terms;
 - (iii) Take advantage of all dissemination channels, Federal and nonfederal, including State and local governments, libraries and private sector entities, in discharging agency information dissemination responsibilities;
 - (iv) Help the public locate government information maintained by or for the agency.
6. Information Dissemination Management System. Agencies shall maintain and implement a management system for all information dissemination products which shall, at a minimum:
- (e) Assure that information dissemination products are necessary for proper performance of agency functions (44 U.S.C. 1108);
 - (a) Consider whether an information dissemination product available from other Federal or nonfederal sources is equivalent to an

agency information dissemination product and reasonably fulfills the dissemination responsibilities of the agency;

- (b) Establish and maintain inventories of all agency information dissemination products;
 - (c) Develop such other aids to locating agency information dissemination products including catalogs and directories, as may reasonably achieve agency information dissemination objectives;
 - (d) Identify in information dissemination products the source of the information, if from another agency;
 - (e) Ensure that members of the public with disabilities whom the agency has a responsibility to inform have a reasonable ability to access the information dissemination products;
 - (f) Ensure that government publications are made available to depository libraries through the facilities of the Government Printing Office, as required by law (44 U.S.C. Part 19);
 - (g) Provide electronic information dissemination products to the Government Printing Office for distribution to depository libraries;
 - (h) Establish and maintain communications with members of the public and with State and local governments so that the agency creates information dissemination products that meet their respective needs;
 - (i) Provide adequate notice when initiating, substantially modifying, or terminating significant information dissemination products; and
 - (j) Ensure that, to the extent existing information dissemination policies or practices are inconsistent with the requirements of this Circular, a prompt and orderly transition to compliance with the requirements of this Circular is made.
7. Avoiding Improperly Restrictive Practices. Agencies shall:
- (a) Avoid establishing, or permitting others to establish on their behalf, exclusive, restricted, or other distribution arrangements that interfere with the availability of information dissemination products on a timely and equitable basis;
 - (b) Avoid establishing restrictions or regulations, including the charging of fees or royalties, on the reuse, resale, or redissemination of Federal information dissemination products by the public; and,
 - (c) Set user charges for information dissemination products at a level sufficient to recover the cost of dissemination but no higher. They shall exclude from calculation of the charges costs associated with original collection and processing of the information. Exceptions to this policy are:
 - (i) Where statutory requirements are at variance with the policy;
 - (ii) Where the agency collects, processes, and disseminates the information for the benefit of a specific identifiable group beyond the benefit to the general public;

- (iii) Where the agency plans to establish user charges at less than cost of dissemination because of a determination that higher charges would constitute a significant barrier to properly performing the agency's functions, including reaching members of the public whom the agency has a responsibility to inform; or
 - (iv) Where the Director of OMB determines an exception is warranted.
 - 8. Electronic Information Dissemination. Agencies shall use electronic media and formats, including public networks, as appropriate and within budgetary constraints, in order to make government information more easily accessible and useful to the public. The use of electronic media and formats for information dissemination is appropriate under the following conditions:
 - (a) The agency develops and maintains the information electronically;
 - (b) Electronic media or formats are practical and cost effective ways to provide public access to a large, highly detailed volume of information;
 - (c) The agency disseminates the product frequently;
 - (d) The agency knows a substantial portion of users have ready access to the necessary information technology and training to use electronic information dissemination products;
 - (e) A change to electronic dissemination, as the sole means of disseminating the product, will not impose substantial acquisition or training costs on users, especially State and local governments and small business entities.
 - 9. Safeguards. Agencies shall:
 - (a) Ensure that information is protected commensurate with the risk and magnitude of the harm that would result from the loss, misuse, or unauthorized access to or modification of such information;
 - (b) Limit the collection of information which identifies individuals to that which is legally authorized and necessary for the proper performance of agency functions;
 - (c) Limit the sharing of information that identifies individuals or contains proprietary information to that which is legally authorized, and impose appropriate conditions on use where a continuing obligation to ensure the confidentiality of the information exists;
 - (d) Provide individuals, upon request, access to records about them maintained in Privacy Act systems of records, and permit them to amend such records as are in error consistent with the provisions of the Privacy Act.
- b. Information Systems and Information Technology Management
 - 1. Evaluation and Performance Measurement. Agencies shall promote the appropriate application of Federal information resources as follows:

- (a) Seek opportunities to improve the effectiveness and efficiency of government programs through work process redesign and the judicious application of information technology;
 - (b) Prepare, and update as necessary throughout the information system life cycle, a benefit-cost analysis for each information system:
 - (i) at a level of detail appropriate to the size of the investment;
 - (ii) consistent with the methodology described in OMB Circular No. A-94, "Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs;" and
 - (iii) that relies on systematic measures of mission performance, including the:
 - (a) effectiveness of program delivery; (b) efficiency of program administration; and (c) reduction in burden, including information collection burden, imposed on the public;
 - (c) Conduct benefit-cost analyses to support ongoing management oversight processes that maximize return on investment and minimize financial and operational risk for investments in major information systems on an agency-wide basis; and
 - (d) Conduct post-implementation reviews of information systems to validate estimated benefits and document effective management practices for broader use.
2. Strategic Information Resources Management (IRM) Planning. Agencies shall establish and maintain strategic information resources management planning processes which include the following components:
- (a) Strategic IRM planning that addresses how the management of information resources promotes the fulfillment of an agency's mission. This planning process should support the development and maintenance of a strategic IRM plan that reflects and anticipates changes in the agency's mission, policy direction, technological capabilities, or resource levels;
 - (b) Information planning that promotes the use of information throughout its life cycle to maximize the usefulness of information, minimize the burden on the public, and preserve the appropriate integrity, availability, and confidentiality of information. It shall specifically address the planning and budgeting for the information collection burden imposed on the public as defined by 5 C.F.R. 1320;
 - (c) Operational information technology planning that links information technology to anticipated program and mission needs, reflects budget constraints, and forms the basis for budget requests. This planning should result in the preparation and maintenance of an up-to-date five-year plan, as required by 44 U.S.C. 3506, which includes:
 - (i) a listing of existing and planned major information systems;
 - (ii) a listing of planned information technology acquisitions;
 - (iii) an explanation of how the listed major information systems and planned information technology acquisitions relate to each other and support the achievement of the agency's mission; and
 - (iv) a summary of computer security planning, as required by Section 6 of the Computer Security Act of 1987 (40 U.S.C. 759 note); and

- (d) Coordination with other agency planning processes including strategic, human resources, and financial resources.
3. Information Systems Management Oversight. Agencies shall establish information system management oversight mechanisms that:
- (a) Ensure that each information system meets agency mission requirements;
 - (b) Provide for periodic review of information systems to determine:
 - (i) how mission requirements might have changed;
 - (ii) (ii) whether the information system continues to fulfill ongoing and anticipated mission requirements; and
 - (iii) (iii) what level of maintenance is needed to ensure the information system meets mission requirements cost effectively;
 - (c) Ensure that the official who administers a program supported by an information system is responsible and accountable for the management of that information system throughout its life cycle;
 - (d) Provide for the appropriate training for users of Federal information resources;
 - (e) Prescribe Federal information system requirements that do not unduly restrict the prerogatives of State, local, and tribal governments;
 - (f) Ensure that major information systems proceed in a timely fashion towards agreed-upon milestones in an information system life cycle, meet user requirements, and deliver intended benefits to the agency and affected publics through coordinated decision making about the information, human, financial, and other supporting resources; and
 - (g) Ensure that financial management systems conform to the requirements of OMB Circular No. A-127, "Financial Management Systems."
4. Use of Information Resources. Agencies shall create and maintain management and technical frameworks for using information resources that document linkages between mission needs, information content, and information technology capabilities. These frameworks should guide both strategic and operational IRM planning. They should also address steps necessary to create an open systems environment. Agencies shall implement the following principles:
- (a) Develop information systems in a manner that facilitates necessary interoperability, application portability, and scalability of computerized applications across networks of heterogeneous hardware, software, and communications platforms;
 - (b) Ensure that improvements to existing information systems and the development of planned information systems do not unnecessarily duplicate information systems available within the same agency, from other agencies, or from the private sector;
 - (c) Share available information systems with other agencies to the extent practicable and legally permissible;
 - (d) Meet information technology needs through intra-agency and inter-agency sharing, when it is cost effective, before acquiring new information technology resources;
 - (e) For Information Processing Service Organizations (IPSOs) that have costs in excess of \$5 million per year, agencies shall:

- (i) account for the full costs of operating all IPSOs;
 - (ii) recover the costs incurred for providing IPSO services to all service recipients on an equitable basis commensurate with the costs required to provide those services; and
 - (iii) document sharing agreements between service recipients and IPSOs; and
- (f) Establish a level of security for all information systems that is commensurate with the risk and magnitude of the harm resulting from the loss, misuse, or unauthorized access to or modification of the information contained in these information systems.
5. Acquisition of Information Technology. Agencies shall:
- (g) Acquire information technology in a manner that makes use of full and open competition and that maximizes return on investment;
 - (h) Acquire off-the-shelf software from commercial sources, unless the cost effectiveness of developing custom software to meet mission needs is clear and has been documented;
 - (i) Acquire information technology in accordance with OMB Circular No. A-109, "Acquisition of Major Systems," where appropriate; and
 - (j) Acquire information technology in a manner that considers the need for accommodations of accessibility for individuals with disabilities to the extent that needs for such access exist.

