

CFR 160.202, "contrary" means that it would be impossible for a covered entity to comply with both the State and Federal requirements, or that the State law is an obstacle to accomplishing the full purposes and objectives of the Administration Simplification provisions of HIPAA.

The regulations also provide that a request to except a provision of State law from preemption under 45 CFR 160.203(a) must be submitted to the Secretary in writing. If the request is from a State, it must be submitted through its chief elected official, or his or her designee. The request must: (1) Identify the provision of State law for which the exception is requested; (2) identify the particular standard, requirement, or implementation specification for which the exception is requested; (3) specify the part of the standard or other provision that will not be implemented if the exception determination is made or the additional data to be collected based on the exception, as appropriate; (4) state how the exception determination would affect health care providers, health plans and other entities; and (5) the reasons why the State law should not be preempted, including how the contrary State law meets one or more of the specific criteria in 45 CFR 160.203(a). The Secretary may also request additional information that may be necessary for him to make the exception determination. See 45 CFR 160.204.

This notice establishes that, for the purposes of 45 CFR 160.204, exception determination requests should be addressed to the Director, Office for Civil Rights, Department of Health and Human Services, Mail Stop Room 506F, Hubert H. Humphrey Building, 200 Independence Avenue, SW., Washington, DC 20201.<sup>2</sup> To expedite handling, the envelope should also state: "ATTN: Exception Determination Request."

The Federal standard, requirement, or implementation specification remains in effect until an exception determination is made. When such determinations are made, we will promptly inform the public through publication of notice in the **Federal Register** and on the Department's websites, including the OCR Web site at [www.hhs.gov/ocr/hipaa/](http://www.hhs.gov/ocr/hipaa/).

<sup>2</sup>This notice identifies the address where all exception determinations should be submitted. The Secretary delegated to the Director of the Office for Civil Rights (OCR) the authority to make exception determinations as they may relate to the Privacy Rule. See 65 FR 82381. The Secretary, or his designee, shall make exception determinations with respect to requests concerning the other Administrative Simplification Rules.

The OCR Web site and the Web site for the Centers for Medicare and Medicaid Services, <http://www.cms.hhs.gov/hipaa/>, may also be consulted for more information about the Administrative Simplification provisions (including the Privacy Rule). In addition, answers to frequently asked questions about preemption and exception determinations will be available on the OCR website soon.

**FOR FURTHER INFORMATION CONTACT:** Susan McAndrew, Office for Civil Rights, Department of Health and Human Services, Mail Stop Room 506F, Hubert H. Humphrey Building, 200 Independence Avenue, SW., Washington, DC 20201. Telephone number: (202) 205-8725.

Dated: January 29, 2003.

**Richard M. Campanelli,**  
Director, Office for Civil Rights.

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## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Office of the Secretary

#### Office of Budget, Technology and Finance; Statement of Organization, Functions, and Delegations of Authority

Part A, Office of the Secretary, Statement of Organization, Functions and Delegations of Authority for the Department of Health and Human Services (HHS) is being amended as follows: Chapter AM, Office of Budget, Technology and Finance, as last amended at 66 FR 55666-55678, dated October 26, 2001. This reorganization will help streamline Office functions and better support the Office's ability to meet the goals of the President's Management Agenda.

The changes are as follows:

1. Under Part A, "Office of the Secretary," delete Chapter AM in its entirety and replace with the following:

#### A. Chapter (AM) Office of Budget, Technology and Finance

*Section AM.00 Mission.* The mission of the Office of Budget, Technology and Finance (OBTF) is to provide advice and guidance to the Secretary on budget, financial management, and information technology, and to provide for the direction and coordination of these activities throughout the Department.

