



MEMORANDUM FOR RECORD

TO: Chief Information Officer  
Operating Division of the Department of Health and Human Services

FROM: Beth Anne Killoran  
Deputy Assistant Secretary for Information Technology and  
Chief Information Officer  
Office of the Chief Information Officer  
Office of the Assistant Secretary for Administration

CC: Christine Major  
Assistant Secretary for Administration (Acting)

SUBJECT: Operating Division Chief Information Officer (CIO)  
Delegation of Authority

1. References. Federal Information Technology Acquisition Reform Act (FITARA) [Pub. L. No. 113-291, § 831 of Div. A, Title I, Subtitle D (Dec. 19, 2014)] and Office of Management and Budget (OMB) Memorandum M-15-14.
2. Purpose. The purpose of this document is to identify and record the delegation of authority from the Department of Health and Human Services (HHS) Chief Information Officer (HHS CIO) to the Operating Division Chief Information Officer (OpDiv CIO) to review and approve information technology budgets, investments, acquisition strategies, or other agreements where approval authority is vested in the HHS CIO or, alternatively, where approval authority is vested pursuant to a governance process in which the HHS CIO is a “full participant” under FITARA. Specifically, FITARA provides for the following approval authorities:

HHS may not enter into a contract or other agreement for information technology or information technology services, unless the contract or other agreement has been reviewed and approved by the HHS Chief Information Officer.

HHS may not request the reprogramming of any funds made available for information technology programs, unless the request has been reviewed and approved by the HHS Chief Information Officer; and

HHS may use the governance processes of HHS to approve such a contract or other agreement if the HHS Chief Information Officer is included as a full participant in the governance processes.

3. Delegated Authority

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- a. By the authorities granted in Section 831 of FITARA, I, Beth Anne Killoran, the Department of Health and Human Services CIO, grant the following authority to:

Chief Information Officer  
Operating Division of the Department of Health and Human Services

1. The OpDiv CIO is authorized to approve the Operating Division IT budget, acquisitions through acquisition strategy approval, and investments of less than \$20 million annually or \$100 million over five years.
2. The OpDiv CIO is authorized to approve the Operating Division IT budget request to the Department.
3. The OpDiv CIO is authorized to conduct IT Portfolio Reviews for Operating Division IT budget.

4. Limitations

a. HHS CIO

1. The HHS CIO retains the authority over the HHS IT portfolio, which includes all Operating Divisions' IT portfolios.
2. The HHS CIO may revoke this delegation of authority with cause.
3. The HHS CIO will provide mid-year and annual performance input to the Operating Division head regarding the OpDiv CIO's performance.
4. The HHS CIO shall play a role in the following staffing activities when an Operating Division hires an individual with the title and/or function of a Chief Information Officer:
  - i. Participate as a subject matter expert in reviewing candidates,
  - ii. Participate in the interview process, and
  - iii. Participate in the selection process.

b. OpDiv CIO

1. Governance

- i. The OpDiv CIO must ensure that all entrusted decision-makers for contracts and agreements adhere to approved Operating Division governance requirements and policies.
- ii. The OpDiv CIO shall maintain IT governance requirements and policies ensuring that IT is well managed through select, control, and evaluate processes. Changes to the Operating Division IT Governance Charter must be approved by the HHS CIO.
- iii. The Operating Division decision-maker for a particular contract or other agreement must notify the OpDiv CIO, prior to materially altering the underlying IT budget, acquisition strategy, and investment life cycle to ensure that the HHS CIO and OpDiv CIO meet the FITARA requirements to be a "full participant" in the governance process.

2. Personnel

- i. The Operating Division shall provide input to the annual CIO Work Plan, which is established by the HHS CIO.

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- ii. The supervisor of the OpDiv CIO shall notify the HHS CIO when there is a personnel change in the OpDiv CIO position.

c. Conditions

The OpDiv CIO will provide evidence that the OpDiv IT governance requirements and policies are functioning by June 30, 2017. The delegation of authority is contingent on meeting the following conditions:

1. Submit the OpDiv-approved FY18 and planned FY19 IT budget to the HHS CIO each year.
2. Provide evidence that the Information Technology Investment Review Board (ITIRB) is actively engaged in the review and approval or disapproval of OpDiv investments.
3. Provide evidence that the OpDiv CIO reviewed and approved acquisition strategies for OpDiv investments valued at less than \$20 million per year or less than \$100 million over five years.
4. Provide acquisition strategy information on 100 percent of OpDiv's new IT investments to the HHS CIO and 50 percent of OpDiv's existing IT investments valued at more than \$20 million per year or \$100 million over five years (a.k.a. "mega-majors") so that HHS OCIO can review.
5. For all major OpDiv IT investments, identify a FAC-P/PM Senior certified Project Manager (PM). If there is no designated FAC-P/PM Senior certified PM, develop a Corrective Action Plan that will outline how this requirement will be met.
6. Identify and update the OpDiv list of employees who perform the duties of a CIO within the organization, but do not have the title of CIO in their position description.
7. Demonstrate that OpDiv is following the HHS Data Center Optimization Initiative (DCOI) Strategic Plan to consolidate inefficient data center infrastructure, optimize existing facilities, improve security posture, achieve cost savings, and transition to more efficient infrastructure, such as cloud services and inter-agency shared services.

5. Effective Date

- a. This delegation is effective immediately.

6. Effect on Existing Delegations

- a. This delegated authority supersedes the prior delegation of authority.
- b. I hereby affirm and ratify any actions taken by the OpDiv CIO, or his or her subordinates, which involve the exercise of the authorities delegated here in prior to the effective date of this delegation.

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Approved

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Beth Anne Killoran  
Deputy Assistant Secretary for Information Technology and  
Chief Information Officer