9. Assignment of Responsibilities:

- a. All Federal Agencies. The head of each agency shall:
- 1. Have primary responsibility for managing agency information resources;
 - 2. Ensure that the information policies, principles, standards, guidelines, rules, and regulations prescribed by OMB are implemented appropriately within the agency;
 - 3. Develop internal agency information policies and procedures and oversee, evaluate, and otherwise periodically review agency information resources management activities for conformity with the policies set forth in this Circular;
 - 4. Develop agency policies and procedures that provide for timely acquisition of required information technology;
 - 5. Maintain an inventory of the agencies' major information systems, holdings and information dissemination products, as required by 44 U.S.C. 3511.
 - 6. Implement and enforce applicable records management policies and procedures, including requirements for archiving information maintained in electronic format, particularly in the planning, design and operation of information systems.
 - 7. Identify to the Director, OMB, statutory, regulatory, and other impediments to efficient management of Federal information resources and recommend to the Director legislation, policies, procedures, and other guidance to improve such management;
 - 8. Assist OMB in the performance of its functions under the PRA including making services, personnel, and facilities available to OMB for this purpose to the extent practicable;
 - 9. Appoint a senior official, as required by 44 U.S.C. 3506(a), who shall report directly to the agency head to carry out the responsibilities of the agency under the PRA. The

head of the agency shall keep the Director, OMB, advised as to the name, title, authority, responsibilities, and organizational resources of the senior official. For purposes of this paragraph, military departments and the Office of the Secretary of Defense may each appoint one official.

10. Direct the senior official appointed pursuant to 44 U.S.C. 3506(a) to monitor agency compliance with the policies, procedures, and guidance in this Circular. Acting as an ombudsman, the senior official shall consider alleged instances of agency failure to comply with this Circular and recommend or take corrective action as appropriate. The senior official shall report annually, not later than February 1st of each year, to the Director those instances of alleged failure to comply with this Circular and their resolution.
- b. Department of State. The Secretary of State shall:
 1. Advise the Director, OMB, on the development of United States positions and policies on international information policy issues affecting Federal Government information activities and ensure that such positions and policies are consistent with Federal information resources management policy;
 2. Ensure, in consultation with the Secretary of Commerce, that the United States is represented in the development of international information technology standards, and advise the Director, OMB, of such activities.
 - c. Department of Commerce. The Secretary of Commerce shall:
 1. Develop and issue Federal Information Processing Standards and guidelines necessary to ensure the efficient and effective acquisition, management, security, and use of information technology;
 2. Advise the Director, OMB, on the development of policies relating to the procurement and management of Federal telecommunications resources;
 3. Provide OMB and the agencies with scientific and technical advisory services relating to the development and use of information technology;
 4. Conduct studies and evaluations concerning telecommunications technology, and concerning the improvement, expansion, testing, operation, and use of Federal telecommunications systems and advise the Director, OMB, and appropriate agencies of the recommendations that result from such studies;
 5. Develop, in consultation with the Secretary of State and the Director of OMB, plans, policies, and programs relating to international telecommunications issues affecting government information activities;
 6. Identify needs for standardization of telecommunications and information processing technology, and develop standards, in consultation with the Secretary of Defense and the Administrator of General Services, to ensure efficient application of such technology;
 7. Ensure that the Federal Government is represented in the development of national and, in consultation with the Secretary of State, international information technology standards, and advise the Director, OMB, of such activities.
 - d. Department of Defense. The Secretary of Defense shall develop, in consultation with the Administrator of General Services, uniform Federal telecommunications standards and guidelines to ensure national security, emergency preparedness, and continuity of government.
 - e. General Services Administration. The Administrator of General Services shall:

1. Advise the Director, OMB, and agency heads on matters affecting the procurement of information technology;
 2. Coordinate and, when required, provide for the purchase, lease, and maintenance of information technology required by Federal agencies;
 3. Develop criteria for timely procurement of information technology and delegate procurement authority to agencies that comply with the criteria;
 4. Provide guidelines and regulations for Federal agencies, as authorized by law, on the acquisition, maintenance, and disposition of information technology, and for implementation of Federal Information Processing Standards;
 5. Develop policies and guidelines that facilitate the sharing of information technology among agencies as required by this Circular;
 6. Manage the Information Technology Fund in accordance with the Federal Property and Administrative Services Act as amended;
- f. Office of Personnel Management. The Director, Office of Personnel Management, shall:
1. Develop and conduct training programs for Federal personnel on information resources management including end-user computing;
 2. Evaluate periodically future personnel management and staffing requirements for Federal information resources management;
 3. Establish personnel security policies and develop training programs for Federal personnel associated with the design, operation, or maintenance of information systems.
- g. National Archives and Records Administration. The Archivist of the United States shall:
1. Administer the Federal records management program in accordance with the National Archives and Records Act;
 2. Assist the Director, OMB, in developing standards and guidelines relating to the records management program.
- h. Office of Management and Budget. The Director of the Office of Management and Budget shall:
1. Provide overall leadership and coordination of Federal information resources management within the executive branch;
 2. Serve as the President's principal adviser on procurement and management of Federal telecommunications systems, and develop and establish policies for procurement and management of such systems;
 3. Issue policies, procedures, and guidelines to assist agencies in achieving integrated, effective, and efficient information resources management;
 4. Initiate and review proposals for changes in legislation, regulations, and agency procedures to improve Federal information resources management;
 5. Review and approve or disapprove agency proposals for collection of information from the public, as defined by 5 CFR 1320.3;
 6. Develop and maintain a Governmentwide strategic plan for information resources management.
 7. Evaluate agencies' information resources management and identify cross-cutting information policy issues through the review of agency information programs, information collection budgets, information technology acquisition plans, fiscal budgets, and by other means;

8. Provide policy oversight for the Federal records management function conducted by the National Archives and Records Administration, coordinate records management policies and programs with other information activities, and review compliance by agencies with records management requirements;
9. Review agencies' policies, practices, and programs pertaining to the security, protection, sharing, and disclosure of information, in order to ensure compliance, with respect to privacy and security, with the Privacy Act, the Freedom of Information Act, the Computer Security Act and related statutes;
10. Resolve information technology procurement disputes between agencies and the General Services Administration pursuant to Section 111 of the Federal Property and Administrative Services Act;
11. Review proposed U.S. Government Position and Policy statements on international issues affecting Federal Government information activities and advise the Secretary of State as to their consistency with Federal information resources management policy.
12. Coordinate the development and review by the Office of Information and Regulatory Affairs of policy associated with Federal procurement and acquisition of information technology with the Office of Federal Procurement Policy.

10. Oversight:

- a. The Director, OMB, will use information technology planning reviews, fiscal budget reviews, information collection budget reviews, management reviews, and such other measures as the Director deems necessary to evaluate the adequacy and efficiency of each agency's information resources management and compliance with this Circular.
- b. The Director, OMB, may, consistent with statute and upon written request of an agency, grant a waiver from particular requirements of this Circular. Requests for waivers must detail the reasons why a particular waiver is sought, identify the duration of the waiver sought, and include a plan for the prompt and orderly transition to full compliance with the requirements of this Circular. Notice of each waiver request shall be published promptly by the agency in the Federal Register, with a copy of the waiver request made available to the public on request.

11. Effectiveness: This Circular is effective upon issuance. Nothing in this Circular shall be construed to confer a private right of action on any person.

12. Inquiries: All questions or inquiries should be addressed to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503. Telephone: (202) 395-3785.

13. Sunset Review Date: OMB will review this Circular three years from the date of issuance to ascertain its effectiveness.