*Section AM.10 Organization:* The Office of Budget, Technology, and Finance is headed by the Assistant Secretary for Budget, Technology and Finance (ASBTF). The Assistant

Secretary for Budget, Technology, and Finance is the Departmental Chief Financial Officer (CFO), and reports to the Secretary. The office consists of the following components:

- Immediate Office of the ASBTF (AM)
- Office of Budget (AML)
- Office of Information Resources Management (AMM)
- Office of Finance (AMS)

#### Section AM.20. Functions

1. *Immediate Office of the Assistant Secretary for Budget, Technology, and Finance/Chief Financial Officer (AM).* Provides executive direction to OBTF components. The ASBTF is the principal adviser to the Secretary on all aspects of budgetary and financial management and information technology. By delegation from the Secretary, the ASBTF/CFO exercises full Department-wide authority of the Secretary in the assigned areas of responsibility to include all responsibilities provided by the Chief Financial Officers Act of 1990. This includes the approval of the job descriptions and skill requirements, and the selection of OPDIV CFOs as well as participation with the OPDIV Head in the annual performance plan/evaluation of the OPDIV CFO. In addition, the ASBTF/CFO provides Department-wide policy guidance on the qualifications, recruitment, performance, training, and retention of all financial management personnel. The ASBTF manages the Chief Information Officer (CIO) and the CIO's fulfillment of all functional responsibilities included in the Clinger-Cohen Act.

2. *Office of Budget (AML).* The Office of Budget is headed by a Deputy Assistant Secretary for Budget. The Office: (1) Advises and supports the Secretary and the Assistant Secretary for Budget, Technology and Finance/CFO and oversees the preparation of the Departmental budget estimates and forecasts resources required to support programs and activities of the Department; (2) analyzes budgetary and financial management implications of new or proposed legislation, programs or activities; (3) appraises program activities and operations in terms of policies, goals and objectives of the Department; (4) operates HHS' integrated funding system; (5) recommends and administers policies and procedures for allocation and control of employment ceilings; (6) develops and executes Department-wide procedures relating to implementation and management of the Government Performance and Results Act (GPRA); (7) responsible for the Office of the

Secretary activities under the Paperwork Reduction Act; (8) with particular reference to the Office of the Secretary (OS), works closely with the Office of the Assistant Secretary for Administration and Management (OASAM) in coordinating and consolidating the OS budget; (9) works closely with OASAM in OS budget operations, the development of budget policy and management of positions and financial resources for the OS; and (10) reviews proposed recommendation on draft regulations and proposed legislation.

3. *Office of Information and Resources Management (AMM)*. The Deputy Assistant for Information Resources Management (DASIRM), who is also the HHS Chief Information Officer, heads the Office of Information Resources Management (OIRM). OIRM provides the Secretary and the Assistant Secretary for Budget, Technology, and Finance (ASBTF) with strategic planning, information resources management and technology policy, architecture, investment review, and Office of the Secretary (OS) computer operations management support. More specifically, OIRM, in collaboration with the HHS agencies and Staff Divisions; (1) develops and updates the Information Technology Five Year Strategic Plan; (2) develops and coordinates information resources management policies applicable across the Department and the Office of the Secretary, including the creation, handling, storage, dissemination, and disposition of information; (3) leads the development and implementation of an enterprise information infrastructure across the Department; (4) manages risks associated with major information systems and information technology; (5) evaluates major investments in information technology, and is responsible for their subsequent periodic review; (6) guides and oversees the development of information systems and communications networks; (7) leads e-government activities; and (8) provides data processing and communications equipment for the Office of the Secretary and participating HHS agencies, and implements, operates, and maintains standards office automation applications running on the OS network.

4. *Office of Finance (AMS)*. The Office of Finance is headed by the Deputy Assistant Secretary for Finance who is also the Deputy Chief Financial Officer. The Officer of Finance: (1) Advises and supports the Secretary and the Assistant Secretary for Budget, Technology, and Finance/CFO on all aspects of financial activities across the Department; (2) as

directed by the Secretary, oversees the design and implementation of a unified financial management system for the Department consisting of two major components: the Healthcare Integrated General Ledger Accounting System (HIGLAS) at the Centers for Medicare and Medicaid Services (CMS) and a system for the rest of the Department; (3) coordinates CFO activities and reports throughout HHS, including the preparation of audited financial statements and the preparation of the annual CFO report for submission to the OMB and Congress; (4) in coordination with other ASBTF components, participates in the clearance/approval process for program information systems that provide financial and/or program performance data which are used in financial statements; (5) provides advice to the ASBTF/CFO on approval of the job descriptions and skills requirements for OPDIV CFOs and on the approval of the selection of OPDIV CFOs; (6) provides advice to the ASBTF/CFO who participates with each OPDIV Head in the annual performance plan/evaluation of the OPDIV's CFO; (7) provides advice to the ASBTF/CFO on the qualifications, recruitment, performance, training and retention of all financial management personnel; (8) serves as the Departmental liaison with GAO, OMB, Treasury, and other Federal agencies on financial matters; (9) maintains Departmental finance and accounting standards; (10) resolves monetary findings involving management systems; (11) directs regional review of cost allocation activities; (12) ensures compliance with the Departmental reporting requirements of the Federal Managers Financial Integrity Act (FMFIA); (13) establishes Departmental policy in the management of Inspector General reports and audits; and (14) manages the day-to-day finance and accounting activities of the Office of the Secretary and other Departmental components as determined by the ASBTF/CFO.

