

**Response to Request for Information
House Oversight and Government Reform Committee
Subcommittee on Information Technology
Subcommittee on Government Operations
Letter Dated May 22, 2020**

1. Has your agency established a working capital fund as authorized by the *Modernizing Government Technology Act*?

No, the U.S. Nuclear Regulatory Commission (NRC) has not established a working capital fund as authorized by the *Modernizing Government Technology Act (MGT Act)*. Neither the Energy and Water Development and Related Agencies Appropriations Act, 2020, nor other statute, provides the NRC with authority to transfer funds into an information technology (IT) system modernization and working capital fund.

a. If so, please describe the implementation of the fund, including how funding decisions are made and the role of the Chief Information Officer.

Not applicable

b. If not, does your agency plan to establish a working capital fund in fiscal year 2020 or fiscal year 2021? Please explain your agency's plans, including the role of the Chief Information Officer.

Based on the Chief Information Officer's (CIO) determination after consulting with the Chief Financial Officer, the NRC does not plan to establish a working capital fund in fiscal year 2020 or fiscal year 2021.

2. Has your agency taken other steps to meet the intent of the *MGT Act*? If so, please describe those steps.

The NRC's appropriation structure, budgetary resource levels, and reprogramming authority enable the agency to meet the intent of the *MGT Act* without a revolving fund to accomplish IT modernization, provided that the agency continues to have sufficient budgetary resources and reprogramming authority within its appropriation language.

To fully analyze such a request, the NRC considered the efficacy of establishing such a fund should authority be allocated at a later date. It was concluded that the increased cost of the labor and changes to the agency's financial management systems needed to implement, manage, and report the use of this fund would be prohibitive. Therefore, establishing a working capital fund would not deliver tangible benefits or return on investment commensurate with costs. Moreover, the NRC leverages its single no-year salaries and expense appropriation to make funds available, as needed, to apply IT more effectively and lower costs.

In addition, the NRC has implemented IT portfolio management and governance processes to evaluate regularly the funding priorities for all IT investments across the agency and to optimize spending and reallocate savings to support prioritized value-added IT modernization. These processes are described in the [NRC's Common Baseline Self-Assessment and Plan](#), developed in accordance with the *Federal Information Technology Acquisition Reform Act*. The NRC

follows these processes to plan and prioritize funding needs for all IT assets and services using the agency's appropriated funds for each fiscal year. The priorities inform both IT budget formulation and execution year IT spending decisions, including emerging technologies for IT modernization.

The NRC's CIO is accountable for these processes and all associated budgetary resources and is the decision-making authority for all IT investments.

3. Are there any obstacles to your agency's implementation of the *MGT Act*? If so, please describe those obstacles.

Neither the Energy and Water Development and Related Agencies Appropriations Act, 2020, nor any other statute, provides the NRC with authority to transfer funds into an IT system modernization and working capital fund. The lack of such authority is a legal impediment to utilizing a working capital fund.

4. If your agency does not have sufficient authority to transfer funds into this working capital fund, what steps have been taken to obtain the needed authority?

The NRC does not plan to establish a working capital fund.