[Appendices]²

Appendix I to OMB Circular No. A-130 – Federal Agency Responsibilities for Maintaining Records About Individuals

² Appendices I, II and III to OMB Circular A-130 have been omitted from this publication, but may be found at www.whitehouse.gov/OMB/circulars/a130/a130.html.

Appendix II to OMB Circular No. A-130 - Cost Accounting, Cost Recovery, and Interagency Sharing of Information Technology Facilities

[The guidance formerly found in Appendix II has been revised and placed in Section 8b. See, Transmittal No. 2, 59 FR 37906. Appendix II has been deleted and is reserved for future topics.]

Appendix III to OMB Circular No. A-130 - Security of Federal Automated Information Resources

Appendix IV to OMB Circular No. A-130 - Analysis of Key Sections

1. Purpose

The purpose of this Appendix is to provide a general context and explanation for the contents of the key Sections of the Circular.

2. Background

The Paperwork Reduction Act (PRA) of 1980, Public Law 96-511, as amended by the Paperwork Reduction Act of 1995, Public Law 104-13, codified at Chapter 35 of Title 44 of the United States Code, establishes a broad mandate for agencies to perform their information activities in an efficient, effective, and economical manner. Section 3504 of the Act provides authority to the Director, OMB, to develop and implement uniform and consistent information resources management policies; oversee the development and promote the use of information management principles, standards, and guidelines; evaluate agency information management practices in order to determine their adequacy and efficiency, and determine compliance of such practices with the policies, principles, standards, and guidelines promulgated by the Director.

The Circular implements OMB authority under the PRA with respect to Section 3504(b), general information resources management policy, Section 3504(d), information dissemination, Section 3504(f), records management, Section 3504(g), privacy and security, and Section 3504(h), information technology. The Circular also implements certain provisions of the Privacy Act of 1974 (5 U.S.C. 552a); the Chief Financial Officers Act (31 U.S.C. 3512 et seq.); Sections 111 and 206 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 759 and 487, respectively); the Computer Security Act (40 U.S.C. 759 note); the Budget and Accounting Act of 1921 (31 U.S.C. 1 et seq.); and Executive Order No. 12046 of March 27, 1978, and Executive Order No. 12472 of April 3, 1984, Assignment of National Security and Emergency Telecommunications Functions. The Circular complements 5 CFR Part 1320, Controlling Paperwork Burden on the Public, which implements other Sections of the PRA dealing with controlling the reporting and recordkeeping burden placed on the public.

In addition, the Circular revises and consolidates policy and procedures in seven previous OMB directives and rescinds those directives, as follows:

A-3 - Government Publications

A-71 - Responsibilities for the Administration and Management of Automatic Data Processing Activities Transmittal Memorandum No. 1 to Circular No. A-71 - Security of Federal Automated Information Systems

A-90 - Cooperating with State and Local Governments to Coordinate and Improve Information Systems

A-108 - Responsibilities for the Maintenance of Records about Individuals by Federal Agencies

A-114 - Management of Federal Audiovisual Activities

A-121 - Cost Accounting, Cost Recovery, and Interagency Sharing of Data Processing Facilities

3. Analysis

Section 6, Definitions. Access and Dissemination. The original Circular No. A-130 distinguished between the terms "access to information" and "dissemination of information" in order to separate statutory requirements from policy considerations. The first term means giving members of the public, at their request, information to which they are entitled by a law such as the FOIA. The latter means actively distributing information to the public at the initiative of the agency. The distinction appeared useful at the time Circular No. A-130 was written, because it allowed OMB to focus discussion on Federal agencies' responsibilities for actively distributing information. However, popular usage and evolving technology have blurred differences between the terms "access" and "dissemination" and readers of the Circular were confused by the distinction. For example, if an agency "disseminates" information via an on-line computer system, one speaks of permitting users to "access" the information, and on-line "access" becomes a form of "dissemination."

Thus, the revision defines only the term "dissemination." Special considerations based on access statutes such as the Privacy Act and the FOIA are explained in context.

Government Information. The definition of "government information" includes information created, collected, processed, disseminated, or disposed of both by and for the Federal Government. This recognizes the increasingly distributed nature of information in electronic environments. Many agencies, in addition to collecting information for government use and for dissemination to the public, require members of the public to maintain information or to disclose it to the public. Sound information resources management dictates that agencies consider the costs and benefits of a full range of alternatives to meet government objectives. In some cases, there is no need for the government actually to collect the information itself, only to assure that it is made publicly available. For example, banks insured by the FDIC must provide statements of financial condition to bank customers on request. Particularly when information is available in electronic form, networks make the physical location of information increasingly irrelevant.

The inclusion of information created, collected, processed, disseminated, or disposed of for the Federal Government in the definition of "government information" does not imply that responsibility for implementing the provisions of the Circular itself extends beyond the executive agencies to other entities. Such an interpretation would be inconsistent with Section 4, Applicability, and with existing law. For example, the courts have held that requests to Federal agencies for release of information under the FOIA do not always extend to those performing information activities under grant or contract to a Federal agency. Similarly, grantees may copyright information where the government may not. Thus the information responsibilities of grantees and contractors are not identical to those of Federal agencies except to the extent that the

agencies make them so in the underlying grants or contracts. Similarly, agency information resources management responsibilities do not extend to other entities.

Information Dissemination Product. This notice defines the term "information dissemination product" to include all information that is disseminated by Federal agencies. While the provision of access to on-line databases and search software included on compact disk, read-only memory (CD-ROM) are often called information services rather than products, there is no clear distinction and, moreover, no real difference for policy purposes between the two. Thus, the term "information dissemination product" applies to both products and services, and makes no distinction based on how the information is delivered.

Section 8a(1). Information Management Planning. Parallel to new Section 7, Basic Considerations and Assumptions, Section 8a begins with information resources management planning. Planning is the process of establishing a course of action to achieve desired results with available resources. Planners translate organizational missions into specific goals and, in turn, into measurable objectives.

The PRA introduced the concept of information resources management and the principle of information as an institutional resource which has both value and associated costs. Information resources management is a tool that managers use to achieve agency objectives. Information resources management is successful if it enables managers to achieve agency objectives efficiently and effectively.

Information resources management planning is an integral part of overall mission planning. Agencies need to plan from the outset for the steps in the information life cycle. When creating or collecting information, agencies must plan how they will process and transmit the information, how they will use it, how they will protect its integrity, what provisions they will make for access to it, whether and how they will disseminate it, how they will store and retrieve it, and finally, how the information will ultimately be disposed of. They must also plan for the effects their actions and programs will have on the public and State and local governments.

The Role of State and Local Governments. OMB made additions at Sections 7a, 7e, and 7j, Basic Considerations and Assumptions, concerning State and local governments, and also in policy statements at Sections 8a(1)(c), (3)(f), (5)(d)(iii), and (8)(e).

State and local governments, and tribal governments, cooperate as major partners with the Federal Government in the collection, processing, and dissemination of information. For example, State governments are the principal collectors and/or producers of information in the areas of health, welfare, education, labor markets, transportation, the environment, and criminal justice. The States supply the Federal Government with data on aid to families with dependent children; medicare; school enrollments, staffing, and financing; statistics on births, deaths, and infectious diseases; population related data that form the basis for national estimates; employment and labor market data; and data used for census geography. National information resources are greatly enhanced through these major cooperating efforts.

Federal agencies need to be sensitive to the role of State and local governments, and tribal governments, in managing information and in managing information technology. When planning, designing, and carrying out information collections, agencies should systematically consider what effect their activities will have on cities, counties, and States, and take steps to involve these governments as appropriate. Agencies should ensure that their information collections impose the

minimum burden and do not duplicate or conflict with local efforts or other Federal agency requirements or mandates. The goal is that Federal agencies routinely integrate State and local government concerns into Federal information resources management practices. This goal is consistent with standards for State and local government review of Federal policies and programs.

Training. Training is particularly important in view of the changing nature of information resources management. Decentralization of information technology has placed the management of automated information and information technology directly in the hands of nearly all agency personnel rather than in the hands of a few employees at centralized facilities. Agencies must plan for incorporating policies and procedures regarding computer security, records management, protection of privacy, and other safeguards into the training of every employee and contractor.

Section 8a(2). Information Collection. The PRA requires that the creation or collection of information be carried out in an efficient, effective, and economical manner. When Federal agencies create or collect information -- just as when they perform any other program functions -- they consume scarce resources. Such activities must be continually evaluated for their relevance to agency missions.