#### **B. Chapter AML, Office of Budget**

*Section AML.00 Mission*. The Office of Budget provides advice and support to the Secretary and the Assistant Secretary for Budget, Technology, and Finance on matters pertaining to: Formulation of the HHS and President's budgets, management of program assessment and performance reporting, presentation of budgets and reconciliation legislation to OMB and the Congress, and resolution of issues arising from the execution of final appropriations.

*Section AML.10 Organization*. The Office of Budget is headed by the

Deputy Assistant Secretary for Budget who reports to the Assistant Secretary Budget, Technology, and Finance/Chief Financial Officer and includes the following:

- Division of Discretionary Programs (AML1)
- Division of Health Benefits and Income Support (AML3)
- Division of Budget Policy, Execution and Review (AML4)

#### *Section AML.20 Functions.*

##### *1. Division of Discretionary Programs.*

The Division:

a. Provides analytical services and assistance to the Secretary, the Assistant Secretary for Budget, Technology, and Finance, and Department OPDIV Heads in their budgetary management of the Department's principal discretionary programs, including science and health services programs administered by the Public Health Service components; and social service programs of the Administration for Children and Families and the Administration on Aging.

b. Reviews budgets and related requests for resources, and analyzes plans and proposals for new or alternative legislation.

c. Analyzes proposed regulations, reorganizations, or program initiatives to determine their policy, resource and budgetary implications.

d. Proposes recommendations on draft regulations, proposed legislation and reorganization proposals.

e. Proposes budget options and policy in initiatives as necessary to achieve program objectives established by the Secretary.

f. Assists in the development of strategies for the presentation of the budget to the Office of Management and Budget and the Congress, and develops materials for key Departmental officials who testify at hearings before these bodies.

g. provides guidance to OPDIV's in the formulation of their budgets.

h. Conducts special reviews and analyses to examine assigned OPDIV program operations and effectiveness.

i. Assists in the development of performance plans, reports, and program assessments under the Government Performance and Results Act.

j. Assists in the presentation of the Department's budget to the public by developing material for use of Departmental officials, and reviews press statements and other public documents for consistency with approved budgets and plans.

*2. Division of Health Benefits and Income Support*. The Division:

a. Provides analytical services and assistance to the Secretary, the Assistant Secretary for Budget, Technology, and Finance, and the Department OPDIV Heads in the budgetary management of the Department's principal entitlement programs including Medicare, Medicaid, Family Support Payments and other entitlements in support of children and families.

b. Reviews budget and related requests for resources; analyzes plans and proposals for new legislation, regulations, or program initiatives to determine their resource and policy implications; proposes recommendations for the Deputy Assistant Secretary for Budget on budget requests, draft regulations, proposed legislation, and reorganization proposals.

c. Assists the Secretary, the Assistant Secretary for Budget, Technology, and Finance and the OPDIV heads in evaluating programs and budgetary proposals by developing reliable cost projections for legislative and planning proposals, and ensuring that proposals are consistent with approval plans and policies.

d. Coordinates the preparation of budget estimates and forecasts of resources required to support the programs and operations of the Department.

e. Reviews reprogramming requests and recommend appropriate action to the Deputy Assistant Secretary for Budget.

f. Provides guidance in budget formulation for the appropriate OPDIV.

g. Conducts special reviews and analyses, and develops options to ensure efficient and effective program operations and to encourage improvements.

h. Proposes budget options and policy initiatives as necessary to achieve program objectives established by the Secretary.

i. Assists in the development of strategies for presentation of the budget to the Office of Management and Budget and the Congress and develops materials for key Department officials who testify at hearings before these bodies.

j. Assists in the development of performance plans, reports, and program assessments under the Governmental Performance and Results Act.

k. Manages the overall allocation of Health Care Fraud and Abuse Control (HCFAC) funds.

