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United States Senate

COMMITTEE ON
GOVERNMENTAL AFFAIRS

WASHINGTON, DC 20510-6250

HANNAH S. SISTARE, STAFF DIRECTOR AND COUNSEL
JOYCE A. RECHTSCHAFFEN, MINORITY STAFF DIRECTOR AND COUNSEL

April 6, 2000

Shirley Ann Jackson
Chairman
Nuclear Regulatory Commission
One White Flint North Building, 11555 Rockville Pike
Rockville, MD 20852

Dear Chairman Jackson:

As you know, Congress is focused on ensuring that the government effectively and efficiently manages its information technology (IT) resources. The Clinger-Cohen Act of 1996 was enacted, in part, in response to concerns about how the federal government was acquiring IT. The Act mandates that, among other things, executive agencies design and implement processes for IT capital planning and investment control, implement specified IT-related actions to enhance performance and results-based management, and establish Chief Information Officers with certain defined duties and responsibilities. In addition, the Act requires the agencies to identify IT acquisition programs that have significantly deviated from their cost, performance, or schedule goals. The Act also requires the agencies to use, to the maximum extent practicable, modular contracting for major IT system acquisitions.

The Senate Committee on Governmental Affairs played a large role in the passage of the Clinger-Cohen Act, and we maintain a high level of interest in compliance with its provisions. As part of our oversight agenda, we have developed a series of questions to ascertain the status of Clinger-Cohen Act compliance in the agencies and departments subject to its mandates. Your response to these questions will serve as the basis for our further oversight on information technology management issues.

As you prepare your responses to the following questions, we ask that you provide sufficient documentation and examples to support the answers you are providing to the Committee.

Effectively Using Agency Chief Information Officers

1. Please provide the name and official title of the individual

currently serving as Chief Information Officer (CIO). If the individual is serving in an "acting" capacity, please explain the steps you are taking to finalize an appointment to this position.

(a) Since CCA enactment in February 1996, how many individuals have served in the CIO position for Nuclear Regulatory Commission, and what were the periods of their service?

(b) Does the CIO have a direct reporting relationship to you? If not, to whom does the CIO directly report on a day-to-day basis?

(c) Is the CIO a member of formal executive-level strategic planning, budget, and program-area process re-design committees, groups, or councils established in Nuclear Regulatory Commission? (1) What are the responsibilities of the CIO on these committees and groups? (2) Has the CIO made, or played a vital role in making, strategic business decisions for the department/agency? Please provide several noteworthy examples.

(d) What, if any, additional duties or responsibilities does the official designated as Nuclear Regulatory Commission CIO have other than information resources management?

(e) Do the component organizations that comprise Nuclear Regulatory Commission also have designated CIOs? If so, (1) how are they selected, (2) to whom do they report, and (3) how is their decisional authority defined by agency policy?

(f) In accordance with CCA, has your CIO provided annual reports to you on improvements in information resources and technology management capabilities? If so, please provide copies.

(g) What percentage of Nuclear Regulatory Commission total information management and technology expenditures are controlled or approved by the Nuclear Regulatory Commission CIO?

Achieving Benefits From Capital Planning and Investment Control Processes

2. Has Nuclear Regulatory Commission implemented complete and comprehensive IT capital planning and investment management processes, as required by CCA section 5122(a) and (b)? If not,

what remains to be done and what is the focus of current efforts?

(a) Please provide the Committee with Nuclear Regulatory Commission definition for what constitutes an IT investment for purposes of this CCA section.

(b) Approximately how much, and what percentage, of Nuclear Regulatory Commission total IT budget is subject to the IT capital planning and investment management processes established in your *department/agency* (including, as always, its major components)?

(c) Please identify Nuclear Regulatory Commission top ten investment initiatives (in terms of total acquisition dollars) that were approved by the IT capital planning and investment approval process and are currently in development or acquisition. Also, for each of these initiatives, please (1) describe how Nuclear Regulatory Commission assessed cost, risk, and return on investment in winning approval and (2) provide a 1-page exhibit that summarizes the cost, risk, and return-on-investment data that were used for the investment decision. (3) How confident are you in the quality of these data for decision-making?

(d) If *you* uses an executive management level IT capital planning and investment control group (e.g., investment review board, IT investment committee, etc.), does this group recommend or does it make final IT funding decisions for the Nuclear Regulatory Commission? If the group does not make the final decisions, who does?