Agencies must justify the creation or collection of information based on their statutory functions. Policy statement 8a(2) uses the justification standard -- "necessary for the proper performance of the functions of the agency" -- established by the PRA (44 U.S.C. 3508). Furthermore, the policy statement includes the requirement that the information have practical utility, as defined in the PRA (44 U.S.C. 3502(11)) and elaborated in 5 CFR Part 1320. Practical utility includes such qualities of information as accuracy, adequacy, and reliability. In the case of general purpose statistics or recordkeeping, practical utility means that actual uses can be demonstrated (5 CFR 1320.3(l)). It should be noted that OMB's intent in placing emphasis on reducing unjustified burden in collecting information, an emphasis consistent with the Act, is not to diminish the importance of collecting information whenever agencies have legitimate program reasons for doing so. Rather, the concern is that the burdens imposed should not exceed the benefits to be derived from the information. Moreover, if the same benefit can be obtained by alternative means that impose a lesser burden, that alternative should be adopted.

Section 8a(3). Electronic Information Collection. Section 71 articulates a basic assumption of the Circular that modern information technology can help the government provide better service to the public through improved management of government programs. One potentially useful application of information technology is in the government's collection of information. While some information collections may not be good candidates for electronic techniques, many are. Agencies with major electronic information collection programs have found that automated information collections allow them to meet program objectives more efficiently and effectively. Electronic data interchange (EDI) and related standards for the electronic exchange of information will ease transmission and processing of routine business transaction information such as invoices, purchase orders, price information, bills of lading, health insurance claims, and other common commercial documents. EDI holds similar promise for the routine filing of regulatory information such as tariffs, customs declarations, license applications, tax information, and environmental reports.

Benefits to the public and agencies from electronic information collection appear substantial. Electronic methods of collection reduce paperwork burden, reduce errors, facilitate validation, and provide increased convenience and more timely receipt of benefits.

The policy in Section 8a(3) encourages agencies to explore the use of automated techniques for collection of information, and sets forth conditions conducive to the use of those techniques.

Section 8a(4). Records Management. Section 8a(4) begins with the fundamental requirement for Federal records management, namely, that agencies create and keep adequate and proper documentation of their activities. Federal agencies cannot carry out their missions in a responsible and responsive manner without adequate recordkeeping. Section 7h articulates the basic considerations concerning records management. Policy statements concerning records management are also interwoven throughout Section 8a, particularly in subsections on planning (8a(1)(j)), information dissemination (8a(6)), and safeguards (8a(9)).

Records support the immediate needs of government -- administrative, legal, fiscal -- and ensure its continuity. Records are essential for protecting the rights and interests of the public, and for monitoring the work of public servants. The government needs records to ensure accountability to the public which includes making the information available to the public.

Each stage of the information life cycle carries with it records management responsibilities. Agencies need to record their plans, carefully document the content and procedures of information collection, ensure proper documentation as a feature of every information system, keep records of dissemination programs, and, finally, ensure that records of permanent value are preserved.

Preserving records for future generations is the archival mission. Advances in technology affect the amount of information that can be created and saved, and the ways this information can be made available. Technological advances can ease the task of records management; however, the rapid pace of change in modern technology makes decisions about the appropriate application of technology critical to records management. Increasingly the records manager must be concerned with preserving valuable electronic records in the context of a constantly changing technological environment.

Records schedules are essential for the appropriate maintenance and disposition of records. Records schedules must be prepared in a timely fashion, implement the General Records Schedules issued by the National Archives and Records Administration, be approved by the Archivist of the United States, and be kept accurate and current. (See 44 U.S.C. 3301 et seq.) The National Archives and Records Administration and the General Services Administration provide guidance and assistance to agencies in implementing records management responsibilities. They also evaluate agencies' records management programs to determine the extent to which they are appropriately implementing their records management responsibilities.

Sections 8a(5) and 8a(6). Information Dissemination Policy. Section 8a(5). Every agency has a responsibility to inform the public within the context of its mission. This responsibility requires that agencies distribute information at the agency's initiative, rather than merely responding when the public requests information.

The FOIA requires each agency to publish in the Federal Register current descriptions of agency organization, where and how the public may obtain information, the general methods and procedural requirements by which agency functions are determined, rules of procedure, descriptions of forms and how to obtain them, substantive regulations, statements of general policy, and revisions to all the foregoing (5 U.S.C. 552(a)(1)). The Privacy Act also requires publication of information concerning "systems of records" which are records retrieved by

individual identifier such as name, Social Security Number, or fingerprint. The Government in the Sunshine Act requires agencies to publish meeting announcements (5 U.S.C. 552b (e)(1)). The PRA (44 U.S.C. 3507(a)(2)) and its implementing regulations (5 CFR Part 1320) require agencies to publish notices when they submit information collection requests for OMB approval. The public's right of access to government information under these statutes is balanced against other concerns, such as an individual's right to privacy and protection of the government's deliberative process.

As agencies satisfy these requirements, they provide the public basic information about government activities. Other statutes direct specific agencies to issue specific information dissemination products or to conduct information dissemination programs. Beyond generic and specific statutory requirements, agencies have responsibilities to disseminate information as a necessary part of performing their functions. For some agencies the responsibility is made explicit and sweeping; for example, the Agriculture Department is directed to "...diffuse among people of the United States, useful information on subjects connected with agriculture...." (7 U.S.C. 2201) For other agencies, the responsibility may be much more narrowly drawn.

Information dissemination is also a consequence of other agency activities. Agency programs normally include an organized effort to inform the public about the program. Most agencies carry out programs that create or collect information with the explicit or implicit intent that the information will be made public. Disseminating information is in many cases the logical extension of information creation or collection.

In other cases, agencies may have information that is not meant for public dissemination but which may be the subject of requests from the public. When the agency establishes that there is public demand for the information and that it is in the public interest to disseminate the information, the agency may decide to disseminate it automatically.

The policy in Section 8a(5)(d) sets forth several factors for agencies to take into account in conducting their information dissemination programs. First, agencies must balance two goals: maximizing the usefulness of the information to the government and the public, and minimizing the cost to both. Deriving from the basic purposes of the PRA (44 U.S.C. 3501), the two goals are frequently in tension because increasing usefulness usually costs more. Second, Section 8a(5)(d)(ii) requires agencies to conduct information dissemination programs equitably and in a timely manner. The word "equal" was removed from this Section since there may be instances where, for example, an agency determines that its mission includes disseminating information to certain specific groups or members of the public, and the agency determines that user charges will constitute a significant barrier to carrying out this responsibility.

Section 8a(5)(d)(iii), requiring agencies to take advantage of all dissemination channels, recognizes that information reaches the public in many ways. Few persons may read a Federal Register notice describing an agency action, but those few may be major secondary disseminators of the information. They may be affiliated with publishers of newspapers, newsletters, periodicals, or books; affiliated with on-line database providers; or specialists in certain information fields. While millions of information users in the public may be affected by the agency's action, only a handful may have direct contact with the agency's own information dissemination products. As a deliberate strategy, therefore, agencies should cooperate with the information's original creators, as well as with secondary disseminators, in order to further information dissemination goals and foster a diversity of information sources. An adjunct responsibility to this strategy is reflected in Section 8a(5)(d)(iv), which directs agencies to assist

the public in finding government information. Agencies may accomplish this, for example, by specifying and disseminating "locator" information, including information about content, format, uses and limitations, location, and means of access.

Section 8a(6). Information Dissemination Management System. This Section requires agencies to maintain an information dissemination management system which can ensure the routine performance of certain functions, including the essential functions previously required by Circular No. A-3. Smaller agencies need not establish elaborate formal systems, so long as the heads of the agencies can ensure that the functions are being performed.

Subsection (6)(a) carries over a requirement from OMB Circular No. A-3 that agencies' information dissemination products are to be, in the words of 44 U.S.C. 1108, "necessary in the transaction of the public business required by law of the agency." (Circular No. A-130 uses the expression "necessary for the proper performance of agency functions," which OMB considers to be equivalent to the expression in 44 U.S.C. 1108.) The point is that agencies should determine systematically the need for each information dissemination product.

Section 8a(6)(b) recognizes that to carry out effective information dissemination programs, agencies need knowledge of the marketplace in which their information dissemination products are placed. They need to know what other information dissemination products users have available in order to design the best agency product. As agencies are constrained by finite budgets, when there are several alternatives from which to choose, they should not expend public resources filling needs which have already been met by others in the public or private sector. Agencies have a responsibility not to undermine the existing diversity of information sources.