### 3. *Division of Budget Policy, Execution and Review.* The Division:

a. Directs the formulation and presentation of the HHS budget by

developing and promulgating to the OPDIVs and others the policies, procedures, guidance, and schedules for preparing budget submissions.

b. Coordinates the presentation of the Department's budget and performance plan to Congress, including preparation and submission of justifications, reports, significant items, and crosscutting materials; preparation of the Secretary's testimony before the Appropriations Committees; and coordination of transcripts, questions for the record, and other hearing materials.

c. Provides advice and analysis to support Department-wide budget decision-making.

d. Maintains active communication with Department budget officers with regard to budget events and activities with OMB, GAO, Congress and other parties.

e. Manages a computerized budget information system reflecting data on a HHS-wide basis and coordinates OPDIV input into the system.

f. Provides direct staff support to the Secretary in preparation for appropriation hearings and other budget related presentations and briefings.

g. Actively communicates with the Budget and Appropriations Committees in the Congress and provides intelligence and analyses of budget decisions to senior HHS staff and the Operating Divisions.

h. Coordinates preparation of guidelines governing reprogrammings, transfers between accounts, and other crosscutting funding methods; provides recommendations and staff support in managing and processing crosscutting funding proposals.

i. Analyzes and prepares reports on HHS performance in managing FTE levels and FTE policy, and provides advice on Department-wide staffing.

j. Provides leadership and direction in the Department-wide review, analysis and appraisal of financial elements of program execution and the development and execution of policies related to efficient allocation, expenditure and control of funds.

k. Coordinates and tracks outlay projections: (1) To assist OMB in the continuing effort to monitor spending and to thereby improve the management of the Government's overall cash and debt operations; and (2) in support of formulation of the budget, including the maintenance of HHS ceiling controls and the development of outlay estimates shown in the President's Budget for controllable programs.

l. Promulgates Departmental spending policies, especially in the event of Continuing Resolutions and possible suspension of operations due to the

failure of the Congress to enact appropriations on time, and works with agency budget officers and the Office of Budget in formulating agency funding plans.

m. Maintains a system of Department-wide budget execution, including the management and control of the apportionment of funds in accordance with the requirements of the Anti-Deficiency Act and OMB regulations; and request and monitors the receipt of Treasury warrants.

n. Serves as principal staff advisor to the ASBTF on all matters involving budget execution.

o. Acts as liaison on behalf of HHS with the Office of Management and Budget, the Treasury Department, the Congressional Budget Office, and other agencies on matters involving budget execution.

p. Responsible for the development and maintenance of a system of financial information which involves the collection, organization, and maintenance of financial data in electronic form as well as the development of reporting mechanisms for making the financial information useful and available for decision making.

q. Reviews and analyzes the budget of the Staff Divisions (STAFFDIVS) funded by the General Departmental Management (GDM), Office of Inspector General (OIG) and Office of Civil Rights (OCR) appropriations. Prepares special analyses of these budgets for use in decision-making, particularly for evaluating capacity and determining if alternative approaches are feasible. Monitors Congressional appropriations hearings in which the GDM STAFFDIVS, OIG and OCR are participants.

r. Works closely with OASAM in planning and formulating the GDM budget justification for presentation to the Secretary, Office of Management and Budget and the Congress.

s. Represents the Department in government-wide activities to implement the development and implementation of performance measures under GRPA and budget-related GPRA performance planning policies, requirements and processes. Manages program performance assessment activities.

t. Provides special management review services for selected activities.

u. Provides staff assistance to the Secretary, the Assistant Secretary for Budget, Technology and Finance, the Service and Supply Funds (SSF) Board of Directors, OPDIV Budget Officers and STAFFDIV Heads in the budgetary and

financial management of the Service and Supply Fund.

v. Provides for budget policy management and financial integrity of the SSF in the provision of Department common use administrative services.

w. Assists in the planning and preparation of the SSF budget for presentation to the SSF Board, the Office of Management and Budget, and Congress.

x. Prepares apportionment requests for the Service and Supply fund.