(e) What means has your agency provided, in accordance with CCA section 5122(b)(6), for senior management personnel to obtain timely information on the progress of information system investments? (1) To what extent do these means include a system of milestones for measuring progress, on an independently verifiable basis, in terms of cost, capability of the system to meet specified requirements, timeliness, and quality? (2) How confident are you that the data being used for measuring progress are accurate, reliable, and up-to-date?

(f) Has Nuclear Regulatory Commission, as required by CCA section 5127, identified in its strategic information resources management plan any and all major IT acquisition programs--or any phase or increment of such programs--that have significantly deviated from the cost, performance, or

schedule goals established for the program? (1) If so, which major IT acquisition program(s)? If not, why not? (2) Whether or not your agency has identified such significant deviations in its strategic IRM plans, how does your agency define, for purposes of CCA section 5127, (i) "major IT acquisition program" and (ii) "significant deviation"?

Managing IT for Overall Performance and Results

3. As you are aware, CCA requires that executive agencies measure how well IT is being used to support their programs. For each of the top ten investment initiatives (in terms of total acquisition dollars) currently in either development, acquisition, or operation in Nuclear Regulatory Commission, please provide specific data on realized and expected benefits to major operational or programmatic goals outlined in your latest Government Performance and Results Act strategic plan or annual performance plan. Also include the same type of data for any other investments, currently in development, acquisition, or operation, that you consider critically important.

- As required by section 5123 of CCA, please provide the Committee with a copy of your last three annual reports on progress in achieving goals for improving the efficiency and effectiveness of Nuclear Regulatory Commission operations and, as appropriate, its delivery of services through the effective use of information technology.

Improving Work Processes

4. Since enactment of CCA, has Nuclear Regulatory Commission, in accordance with CCA section 5123, (1) analyzed its missions and (2) based on the analysis, revised its mission-related processes and administrative processes, as appropriate, before making significant investments in IT to be used in support of the performance of those missions?

- For the top ten investment initiatives identified in 2(c) above, briefly summarize these analysis efforts and the revisions made to your Nuclear Regulatory Commission mission-related processes and administrative processes that are to be supported by these top ten IT investments.

Acquiring IT Incrementally (Modular Contracting)

5. What progress has Nuclear Regulatory Commission made, and what obstacles still remain, in implementing modular contracting,

in accordance with CCA section 5202?

(a) What criteria does Nuclear Regulatory Commission use for determining whether a modular contracting approach is appropriate or not?

(b) Since CCA's enactment, what percentage of Nuclear Regulatory Commission major IT systems investments have used modular contracting? Also, please indicate which systems and the dollar value of the contracts.

Contracting for IT

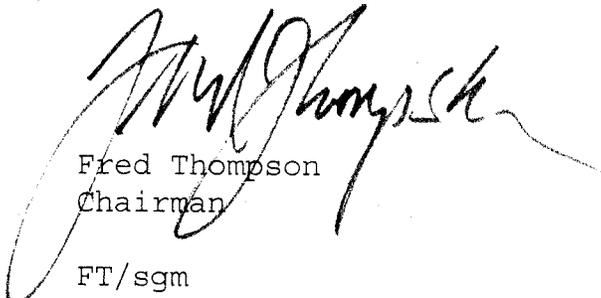
6. Approximately how much did Nuclear Regulatory Commission obligate through contract actions for IT products or services during each of the following fiscal years: 1997, 1998, and 1999?

- For each of the three fiscal years, what percentage of the total dollars were obligated by (1) issuing orders under existing indefinite delivery, indefinite quantity (IDIQ) contracts (such as government-wide contracts (GWACs), federal supply schedule contracts, etc.) and (2) awarding new contracts or issuing modifications to those contracts?

Because of upcoming oversight hearings planned by the Committee in this area, it is critical that the Committee receive your response by May 18, 2000. After receiving your response, our staff may want to meet with your representatives to discuss the information provided. If you or your staff would like to discuss this request further, please contact Ellen B. Brown or Susan Marshall of the majority staff at (202) 224-4751 or Debbie Lehrich of the minority staff at (202) 224-2627.

Thank you in advance for your attention to this issue.

Sincerely,



Fred Thompson
Chairman

FT/sgm



Joseph I. Lieberman
Ranking Minority Member