At the same time, an agency's responsibility to inform the public may be independent of the availability or potential availability of a similar information dissemination product. That is, even when another governmental or private entity has offered an information dissemination product identical or similar to what the agency would produce, the agency may conclude that it nonetheless has a responsibility to disseminate its own product. Agencies should minimize such instances of duplication but could reach such a conclusion because legal considerations require an official government information dissemination product.

Section 8a(6)(c) makes the Circular consistent with current practice (See OMB Bulletins 88-15, 89-15, 90-09, and 91-16), by requiring agencies to establish and maintain inventories of information dissemination products. (These bulletins eliminated annual reporting to OMB of title-by-title listings of publications and the requirement for agencies to obtain OMB approval for each new periodical. Publications are now reviewed as necessary during the normal budget review process.) Inventories help other agencies and the public identify information which is available. This serves both to increase the efficiency of the dissemination function and to avoid unnecessary burdens of duplicative information collections. A corollary, enunciated in Section 8a(6)(d), is that agencies can better serve public information needs by developing finding aids for locating information produced by the agencies. Finally, Section 8a(6)(f) recognizes that there will be situations where agencies may have to take appropriate steps to ensure that members of the public with disabilities whom the agency has a responsibility to inform have a reasonable ability to access the information dissemination products.

Depository Library Program. Sections 8a(6)(g) and (h) pertain to the Federal Depository Library Program. Agencies are to establish procedures to ensure compliance with 44 U.S.C. 1902, which requires that government publications (defined in 44 U.S.C. 1901 and repeated in Section 6 of the

Circular) be made available to depository libraries through the Government Printing Office (GPO).

Depository libraries are major partners with the Federal Government in the dissemination of information and contribute significantly to the diversity of information sources available to the public. They provide a mechanism for wide distribution of government information that guarantees basic availability to the public. Executive branch agencies support the depository library program both as a matter of law and on its merits as a means of informing the public about the government. On the other hand, the law places the administration of depository libraries with GPO. Agency responsibility for the depository libraries is limited to supplying government publications through GPO.

Agencies can improve their performance in providing government publications as well as electronic information dissemination products to the depository library program. For example, the proliferation of "desktop publishing" technology in recent years has afforded the opportunity for many agencies to produce their own printed documents. Many such documents may properly belong in the depository libraries but are not sent because they are not printed at GPO. The policy requires agencies to establish management controls to ensure that the appropriate documents reach the GPO for inclusion in the depository library program.

At present, few agencies provide electronic information dissemination products to the depository libraries. At the same time, a small but growing number of information dissemination products are disseminated only in electronic format.

OMB believes that, as a matter of policy, electronic information dissemination products generally should be provided to the depository libraries. Given that production and supply of information dissemination products to the depository libraries is primarily the responsibility of GPO, agencies should provide appropriate electronic information dissemination products to GPO for inclusion in the depository library program.

While cost may be a consideration, agencies should not conclude without investigation that it would be prohibitively expensive to place their electronic information dissemination products in the depository libraries. For electronic information dissemination products other than on-line services, agencies may have the option of having GPO produce the information dissemination product for them, in which case GPO would pay for depository library costs. Agencies should consider this option if it would be a cost effective alternative to the agency making its own arrangements for production of the information dissemination product. Using GPO's services in this manner is voluntary and at the agency's discretion. Agencies could also consider negotiating other terms, such as inviting GPO to participate in agency procurement orders in order to distribute the necessary copies for the depository libraries. With adequate advance planning, agencies should be able to provide electronic information dissemination products to the depository libraries at nominal cost.

In a particular case, substantial cost may be a legitimate reason for not providing an electronic information dissemination product to the depository library program. For example, for an agency with a substantial number of existing titles of electronic information dissemination products, furnishing copies of each to the depository libraries could be prohibitively expensive. In that situation, the agency should endeavor to make available those titles with the greatest general interest, value, and utility to the public. Substantial cost could also be an impediment in the case of some on-line information services where the costs associated with operating centralized

databases would make provision of unlimited direct access to numerous users prohibitively expensive. In both cases, agencies should consult with the GPO, in order to identify those information dissemination products with the greatest public interest and utility for dissemination. In all cases, however, where an agency discontinues publication of an information dissemination product in paper format in favor of electronic formats, the agency should work with the GPO to ensure availability of the information dissemination product to depository libraries.

Notice to the Public. Sections 8a(6)(i) and (j) present new practices for agencies to observe in communicating with the public about information dissemination. Among agencies' responsibilities for dissemination is an active knowledge of, and regular consultation with, the users of their information dissemination products. A primary reason for communication with users is to gain their contribution to improving the quality and relevance of government information -- how it is created, collected, and disseminated. Consultations with users might include participation at conferences and workshops, careful attention to correspondence and telephone communications (e.g., logging and analyzing inquiries), or formalized user surveys.

A key part of communicating with the public is providing adequate notice of agency information dissemination plans. Because agencies' information dissemination actions affect other agencies as well as the public, agencies must forewarn other agencies of significant actions. The decision to initiate, terminate, or substantially modify the content, form, frequency, or availability of significant products should also trigger appropriate advance public notice. Where appropriate, the Government Printing Office should be notified directly. Information dissemination products deemed not to be significant require no advance notice.

Examples of significant products (or changes to them) might be those that:

- (a) are required by law; e.g., a statutorily mandated report to Congress;
- (b) involve expenditure of substantial funds;
- (c) by reason of the nature of the information, are matters of continuing public interest; e.g., a key economic indicator;
- (d) by reason of the time value of the information, command public interest; e.g., monthly crop reports on the day of their release;
- (e) will be disseminated in a new format or medium; e.g., disseminating a printed product in electronic medium, or disseminating a machine-readable data file via on-line access.

Where members of the public might consider a proposed new agency product unnecessary or duplicative, the agency should solicit and evaluate public comments. Where users of an agency information dissemination product may be seriously affected by the introduction of a change in medium or format, the agency should notify users and consider their views before instituting the change. Where members of the public consider an existing agency product important and necessary, the agency should consider these views before deciding to terminate the product. In all cases, however, determination of what is a significant information dissemination product and what constitutes adequate notice are matters of agency judgment.

Achieving Compliance with the Circular's Requirements. Section 8a(6)(k) requires that the agency information dissemination management system ensure that, to the extent existing information dissemination policies or practices are inconsistent with the requirements of this

Circular, an orderly transition to compliance with the requirements of this Circular is made. For example, some agency information dissemination products may be priced at a level which exceeds the cost of dissemination, or the agency may be engaged in practices which are otherwise unduly restrictive. In these instances, agencies must plan for an orderly transition to the substantive policy requirements of the Circular. The information dissemination management system must be capable of identifying these situations and planning for a reasonably prompt transition. Instances of existing agency practices which cannot immediately be brought into conformance with the requirements of the Circular are to be addressed through the waiver procedures of Section 10(b).

Section 8a(7). Avoiding Improperly Restrictive Practices. Federal agencies are often the sole suppliers of the information they hold. The agencies have either created or collected the information using public funds, usually in furtherance of unique governmental functions, and no one else has it. Hence agencies need to take care that their behavior does not inappropriately constrain public access to government information.

When agencies use private contractors to accomplish dissemination, they must take care that they do not permit contractors to impose restrictions that undercut the agencies' discharge of their information dissemination responsibilities. The contractual terms should assure that, with respect to dissemination, the contractor behaves as though the contractor were the agency. For example, an agency practice of selling, through a contractor, on-line access to a database but refusing to sell copies of the database itself may be improperly restrictive because it precludes the possibility of another firm making the same service available to the public at a lower price. If an agency is willing to provide public access to a database, the agency should be willing to sell copies of the database itself.

By the same reasoning, agencies should behave in an even-handed manner in handling information dissemination products. If an agency is willing to sell a database or database services to some members of the public, the agency should sell the same products under similar terms to other members of the public, unless prohibited by statute. When an agency decides it has public policy reasons for offering different terms of sale to different groups in the public, the agency should provide a clear statement of the policy and its basis.

Agencies should not attempt to exert control over the secondary uses of their information dissemination products. In particular, agencies should not establish exclusive, restricted, or other distribution arrangements which interfere with timely and equitable availability of information dissemination products, and should not charge fees or royalties for the resale or redissemination of government information. These principles follow from the fact that the law prohibits the Federal Government from exercising copyright.