### C. Chapter AMMN, Office of Information Resources Management

*AMM.00 Mission.* The Office of Information Resources Management advises the Secretary and the Assistant Secretary for Budget, Technology and Finance on matters pertaining to the use of information and related technologies to accomplish Department goals and program objectives. The mission of the Office is to establish and provide: assistance and guidance on the use of technology-supported business process reengineering; investment analysis; performance measurement; strategic development and application of information systems and infrastructure; policies to provide improved management of information resources and technology; and better, more efficient service to our clients and employees.

The Office is responsible for: information resources management throughout the Department; representing the Department to central management agencies (e.g., the Office of Management and Budget); directing the Enterprise Architecture efforts and the enterprise solutions across the Department; developing and maintaining the Department's information technology architecture; developing and establishing Department information technology policies, and advocating rigorous methods for analyzing, selecting, developing, operating, and maintaining information systems.

The Office collaborates with the Operating Divisions (OPDIVs) and Staff Divisions (STAFFDIVs) of the Department to review and resolve policy and management issues, manage risk associated with major information systems, evaluate and approve investments in technology, monitor adherence to Departmental policy and architectural standards, and share best practices. The Office exercises authorities delegated by the Secretary to the Deputy Assistant Secretary for Information Resources Management, as the CIO for the Department. These authorities derive from the Information

Technology Management Reform Act of 1996, the Paperwork Reduction Act of 1995, the Computer Matching and Privacy Act of 1988, the Computer Security Act of 1987, the Government Information Security Reform Act (GISRA), the National Archives and Records Administration Act of 1984, the Competition in Contracting Act of 1984, the Federal Records Act of 1950, OMB Circulars A-130 and A-11, Government Printing and Binding Regulations issued by the Joint Committee on Printing, and Presidential Decision Directive 63.

*Section AMM.10 Organization.* The Office of Information Resources Management (OIRM) is supervised by the Deputy Assistant Secretary for Information Resources Management/HHS CIO, who reports to the Assistant Secretary for Budget, Technology and Finance. The CIO serves as the primary IT leader for the Department.

OIRM consists of the following:

- Immediate Office (AMM1)
- Office of IT Policy Development and Implementation (AMM2)
- Office of OS IT Development and Services (AMM3)
- Office of HHS Enterprise Operations (AMM4)
- Office of Information Security Development and Implementation (AMM5)

#### *Section AMM.20 Functions*

1. *Immediate Office of Information Resources Management*—This Office supports the DASIRM/CIO, and also provides leadership in OS IT issues, HHS IT architecture, use of technology in HHS and the HHS Web site. It performs the following functions:

a. Provides continuous development and implementation of effective strategic solutions for enabling the HHS mission. Provides advice and counsel to the Secretary and the Assistant Secretary for Budget, Technology and Finance.

b. Provides executive direction to align Departmental strategic planning for information resources and technology with the Department's strategic business planning.

c. Provides executive direction to develop and maintain Departmental information technology policy and architecture.

d. Promotes business process reengineering, investment analysis, and performance measurement throughout the Department, to capitalize on evolving information technology.

f. Represents the Department in Federal Government-wide initiatives to develop policy and implement an information infrastructure.

g. Provides leadership to the Department's Information Technology Investment Review Board (ITIRB) and the Department's Chief Information Officers' Advisory Council.

h. Oversees enterprise IT efforts and any similar OPDIV efforts related to architecture, technology and the HHS web site. Provides review and guidance to the ITIRB and CIO Council via analyses of alternative analyses strategies, standards compliance, architectural conformance and technology solutions.

i. Develops and maintains the HHS-wide Architecture, including the business, data, application and technology components. Establishes architecture tools and repositories, coordinates with OPDIV architectures, develops technical guidance, assists managers of applications systems, and coordinates expert working groups to populate the architecture.

j. Advises the HHS ASBTF, agency CIOs and other senior officials on matters relating to technology. Leads the development of a department-wide investment strategy for advanced, innovative technology, and reviews agency technology policies, programs, processes and capabilities to ensure that HHS technology programs support the Department's objectives.

k. Performs alternative analysis for key emerging and enabling technologies. Coordinates or directs pilot project in these areas to establish proof of concept, confirm return on investment, or implement initial production implementation.

l. Leads the development of HHS web communications to provide users with a single access point for HHS information. Leads the development of an enterprise information portal to improve the ability of HHS employees to communicate and collaborate with each other.

