



United States
Department of
Agriculture

DECISION MEMORANDUM FOR THE DEPUTY SECRETARY

Office of the Chief
Information Officer

FROM: Scott Charbo
Chief Information Officer

FEB - 3 2004

1400 Independence
Avenue SW

SUBJECT: Funding Mechanism for USDA's Enterprise Authentication Initiative

Washington, DC
20250

ISSUE:

The Department of Agriculture (USDA) established an electronic authentication (eAuthentication) service in October 2003 to provide an enterprise mechanism for authenticating the identity of users that engage in electronic transactions with USDA. This service is one of the eGovernment Smart Choices that was approved by the E-Board at the April 1, 2003 and September 11, 2003 Board meetings for enterprise implementation. It is also a key component of the government-wide service being developed by the General Services Administration (GSA) under the President's Management Agenda. USDA needs to put a standardized mechanism in place for funding the ongoing management and maintenance of this service.

DISCUSSION:

The mechanism used to acquire funds from USDA's agencies to support the analysis, development, and implementation of this service in FY 2003 was based on voluntary contributions that were calculated through an assessment algorithm. This process was labor-intensive and time consuming, and did not provide timely access to the funds needed to establish the service or provide the agency-level integration services needed to support agency-specific online service offerings. The funding requirements for FY 2004 and subsequent years were presented to agency leaders in the 1st quarter of this fiscal year. Commitment to provide the funding required for FY 2004 could not be obtained. Agencies agreed to provide approximately 20% of the \$5 million needed to manage and operate the service. Collection of that amount was painstakingly slow. In the interim, the Office of the Chief Information Officer (OCIO) has had to allocate its scarce resources to keep the service operational, which currently supports 46 separate agency applications with an additional 39 identified for integration in this quarter. These applications are primarily electronic services provided to USDA customers consistent with the requirements of the Government Paperwork Elimination Act. Citizens, businesses, and employees are currently accessing the service at the average rate of 450,000 times per month.

The Office of Management and Budget (OMB) requested USDA to make the service available government-wide as part of the President's eAuthentication Initiative. USDA is currently working with GSA to pilot test integration of our service with those of other organizations so that citizens and businesses will be able to access the services of the Federal government with a single electronic credential, eliminating the need for these entities to obtain separate credentials from each Federal agency they interact with.

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External users of the USDA service will be required to finance the costs of providing the expanded service.

A consistent funding stream is needed to support this enterprise service that is now in full production. Estimated costs for FY 2004 are approximately \$5 million.

PROPOSAL:

We propose to incorporate the operations and management costs into the 'Greenbook' procedure, where the funding is available up front through accounts that agencies replenish throughout the year. Funding will be made available to OCIO early in the fiscal year, permitting USDA to negotiate better contracted support prices as the result of reduced risk for the contracted entities. Risks will be reduced because we will execute annual support agreements rather than the current week-to-week or month-to-month mechanism we are now forced to employ.

Your approval will mean that these costs will be added to the FY 2004 Greenbook charges assessed agencies for support of this enterprise service. An agency-by-agency breakdown is attached for your review. Further, annual costs will be reflected in FY 2005 and subsequent year Greenbook assessments.

Should this new approach not be selected, we will be forced to continue with last year's process and the delays and risks it presents to providing a consistent and quality service.

RECOMMENDATION:

We recommend that the 'Greenbook' option be selected, and that each agency's contribution for USDA eAuthentication Service be clearly stated and assessed at the beginning of each fiscal year. USDA will continue to use the cost distribution algorithm that the E-Board approved for the President's eGovernment Initiatives in FY 2003 and FY 2004.

DECISION BY THE DEPUTY SECRETARY:

Approve: _____

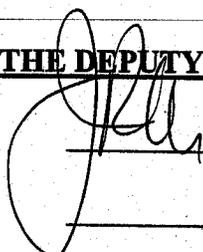
Disapprove: _____

Discuss with me: _____

Date: _____

Reviewed by: _____

Attachment



2/27/04

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cc: Stephen Dewhurst, Office of Budget and Program Analysis
Patricia Healey, Acting Chief Financial Officer

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Attachment: USDA eGovernment Authentication Initiative
 FY 04 Contribution

Contribution Percentage
 FFAs 50.00 Blend
 Total FY 2004 Amount Previously
 Contribution Paid Remaining
 Assessment

	Contribution Percentage	Total FY 2004 Amount Previously	Contribution Paid	Remaining Assessment
Total Amount¹		\$5,031,667	\$974,291	\$4,057,376
Farm and Foreign Agricultural Services (FFAS)				
Farm Service Agency (FSA)	13.33%	\$484,062	\$502,939	(\$18,877)
Foreign Agricultural Service (FAS)	2.21%	\$78,414	\$837	\$77,577
Risk Management Agency (RMA)	1.40%	\$49,506		\$49,506
FFAS Total	16.93%	\$611,982		
Food, Nutrition and Consumer Services (FNCS)				
	1.86%	\$88,364	\$10,899	\$77,465
Food Safety (FS)				
	9.99%	\$348,938		\$348,938
Marketing and Regulatory Programs (MRP)				
Agricultural Marketing Service (AMS)	0.02%	\$91,835		\$91,835
Animal and Plant Health Inspection Service (APHIS)	2.11%	\$220,497	\$16,744	\$203,753
Grain Inspection, Packers and Stockyards Administration (GIPSA)	0.00%	\$20,069	\$11,294	\$8,775
MRP Total	2.14%	\$332,401		
Natural Resources and Environment (NRE)				
Forest Service (FS)	23.05%	\$1,502,076	\$33,873	\$1,468,203
Natural Resources Conservation Service (NRCS)	3.31%	\$380,166	\$37,612	\$342,554
NRE Total	26.36%	\$1,882,242		
Research, Education and Economics (REE)				
Agricultural Research Service (ARS)	2.32%	\$259,390		\$259,390
Cooperative State Research, Education, and Extension Service	1.10%	\$39,142	\$21,806	\$17,336
Economic Research Service (ERS)	0.41%	\$24,208	\$4,179	\$20,029
National Agricultural Statistics Service (NASS)	4.14%	\$133,732	\$25,240	\$108,492
REE Total	7.97%	\$456,472		
Rural Development (RD)				
Rural Business-Cooperative Service (RBS)	1.55%	\$46,990	\$7,047	\$39,943
Rural Housing Service (RHS)	1.55%	\$196,590	\$299,854	(\$97,264)
Rural Utilities Service (RUS)	1.55%	\$7,633	\$7,967	\$49,666
RD Total	4.66%	\$301,212		

Departmental Administration & Staff Offices

DA	0.45%	3.75%	2.10%	\$105,648	\$105,648
NAD	0.14%	0.18%	0.16%	\$8,069	\$8,069
OBPA	0.07%	0.00%	0.03%	\$1,735	\$1,735
OC	0.13%	0.00%	0.06%	\$3,185	\$3,185
OCE	0.06%	0.11%	0.09%	\$4,444	\$4,444
OCFO	1.21%	3.26%	2.23%	\$112,412	\$112,412
OCIO	0.28%	1.47%	0.88%	\$44,119	\$44,119
OCR	0.16%	0.02%	0.09%	\$4,514	\$4,514
OGC	0.39%	0.05%	0.22%	\$10,971	\$10,971
ORG	0.78%	0.00%	0.39%	\$19,500	\$19,500
OSFC	0.08%	0.00%	0.04%	\$2,123	\$2,123
SCMI	0.01%	27.55%	13.78%	\$693,333	\$693,333
DA & Staff Offices Total	3.75%	36.40%	20.07%	\$1,010,054	\$1,010,054