Agencies should inform the public as to the limitations inherent in the information dissemination product (e.g., possibility of errors, degree of reliability, and validity) so that users are fully aware of the quality and integrity of the information. If circumstances warrant, an agency may wish to establish a procedure by which disseminators of the agency's information may at their option have the data and/or value-added processing checked for accuracy and certified by the agency. Using this method, redisseminators of the data would be able to respond to the demand for integrity from purchasers and users. This approach could be enhanced by the agency using its authority to trademark its information dissemination product, and requiring that redisseminators who wish to use the trademark agree to appropriate integrity procedures. These methods have the possibility of promoting diversity, user responsiveness, and efficiency as well as integrity.

However, an agency's responsibility to protect against misuse of a government information dissemination product does not extend to restricting or regulating how the public actually uses the information.

The Lanham Trademark Act of 1946, 15 U.S.C. 1055, 1125, 1127, provides an efficient method to address legitimate agency concerns regarding public safety. Specifically, the Act permits a trademark owner to license the mark, and to demand that the user maintain appropriate quality controls over products reaching consumers under the mark. See generally, McCarthy on Trademarks, Sec. 18.13. When a trademark owner licenses the trademark to another, it may retain the right to control the quality of goods sold under the trademark by the licensee. Furthermore, if a licensee sells goods under the licensed trademark in breach of the licensor's quality specifications, the licensee may be liable for breach of contract as well as for trademark infringement. This technique is increasingly being used to assure the integrity of digital information dissemination products. For example, the Census Bureau has trademarked its topologically integrated geographic encoding and referencing data product ("TIGER/Line"), which is used as official source data for legislative districting and other sensitive applications.

Whenever a need for special quality control procedures is identified, agencies should adopt the least burdensome methods and ensure that the methods chosen do not establish an exclusive, restricted, or other distribution arrangement that interferes with timely and equitable availability of public information to the public. Agencies should not attempt to condition the resale or redissemination of its information dissemination products by members of the public.

User charges. Title 5 of the Independent Offices Appropriations Act of 1952 (31 U.S.C. 9701) establishes Federal policy regarding fees assessed for government services, and for sale or use of government property or resources. OMB Circular No. A-25, User Charges, implements the statute. It provides for charges for government goods and services that convey special benefits to recipients beyond those accruing to the general public. It also establishes that user charges should be set at a level sufficient to recover the full cost of providing the service, resource, or property. Since Circular No. A-25 is silent as to the extent of its application to government information dissemination products, full cost recovery for information dissemination products might be interpreted to include the cost of collecting and processing information rather than just the cost of dissemination. The policy in Section 8a(7)(c) clarifies the policy of Circular No. A-25 as it applies to information dissemination products. This policy was codified by the Paperwork Reduction Act of 1995 at 35 U.S.C. Section 3506(d)(4)(D).

Statutes such as FOIA and the Government in the Sunshine Act establish a broad and general obligation on the part of Federal agencies to make government information available to the public and to avoid erecting barriers that impede public access. User charges higher than the cost of dissemination may be a barrier to public access. The economic benefit to society is maximized when government information is publicly disseminated at the cost of dissemination. Absent statutory requirements to the contrary, the general standard for user charges for government information dissemination products should be to recover no more than the cost of dissemination. It should be noted in this connection that the government has already incurred the costs of creating and processing the information for governmental purposes in order to carry out its mission.

Underpinning this standard is the FOIA fee structure which establishes limits on what agencies can charge for access to Federal records. That Act permits agencies to charge only the direct reasonable cost of search, reproduction and, in certain cases, review of requested records. In the

case of FOIA requests for information dissemination products, charges would be limited to reasonable direct reproduction costs alone. No search would be needed to find the product, thus no search fees would be charged. Neither would the record need to be reviewed to determine if it could be withheld under one of the Act's exemptions since the agency has already decided to release it. Thus, FOIA provides an information "safety net" for the public.

While OMB does not intend to prescribe procedures for pricing government information dissemination products, the cost of dissemination may generally be thought of as the sum of all costs specifically associated with preparing a product for dissemination and actually disseminating it to the public. When an agency prepares an information product for its own internal use, costs associated with such production would not generally be recoverable as user charges on subsequent dissemination. When the agency prepares the product for public dissemination, and disseminates it, costs associated with preparation and actual dissemination would be recoverable as user charges.

In the case of government databases which are made available to the public on-line, the costs associated with initial database development, including the costs of the necessary hardware and software, would not be included in the cost of dissemination. Once a decision is made to disseminate the data, additional costs logically associated with dissemination can be included in the user fee. These may include costs associated with modification of the database to make it suitable for dissemination, any hardware or software enhancements necessary for dissemination, and costs associated with providing customer service or telecommunications capacity.

In the case of information disseminated via cd-rom, the costs associated with initial database development would likewise not be included in the cost of dissemination. However, a portion of the costs associated with formatting the data for cd-rom dissemination and the costs of mastering the cd-rom, could logically be included as part of the dissemination cost, as would the cost associated with licensing appropriate search software.

Determining the appropriate user fee is the responsibility of each agency, and involves the exercise of judgment and reliance on reasonable estimates. Agencies should be able to explain how they arrive at user fees which represent average prices and which, given the likely demand for the product, can be expected to recover the costs associated with dissemination.

When agencies provide custom tailored information services to specific individuals or groups, full cost recovery, including the cost of collection and processing, is appropriate. For example, if an agency prepares special tabulations or similar services from its databases in answer to a specific request from the public, all costs associated with fulfilling the request would be charged, and the requester should be so informed before work is begun.

In a few cases, agencies engaging in information collection activities augment the information collection at the request of, and with funds provided by, private sector groups. Since the 1920's, the Bureau of the Census has carried out, on request, surveys of certain industries at greater frequency or at a greater level of detail than Federal funding would permit, because gathering the additional information is consistent with Federal purposes and industry groups have paid the additional information collection and processing costs. While the results of these surveys are disseminated to the public at the cost of dissemination, the existence and availability of the additional government data are special benefits to certain recipients beyond those accruing to the public. It is appropriate that those recipients should bear the full costs of information collection and processing, in addition to the normal costs of dissemination.

Agencies must balance the requirement to establish user charges and the level of fees charged against other policies, specifically, the proper performance of agency functions and the need to ensure that information dissemination products reach the public for whom they are intended. If an agency mission includes disseminating information to certain specific groups or members of the public and the agency determines that user charges will constitute a significant barrier to carrying out this responsibility, the agency may have grounds for reducing or eliminating its user charges for the information dissemination product, or for exempting some recipients from the charge. Such reductions or eliminations should be the subject of agency determinations on a case by case basis and justified in terms of agency policies.

Section 8a(8). Electronic Information Dissemination. Advances in information technology have changed government information dissemination. Agencies now have available new media and formats for dissemination, including CD-ROM, electronic bulletin boards, and public networks. The growing public acceptance of electronic data interchange (EDI) and similar standards enhances their attractiveness as methods for government information dissemination. For example, experiments with the use of electronic bulletin boards to advertise Federal contracting opportunities and to receive vendor quotes have achieved wider dissemination of information about business opportunities with the Federal Government than has been the case with traditional notices and advertisements. Improved information dissemination has increased the number of firms expressing interest in participating in the government market and decreased prices to the government due to expanded competition. In addition, the development of public electronic information networks, such as the Internet, provides an additional way for agencies to increase the diversity of information sources available to the public. Emerging applications such as Wide Area Information Servers and the World-wide Web (using the NISO Z39.50 standard) will be used increasingly to facilitate dissemination of government information such as environmental data, international trade information, and economic statistics in a networked environment.

A basic purpose of the PRA is to "provide for the dissemination of public information on a timely basis, on equitable terms, and in a manner that promotes the utility of the information to the public and makes effective use of information technology." (44 U.S.C. 3501(7)) Agencies can frequently enhance the value, practical utility, and timeliness of government information as a national resource by disseminating information in electronic media. Electronic collection and dissemination may substantially increase the usefulness of government information dissemination products for three reasons. First, information disseminated electronically is likely to be more timely and accurate because it does not require data re-entry. Second, electronic records often contain more complete and current information because, unlike paper, it is relatively easy to make frequent changes. Finally, because electronic information is more easily manipulated by the user and can be tailored to a wide variety of needs, electronic information dissemination products are more useful to the recipients.

As stated at Section 8a(1)(h), agencies should use voluntary standards and Federal Information Processing Standards to the extent appropriate in order to ensure the most cost effective and widespread dissemination of information in electronic formats.