2. *Office of IT Policy Development & Implementation (OITP)*—The Office of IT Policy Development & Implementation is primarily responsible for IT policy development, capital planning, IT budgeting and investment control, Paperwork Reduction Act activities, and IT planning and review. The Office performs the following functions:

a. Works with OPDIV Chief Information Officers (CIOs) to support Government-wide initiatives of the Federal CIO Council and to identify opportunities for participation and consultation in information technology projects with major effects on OPDIV program performance.

b. OITP provides leadership in the planning, design, and evaluation of major Departmental projects and

oversight throughout project rollout and perform post implementation performance assessments.

c. Assesses risk that major information systems pose to performance of program operations and administrative business throughout the Department, develops risk assessment policies and standard operating procedures and tools, and uses program outcome measures to gauge the quality of Departmental information resources management.

d. Coordinates the Department's strategic planning and budgeting process for information technology, and provides direct planning development and support to assure that IRM plans support agency business planning and mission accomplishment.

e. Coordinates the activities of the Departmental Information Technology Investment Review Board (ITIRB) in assessing and prioritizing the Department's major information systems, and in analyzing and evaluating IT investment decisions. Reviews OPDIV ITIRB implementations, IT capital funding decisions, and use of performance metrics to evaluate program for both initial and continued funding.

f. Develops policies and guidance on information resources and technology management, including telecommunications, as required by law or regulation or to fulfill CIO responsibilities and Departmental initiatives.

g. Coordinates and supports the Department's Chief Information Officer's Advisory Council, whose membership consists of Chief Information Officers from OPDIVs.

h. Representing the Department through participation on interagency and Departmental work groups and task forces, as appropriate.

i. Working with OPDIV Chief Information Officers to identify opportunities for administering information management functions and telecommunications initiatives with major effects on OPDIV performance. OITP provides leadership primarily in defining alternatives for acquisition of telecommunications services and coordinating implementation of information management initiatives in conjunction with the Chief Technology Officer and the Department Architect.

j. Managing, in accordance with the Paperwork Reduction Act of 1980, as amended, the OS activities related to the review and approval of all public use reports and record-keeping requirements that impose a paperwork burden on the public. Developing policies for and managing the OS

Information Collection Budget. Developing policies and procedures for the OS and carrying out analyst and oversight activities related to the Department's paperwork burden reductions efforts.

k. Approving and reporting on computer matching activities as required by law through the Departmental Data Integrity Board.

l. Managing the Departmental printing management, records management, and mail management policy programs.

m. Providing support for special priority initiatives identified by the CIO.

3. *Office of OS IT Development and Services*—The Office of OS IT Development and Services is responsible for providing Network Services, Help Desk Services, OS Security, Secretary's Command Center and Continuity of Operations Planning (COOP) support, and OS Outreach/ Customer Relationship Management (CRM). It is directed by the CIO for the Office of the Secretary. It is also a primary resource for advising the CIO on technology implementation, and for piloting CIO special programs. The Office of OS IT Development and Services is responsible for the following:

a. Operating, maintaining, and enhancing the OS computer network and services, including services for participating HHS organizations.

b. Implementing and monitoring network policies and procedures, and developing plans and budgets for network support services.

c. Identifying, implementing, and maintaining standard office automation applications running on the OS network.

d. Ensuring reliable, high-performance network services.

e. Implementing and operating electronic tools to enhance Secretarial communications with all HHS personnel.

f. Coordinating with the STAFFDIVs to develop the OS IT capital planning and budgeting processes, providing direct planning support to assure that IRM plans support agency business planning and mission accomplishment.

g. Implementing policies and guidance on information resources management within the Office of the Secretary for acquisition and use of information technology, development of architectural standards for interoperability, and coordination of implementation procedures.

h. Maintaining and operating the inventory of automated data processing equipment for the Office of the Secretary.

i. Operating and maintaining an information technology support service

(Help Desk) for participating HHS components.

j. Managing contracts for equipment and support services related to the provision of IT services in OS and participating agencies.

k. Chairing and supporting the Office of the Secretary Information Resources Management Policy and Planning Board, an advisory body whose membership consists of the Staff Division Chief Information Officers.

l. Representing OS and/or the Department through participation on interagency and Departmental work groups and task forces, as appropriate.

m. Responsible for OS compliance with and implementation of all applicable Federal Laws regarding IT Security.

