

APPENDIX K—SELECTED OMB GUIDANCE AND OTHER REFERENCES REGARDING CAPITAL ASSETS

EXECUTIVE ORDERS

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

OMB CIRCULARS AND MEMORANDA

OMB Circular No. A-11, *Preparation, Submission, and Execution of the Budget*:

[Part 2: Preparation and Submission of Budget Estimates](#)

- Section [31.6](#), Full funding, requires that the agency request include full funding for procurement and construction. See [the instructions for Planning, Budgeting, Acquisition and Management of Non-IT Capital Assets](#) for more discussion of this policy. A link to the instructions can be found in Section 25.5 Table 1.
- Section [33.7](#), Systems acquisitions, states that agencies should develop their estimates of major systems acquisitions, including information technology systems, consistent with guidance in the [Capital Programming Guide](#), the requirements of [Title V of the Federal Acquisition Streamlining Act of 1994 \(FASA\)](#), and the [Clinger-Cohen Act of 1996](#).
- Section [51.18](#), Budgeting for capital assets, requires agencies to submit data on information technology (IT) investments and non-IT capital assets. Links to the instructions for the planning, budgeting, acquisition, and management of capital assets can be found in Section 25.5 Table 1. Links are included there regarding two required submissions regarding IT investments, a summary of IT investment spending, and justifications for major IT investments.
- Section [52](#), Information on financial management, requires agencies to submit data on financial management plans, systems and resources.
- Section [84](#), Character classification, requires information on different kinds of investment and grants to state and local governments.

[Capital Programming Guide](#) (June 2011). The *Guide* is a policy Supplement to this Circular.

[OMB Circular No. A-94](#), *Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs* (October 1992), publishes periodic revisions of the discount rate that are used to produce benefit-cost, cost-effectiveness, and lease-purchase analyses in evaluating Federal activities including capital asset acquisition. The circular includes guidelines on how to use the discount rate in calculating present value of future benefits and costs; measuring benefits and costs; and treating uncertainty and other issues. This guidance must be followed in all analyses you submit to OMB in support of legislative and budget programs.

[OMB Circular No. A-127](#), *Financial Management Systems* (revised January 09, 2009), prescribes policies and standards for you to follow in developing, operating, evaluating, and reporting on core financial systems.

OMB Circular No. A-130, *Management of Federal Information Resources* (revised November 20, 2000), provides principles for internal management and planning practices of information systems and technology.

OMB Memorandum M-00-10, *OMB Procedures and Guidance on Implementing the Government Paperwork Elimination Act* (April 25, 2000). This memorandum provides guidance implementing on the Government Paperwork Elimination Act (GPEA), which requires agencies, by October 21, 2003, to provide for the (1) option of electronic maintenance, submission, or disclosure of information, when practicable as a substitute for paper; and (2) use and acceptance of electronic signatures, when practicable.

OMB Memorandum M-00-13, *Privacy Policies and Data Collection on Federal Websites* (June 22, 2000). This memorandum reminds agencies that they are required by law and policy to establish clear privacy policies for its web activities and to comply with those policies.

OMB Memorandum M-11-12, *2011 Discount Rates for OMB Circular No. A-94* (February 3, 2011). This memorandum provides the annual update of discount rates in Appendix C of OMB Circular A-94. These rates will be in effect for the calendar year 2011.

PUBLICATIONS

American National Standard Institute, *Earned Value Management Systems*, ANSI/EIA-748-1998, (approved May 19, 1998). Electronic Industries Alliance. Arlington, VA 22201.

Best Practices Committee, Federal Chief Information Officers Council, three separate documents:

1) **Smart Practices in Capital Planning** (October 2000); 2) **First Practices in Portfolio Management** (February 2002); and 3) **ROI and the Value Puzzle** (April 1999) (see www.cio.gov).

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

Congressional Budget Office paper on **Capital Budgeting**, <http://www.cbo.gov/doc.cfm?index=9167> (May 2008).

President's Commission to Study Capital Budgeting, **Report of the President's Commission to Study Capital Budgeting**, <http://clinton3.nara.gov/pcscb/report.html>. (February 1999).

U.S. Office of Management and Budget, Federal Investment Spending and Capital Budgeting, Chapter 7 of the *Analytical Perspectives* volume of the Fiscal Year 2004 President's Budget, <http://www.gpoaccess.gov/usbudget/fy04/pdf/spec.pdf>. (February 2003).

GAO Cost Estimating and Assessment Guide [GAO-09-3SP](http://www.gao.gov/IG/IG09-3SP) (March 2009).