Agencies can frequently make government information more accessible to the public and enhance the utility of government information as a national resource by disseminating information in electronic media. Agencies generally do not utilize data in raw form, but edit, refine, and organize the data in order to make it more accessible and useful for their own purposes. Information is made more accessible to users by aggregating data into logical groupings, tagging data with

descriptive and other identifiers, and developing indexing and retrieval systems to facilitate access to particular data within a larger file. As a general matter, and subject to budgetary, security or legal constraints, agencies should make available such features developed for internal agency use as part of their information dissemination products.

There will also be situations where the agency determines that its mission will be furthered by providing enhancements beyond those needed for its own use, particularly those that will improve the public availability of government information over the long term. In these instances, the agency should evaluate the expected usefulness of the enhanced information in light of its mission, and where appropriate construct partnerships with the private sector to add these elements of value. This approach may be particularly appropriate as part of a strategy to utilize new technology enhancements, such as graphic images, as part of a particular dissemination program.

Section 8a(9). Information Safeguards. The basic premise of this Section is that agencies should provide an appropriate level of protection to government information, given an assessment of the risks associated with its maintenance and use. Among the factors to be considered include meeting the specific requirements of the Privacy Act of 1974 and the Computer Security Act of 1987.

In particular, agencies are to ensure that they meet the requirements of the Privacy Act regarding information retrievable by individual identifier. Such information is to be collected, maintained, and protected so as to preclude intrusion into the privacy of individuals and the unwarranted disclosure of personal information. Individuals must be accorded access and amendment rights to records, as provided in the Privacy Act. To the extent that agencies share information which they have a continuing obligation to protect, agencies should see that appropriate safeguards are instituted. Appendix I prescribes agency procedures for the maintenance of records about individuals, reporting requirements to OMB and Congress, and other special requirements of specific agencies, in accordance with the Privacy Act.

This Section also incorporates the requirement of the Computer Security Act of 1987 that agencies plan to secure their systems commensurate with the risk and magnitude of loss or harm that could result from the loss, misuse, or unauthorized access to information contained in those systems. It includes assuring the integrity, availability, and appropriate confidentiality of information. It also involves protection against the harm that could occur to individuals or entities outside of the Federal Government as well as the harm to the Federal Government. Appendix III prescribes a minimum set of controls to be included in Federal automated information resources security programs and assigns Federal agency responsibilities for the security of automated information resources. The Section also includes limits on collection and sharing of information and procedures to assure the integrity of information as well as requirements to adequately secure the information.

Incorporation of Circular No. A-114. OMB Circular No. A-114, Management of Federal Audiovisual Activities, last revised on March 20, 1985, prescribed policies and procedures to improve Federal audiovisual management. Although OMB has rescinded Circular No. A-114, its essential policies and procedures continue. This revision provides information resources management policies and principles independent of medium, including paper, electronic, or audiovisual. By including the term "audiovisual" in the definition of "information," audiovisual materials are incorporated into all policies of this Circular.

The requirement in Circular No. A-114 that the head of each agency designate an office with responsibility for the management oversight of an agency's audiovisual productions and that an appropriate program for the management of audiovisual productions in conformance with 36 CFR 1232.4 is incorporated into this Circular at Section 9a(10). The requirement that audiovisual activities be obtained consistent with OMB Circular No. A-76 is covered by Sections 8a(1)(d), 8a(5)(d)(i) and 8a(6)(b).

The National Archives and Records Administration will continue to prescribe the records management and archiving practices of agencies with respect to audiovisual productions at 36 CFR 1232.4, "Audiovisual Records Management."

Section 8b. Information Systems and Information Technology Management

Section 8b(1). Evaluation and Performance Measurement. OMB encourages agencies to stress several types of evaluation in their oversight of information systems. As a first step, agencies must assess the continuing need for the mission function. If the agency determines there is a continuing need for a function, agencies should reevaluate existing work processes prior to creating new or updating existing information systems. Without this analysis, agencies tend to develop information systems that improve the efficiency of traditional paper-based processes which may be no longer needed. The application of information technology presents an opportunity to reevaluate existing organizational structures, work processes, and ways of interacting with the public to see whether they still efficiently and effectively support the agency's mission.

Benefit-cost analyses provide vital management information on the most efficient allocation of human, financial, and information resources to support agency missions. Agencies should conduct a benefit-cost analysis for each information system to support management decision making to ensure: (a) alignment of the planned information system with the agency's mission needs; (b) acceptability of information system implementation to users inside the Government; (c) accessibility to clientele outside the Government; and (d) realization of projected benefits. When preparing benefit-cost analyses to support investments in information technology, agencies should seek to quantify the improvements in agency performance results through the measurement of program outputs.

The requirement to conduct a benefit-cost analysis need not become a burdensome activity for agencies. The level of detail necessary for such analyses varies greatly and depends on the nature of the proposed investment. Proposed investments in "major information systems" as defined in this Circular require detailed and rigorous analysis. This analysis should not merely serve as budget justification material, but should be part of the ongoing management oversight process to ensure prudent allocation of scarce resources. Proposed investments for information systems that are not considered "major information systems" should be analyzed and documented more informally.

While it is not necessary to create a new benefit-cost analysis at each stage of the information system life cycle, it is useful to refresh these analyses with up-to-date information to ensure the continued viability of an information system prior to and during implementation. Reasons for updating a benefit-cost analysis may include such factors as significant changes in projected costs and benefits, significant changes in information technology capabilities, major changes in requirements (including legislative or regulatory changes), or empirical data based on performance measurement gained through prototype results or pilot experience.

Agencies should also weigh the relative benefits of proposed investments in information technology across the agency. Given the fiscal constraints facing the Federal government in the upcoming years, agencies should fund a portfolio of investments across the agency that maximizes return on investment for the agency as a whole. Agencies should also emphasize those proposed investments that show the greatest probability (i.e., display the lowest financial and operational risk) of achieving anticipated benefits for the organization. OMB and GAO are creating a publication that will provide agencies with reference materials for setting up such evaluation processes.

Agencies should complete a retrospective evaluation of information systems once operational to validate projected savings, changes in practices, and effectiveness in serving affected publics. These post-implementation reviews may also serve as the basis for agency-wide learning about effective management practices.

Section 8b(2). Strategic Information Resources Management (IRM) Planning. Agencies should link to, and to the extent possible, integrate IRM planning with the agency strategic planning required by the Government Performance and Results Act (P.L. 103-62). Such a linkage ensures that agencies apply information resources to programs that support the achievement of agreed-upon mission goals. Additionally, strategic IRM planning by agencies may help avoid automating out-of-date, ineffective, or inefficient procedures and work processes.

Agencies should also devote management attention to operational information resources management planning. This operational IRM planning should provide a one to five year focus to agency IRM activities and projects. Agency operational IRM plans should also provide a listing of the major information systems covered by the management oversight processes described in Section 8b(3). Agency operational planning for IRM should also communicate to the public how the agency's application of information resources might affect them. For the contractor community, this includes articulating the agency's intent to acquire information technology from the private sector. These data should not be considered acquisition sensitive, so that they can be distributed as widely as possible to the vendor community in order to promote competition. Agencies should make these acquisition plans available to the public through government-wide information dissemination mechanisms, including electronic means.

Operational planning should also include initiatives to reduce the burden, including information collection burden, an agency imposes on the public. Too often, for example, agencies require personal visits to government offices during office hours inconvenient to the public. Instead, agencies should plan to use information technology in ways that make the public's dealing with the Federal government as "user-friendly" as possible.

Each year, OMB issues a bulletin requesting copies of agencies' latest strategic IRM plans and annual updates to operational plans for information and information technology.

Section 8b(3). Information Systems Management Oversight. Agencies should consider what constitutes a "major information system" for purposes of this Circular when determining the appropriate level of management attention for an information system. The anticipated dollar size of an information system or a supporting acquisition is only one determinant of the level of management attention an information system requires. Additional criteria to assess include the maturity and stability of the technology under consideration, how well defined user requirements are, the level of stability of program and user requirements, and security concerns.

For instance, certain risky or "cutting-edge" information systems require closer scrutiny and more points of review and evaluation. This is particularly true when an agency uses an evolutionary life cycle strategy that requires a technical and financial evaluation of the project's viability at prototype and pilot testing phases. Projects relying on commercial off-the-shelf technology and applications will generally require less oversight than those using custom-designed software.

