DEPARTMENT OF DEFENSE
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WASHINGTON, DC 20301-6000

CHIEF INFORMATION OFFICER

November 12, 2004

MEMORANDUM FOR CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTORS OF THE DEFENSE AGENCIES
NATIONAL SECURITY AGENCY
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CHIEF INFORMATION OFFICERS

SUBJECT: Clinger-Cohen Act Compliance Certification of Major Automated Information Systems for Fiscal Year (FY) 2005

Section 8083(c) of the Department of Defense (DoD) Appropriations Act, 2005 (Public Law 108-287) (Attachment 1) re-enacted a provision that appeared in the FY 2004 Act (Section 8084(c)). It requires the DoD Chief Information Officer (CIO) to certify, at each acquisition milestone, that Major Automated Information Systems (MAIS) are being developed in accordance with Subtitle III of Title 40 of the United States Code (formerly the Clinger-Cohen Act (CCA) of 1996). This memorandum provides guidance for meeting this requirement for programs that are seeking milestone approvals in FY 2005.

A certification by the DoD Component CIO must be submitted to the DoD CIO prior to each milestone decision for a MAIS. The DoD CIO must then certify before Milestone A, B, or full rate production approval. These certification requirements are further described in DoDI 5000.2, E4. Enclosure 4, IT Considerations (Attachment 2).

Each DoD Component CIO certification must be accompanied by a report that shall include, at a minimum, the funding baseline (prior year, FY 2005-2008 including Operations and Maintenance, Procurement, Research Development Test and Evaluation), and milestone schedule (denoting milestones and the dates for milestones already attained, and for future milestones) for each MAIS. The information should clearly describe, in a few summary paragraphs, the efforts that have been undertaken to accomplish each of the following:

(A) Business Process Reengineering
(B) An Analysis of Alternatives
(C) An Economic Analysis that includes a calculation of the return on investment
(D) Performance Measures
(E) An Information Assurance Strategy consistent with the Department's Global Information Grid.

If a certification and report has been previously submitted for the program and if there has been no change regarding a particular issue (A-E above), then the response for that issue should simply state that there has been no change from the previous submission.

My Action Officer for this memorandum is Mr. Willie Moss, (703) 602-0980, ext. 105 or willie.moss@osd.mil

Priscilla E. Guthrie
Deputy Assistant Secretary of Defense
(Deputy CIO)

Attachments
As Stated

cc:
Acting Deputy,
C3ISR & IT Acquisition

Public Law 108-287

SECTION 8083(c)

NATIONAL DEFENSE APPROPRIATIONS ACT FOR FISCAL YEAR 2005

(c) CERTIFICATIONS AS TO COMPLIANCE WITH CLINGER-COHEN ACT. -

(1) During the current fiscal year 2005, a major automated information system may not receive Milestone A approval, Milestone B approval, or full rate production approval, or their equivalent, within the Department of Defense until the Chief Information Officer certifies, with respect to that milestone, that the system is being developed in accordance with Clinger-Cohen Act of 1996 (40 U.S.C. 1401 et seq.). The Chief Information Officer may require additional certifications, as appropriate, with respect to any such system.

(2) The Chief Information Officer shall provide the congressional defense committees timely notification of certifications under paragraph (1). Each such notification shall include, at a minimum, the funding baseline and milestone schedule for each system covered by such a certification and confirmation that the following steps have been taken with respect to the system:

- (A) Business process reengineering.
- (B) An analysis of alternatives.
- (C) An economic analysis that includes a calculation of the return on investment.
- (D) Performance measures.
- (E) An information assurance strategy consistent with the Department's Global Information Grid.

(d) DEFINITIONS. - For purpose of this section:

(1) The term "Chief Information Officer" means the senior official of the Department of Defense designated by the Secretary of Defense pursuant to section 3506 of title 44, United States Code.

(2) The term "information Technology system' has the meaning given the term "information technology" in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

E4. ENCLOSURE 4
IT CONSIDERATIONS

E4.1. Mission-Critical/Mission-Essential Information System

E4.1.1. Mission-Critical Information System. A system that meets the definitions of "information system" and "national security system" in the CCA (reference (l)), the loss of which would cause the stoppage of warfighter operations or direct mission support of warfighter operations. (Note: The designation of mission critical shall be made by a Component Head, a Combatant Commander, or their designee. A financial management IT system shall be considered a mission-critical IT system as defined by the USD(C).) A "Mission-Critical Information Technology System" has the same meaning as a "Mission-Critical Information System."

E4.1.2. Mission-Essential Information System. A system that meets the definition of "information system" in reference (l), that the acquiring Component Head or designee determines is basic and necessary for the accomplishment of the organizational mission. (Note: The designation of mission essential shall be made by a Component Head, a Combatant Commander, or their designee. A financial management IT system shall be considered a mission-essential IT system as defined by the USD(C).) A "Mission-Essential Information Technology System" has the same meaning as a "Mission-Essential Information System."