While each phase of an information system life cycle may have unique characteristics, the dividing line between the phases may not always be distinct. For instance, both planning and evaluation should continue throughout the information system life cycle. In fact, during any phase, it may be necessary to revisit the previous stages based on new information or changes in the environment in which the system is being developed.

The policy statements in this Circular describe an information system life cycle. It does not, however, make a definitive statement that there must be four versus five phases of a life cycle because the life cycle varies by the nature of the information system. Only two phases are common to all information systems - a beginning and an end. As a result, life cycle management techniques that agencies can use may vary depending on the complexity and risk inherent in the project.

One element of this management oversight policy is the recognition of imbedded and/or parallel life cycles. Within an information system's life cycle there may be other subsidiary life cycles. For instance, most Federal information systems projects include an acquisition of goods and services that have life cycle characteristics. Some projects include software development components, which also have life cycles. Effective management oversight of major information systems requires a recognition of all these various life cycles and an integrated information systems management oversight with the budget and human resource management cycles that exist in the agency.

Section 8b(2) of the Circular underscores the need for agencies to bring an agency-wide perspective to a number of information resources management issues. These issues include policy formulation, planning, management and technical frameworks for using information resources, and management oversight of major information systems. Agencies should also provide for coordinated decision making (Section 8b(3)(f)) in order to bring together the perspectives from across an agency, and outside if appropriate. Such coordination may take place in an agency-wide management or IRM committee. Interested groups typically include functional users, managers of financial and human resources, information resources management specialists, and, as appropriate, the affected public.

Section 8b(4). Use of Information Resources. Agency management of information resources should be guided by management and technical frameworks for agency-wide information and information technology needs. The technical framework should serve as a reference for updates to existing and new information systems. The management framework should assure the integration of proposed information systems projects into the technical framework in a manner that will ensure progress towards achieving an open systems environment. Agency strategic IRM planning should describe the parameters (e.g., technical standards) of such a technical framework. The management framework should drive operational planning and should describe how the agency intends to use information and information technology consistent with the technical framework.

Agency management and technical frameworks for information resources should address agency strategies to move toward an open systems environment. These strategies should consist of one or

multiple profiles (an internally consistent set of standards), based on the current version of the NIST's Application Portability Profile. These profiles should satisfy user requirements, accommodate officially recognized or de facto standards, and promote interoperability, application portability, and scalability by defining interfaces, services, protocols, and data formats favoring the use of nonproprietary specifications.

Agencies should focus on how to better utilize the data they currently collect from the public. Because agencies generally do not share information, the public often must respond to duplicative information collections from various agencies or their components. Sharing of information about individuals should be consistent with the Privacy Act of 1974, as amended, and Appendix I of this Circular.

Services provided by IPSOs to components of their own agency are often perceived to be "free" by the service recipients because their costs are budgeted as an "overhead" charge. Service recipients typically do not pay for IPSO services based on actual usage. Since the services are perceived to be free, there is very little incentive for either the service recipients or the IPSO managers to be watchful for opportunities to improve productivity or to reduce costs. Agencies are encouraged to institute chargeback mechanisms for IPSOs that provide common information processing services across a number of agency components when the resulting economies are expected to exceed the cost of administration.

Section 8b(5). Acquisition of Information Technology. Consistent with the requirements of the Brooks Act and the Paperwork Reduction Act, agencies should acquire information technology to improve service delivery, reduce the cost of Federal program administration, and minimize burden of dealing with the Federal government. Agencies may wish to ask potential offerors to propose different technical solutions and approaches to fulfilling agency mission requirements. Evaluating acquisitions of information technology must assess both the benefits and costs of applying technology to meet such requirements.

The distinction between information system life cycles and acquisition life cycles is important when considering the implications of OMB Circular A-109, Acquisition of Major Systems, to the acquisition of information resources. Circular A-109 presents one strategy for acquiring information technology when:

- i) The agency intends to fund operational tests and demonstrations of system design;
- ii) The risk is high due to the unproven integration of custom designed software and/or hardware components;
- iii) The estimated cost savings or operational improvements from such a demonstration will further improve the return on investment; or
- iv) The agency wants to acquire a solution based on state-of-the-art, unproven technology.

Agencies should comply with OMB Circular A-76, Performance of Commercial Activities, when considering conversion to or from in-house or contract performance.

Agencies should ensure that acquisitions for new information technology comply with GSA regulations concerning information technology accessibility for individuals with disabilities [41 C.F.R. 201-20.103-7].

Section 9a(11). Ombudsman. The senior agency official designated by the head of each agency under 44 U.S.C. 3506(a) is charged with carrying out the responsibilities of the agency under the PRA. Agency senior information resources management officials are responsible for ensuring that their agency practices are in compliance with OMB policies. It is envisioned that the agency senior information resources management official will work as an ombudsman to investigate alleged instances of agency failure to adhere to the policies set forth in the Circular and to recommend or take corrective action as appropriate. Agency heads should continue to use existing mechanisms to ensure compliance with laws and policies.

Section 9b. International Relationships. The information policies contained in the PRA and Circular A-130 are based on the premise that government information is a valuable national resource, and that the economic benefits to society are maximized when government information is available in a timely and equitable manner to all. Maximizing the benefits of government information to society depends, in turn, on fostering diversity among the entities involved in disseminating it. These include for-profit and not-for-profit entities, such as information vendors and libraries, as well as State, local and tribal governments. The policies on charging the cost of dissemination and against restrictive practices contained in the PRA and Circular A-130 are aimed at achieving this goal.

Other nations do not necessarily share these values. Although an increasing number are embracing the concept of equitable and unrestricted access to public information -- particularly scientific, environmental, and geographic information of great public benefit -- other nations are treating their information as a commodity to be "commercialized". Whereas the Copyright Act, 17 U.S.C. 105, has long provided that "[c]opyright protection under this title is not available for any work of the United States Government," some other nations take advantage of their domestic copyright laws that do permit government copyright and assert a monopoly on certain categories of information in order to maximize revenues. Such arrangements tend to preclude other entities from developing markets for the information or otherwise disseminating the information in the public interest.

Thus, Federal agencies involved in international data exchanges are sometimes faced with problems in disseminating data stemming from differing national treatment of government copyright. For example, one country may attempt to condition the sharing of data with a Federal agency on an agreement that the agency will withhold release of the information or otherwise restrict its availability to the public. Since the Freedom of Information Act does not provide a categorical exemption for copyrighted information, and Federal agencies have neither the authority nor capability to enforce restrictions on behalf of other nations, agencies faced with such restrictive conditions lack clear guidance as to how to respond.

The results of the July 1995 Congress of the World Meteorological Organization, which sought to strike a balance of interests in this area, are instructive. Faced with a resolution which would have essentially required member nations to enforce restrictions on certain categories of information for the commercial benefit of other nations, the United States proposed a compromise which was ultimately accepted. The compromise explicitly affirmed the general principle that government meteorological information -- like all other scientific, technical and environmental information -- should be shared globally without restriction; but recognized that individual nations may in particular cases apply their own domestic copyright and similar laws to prevent what they deem to be unfair or inappropriate competition within their own territories. This compromise leaves open the door for further consultation as to whether the future of government information policy

in a global information infrastructure should follow the "open and unrestricted access" model embraced by the United States and a number of other nations, or if it should follow the "government commercialization" model of others.

Accordingly, since the PRA and Circular A-130 are silent as to how agencies should respond to similar situations, we are providing the following suggestions. They are intended to foster globally the open and unrestricted information policy embraced by the United States and like minded nations, while permitting agencies to have access to data provided by foreign governments with restrictive conditions.

Release by a Federal agency of copyrighted information, whether under a FOIA request or otherwise, does not affect any rights the copyright holder might otherwise possess. Accordingly, agencies should inform any concerned foreign governments that their copyright claims may be enforceable under United States law, but that the agency is not authorized to prosecute any such claim on behalf of the foreign government.

Whenever an agency seeks to negotiate an international agreement in which a foreign party seeks to impose restrictive practices on information to be exchanged, the agency should first coordinate with the State Department. The State Department will work with the agency to develop the least restrictive terms consistent with United States policy, and ensure that those terms receive full interagency clearance through the established process for granting agencies authority to negotiate and conclude international agreements.

Finally, whenever an agency is attending meetings of international or multilateral organizations where restrictive practices are being proposed as binding on member states, the agency should coordinate with the State Department, the Office of Management and Budget, the Office of Science and Technology Policy, or the U.S. Trade Representative, as appropriate, before expressing a position on behalf of the United States.