E4.2. IT System Procedures

E4.2.1. The MDA shall not approve program initiation or entry into any phase that requires milestone approval for an acquisition program (at any level) for a mission-critical or mission-essential IT system until the DoD Component CIO confirms or certifies (for MAIS only) that the system is being developed in accordance with reference (l). At a minimum, the DoD Component CIO's confirmation or certification shall include a written description of the three materiel questions of section 3.6.4 and the considerations in Table E4.T1.

E4.2.2. PMs shall prepare a table such as the one illustrated at Table E4.T1. to indicate which acquisition documents correspond to the CCA requirements. DoD Component CIOs shall use the acquisition documents identified in the table to assess CCA compliance. The requirements for submission of written confirmation or certification (for MAIS only) shall be satisfied by the DoD Component CIO's concurrence with the PM's CCA Compliance Table. Issues related to compliance shall be resolved via the IPT process. The cognizant PSA shall coordinate on the CCA Compliance Table. No Milestone A, B, or Full-Rate Production decision (or their equivalent) shall be granted for a MAIS until the DoD CIO certifies that the MAIS program is being developed in accordance with the CCA.

E4.2.3. For MDAP and MAIS programs, the DoD Component CIO's confirmation (for MDAP) and certification (for MAIS) shall be provided to both the DoD CIO and the MDA.

E4.2.4. The DoD Components shall not award a contract for the acquisition of a mission-critical or mission-essential IT system, at any level, until the following have been accomplished:

E4.2.4.1. The DoD Component registers the system with the DoD CIO;

E4.2.4.2. The DoD CIO determines the system has an appropriate information assurance strategy; and

E4.2.4.3. The DoD Component CIO confirms that the system is being developed in accordance with the CCA by complying with paragraph E4.2.1 (above).

E4.2.5. The requirement to confirm or, for MAIS only, to certify CCA compliance applies to milestone decisions for each increment of an evolutionary acquisition. The requirements of

the CCA apply to all IT (including NSS) acquisitions, but subparagraph E4.2.4, above, applies only to mission-critical and mission-essential IT systems.

E4.2.6. At Milestone C, for MAIS, the MDA shall approve, in coordination with DOT&E, the quantity and location of sites for a limited deployment for IOT&E.

E4.2.7. When the use of commercial IT is considered viable, maximum leverage of and coordination with the DoD Enterprise Software Initiative shall be made.

E4.2.8. For financial management MAIS acquisition programs, the MDA shall not grant any milestone or full-rate production approval, or their equivalent, until the USD(C) certifies that the system is being developed and managed in accordance with the DoD Financial Management Enterprise Architecture (reference (t) and Sec.1004 of Pub.L. 107-314 (reference (ax))).

E4.2.9. An amount in excess of $1,000,000 may be obligated for defense financial system improvement (i.e., a new, or modification of, a budgetary, accounting, finance, enterprise resource planning, or mixed (financial and non-financial) information system) only if the USD(C) determines and certifies that the system is being developed or modified, and acquired and managed in a manner that is consistent with both the DoD Financial Management Enterprise Architecture and the DoD Financial Management Enterprise Architecture Transition Plan. The USD(C) shall provide such certification to the MDA before any milestone or full-rate production approval, or their equivalent, is made by the MDA.

Table E4.T1. CCA Compliance Table

Requirements Related to the Clinger-Cohen Act (CCA) of 1996 (reference (l))	Applicable Program Documentation **
*** Make a determination that the acquisition supports core, priority functions of the Department	ICD Approval
*** Establish outcome-based performance measures linked to strategic goals	ICD, CDD, CPD and APB approval
*** Redesign the processes that the system supports to reduce costs, improve effectiveness and maximize the use of COTS technology	Approval of the ICD, Concept of Operations, AoA, CDD, and CPD
* No Private Sector or Government source can better support the function	Acquisition Strategy page XX, para XX AoA page XX
* An analysis of alternatives has been conducted	AoA
* An economic analysis has been conducted that includes a calculation of the return on investment; or for non-AIS programs, a Life-Cycle Cost Estimate (LCCE) has been conducted	Program LCCE Program Economic Analysis for MAIS
There are clearly established measures and accountability for program progress	Acquisition Strategy page XX APB
The acquisition is consistent with the Global Information Grid policies and architecture, to include relevant standards	APB (Interoperability KPP) C4ISP (Information Exchange Requirements)
The program has an information assurance strategy that is consistent with DoD policies, standards and architectures, to include relevant standards	Information Assurance Strategy
To the maximum extent practicable, (1) modular contracting has been used, and (2) the program is being implemented in phased, successive increments, each of which meets part of the mission need and delivers measurable benefit, independent of future increments	Acquisition Strategy page XX
The system being acquired is registered	Registration Database

* For weapons systems and command and control systems, these requirements apply to the extent practicable (40 U.S.C. 1451, reference (ay))

** The system documents/information cited are examples of the most likely but not the only references for the required information. If other references are more appropriate, they may be used in addition to or instead of those cited.

***These requirements are presumed to be satisfied for Weapons Systems with embedded IT and for Command and Control Systems that are not themselves IT systems