4. *Office of HHS Enterprise Operations*—The Office of Enterprise Operations is responsible for Applications Development and OIRM Business Operations. The Office advises the CIO and OIRM managers on all administrative functions and activities, and coordinates the strategic planning and budgeting processes for information technology, operations and administrative management for the Office of Information Resources Management. The Office coordinates e-government efforts across the Department, and provides recommendations regarding funding of e-government efforts, strategies on agency-specific system integration, and reviews new projects for possible redundancy with existing e-gov initiatives. It coordinates Department enterprise applications with the Chief Department Architect and Chief Technology Officer. The Office is responsible for the following:

Leading Departmental efforts to expand the availability of electronic means for conducting business.

a. Coordinates HHS activities that support the President's Management Agenda's objective for E-Government.

b. Coordinates planning and task tracking across OIRM to ensure effective utilization of staff and other resources.

c. Prepares, manages, integrates and coordinates budget formulation, presentation and execution with respect to the Office of Information Resources Management. Conducts analyses of budget implementation for both the DASIRM. Identifies IT budget related cross-cutting issues that cross-cut the OPDIVs and STAFFDIVs.

e. As directed by the DASIRM, prepares staffing forecasts, analyzes staffing requirements and utilization, and recommends strategies for changes in human capital for OIRM.

f. Oversees full life-cycle of OIRM contracts. Works with HHS contracting organizations, contractors and other parties to ensure that contractual transactions are substantively correct, and to track completion of tasks.

g. Oversees and manages employee performance improvement programs to develop and maintain the technical expertise and qualifications of employees in OIRM.

h. Coordinates and directs the Department's IT systems in compliance with Section 508 of the Rehabilitation Act (1973).

5. *The Office of HHS Security Development and Implementation*—The Office of HHS Security Development and Implementation is responsible for developing, implementing and administering the program to protect the information resources of the Department. This includes management and oversight of activities under the Government Information Security Reform Act (GISRA), IT critical infrastructure protection (CIP), and Department-wide security contracts and high level project management of OPDIV security programs, such as corrective action plans and security policies. The Office is responsible for the following:

a. Implementing and administering the program to protect the information resources of the Department in compliance with legislation, Executive Orders, directives of the OMB, or other mandates requirements (e.g., the Clinger-Cohen Act, Presidential Decision Directive 63, OMB Circular A-130), the National Security Agency, and other Federal agencies.

b. Directing the development of and implementing cyber security policies and guidance for the Department, including requirements for employees and contractors who are responsible for systems or data, or for the acquisition, management, or use of information resources. Updating the HHS Automated Information Systems Security Program and book as needed.

c. Monitoring information system security program activities in the Department by reviewing OPDIVs and STAFFDIVs security plans for sensitive systems, recommending improvements, and evaluating safeguards to protect major information systems, or IT infrastructure.

d. Responding to requests in conjunction with OMB Circular A-130, the Computer Security Act of 1987, and Presidential Decision Directive 63, or other legislative or mandated requirements related to IT security or privacy.

e. Monitoring all Departmental systems development and operations for security and privacy compliance and providing advice and guidance to ensure compliance standards are included throughout system life cycle development. Reviews Departmental ITIRB and CIO Council business cases (as well as OMB circular A-11 requirements) for assurance of security and privacy compliance.

f. Recommending to the CIO to grant or deny programs the authority to operate information systems, based on security compliance.

g. Establishing and leading inter-OPDIV teams to conduct reviews to protect HHS cyber and personnel security programs and conduct vulnerability assessments of HHS critical assets. This includes regular certification of existing systems as well as newly implemented systems.

h. Reviewing the Department's information resources for fraud, waste, and abuse to avoid having redundant resources, in conformance with the Clinger-Cohen Act.

i. Developing, implementing, and evaluating an employee cyber security awareness and training program to meet the requirements as mandated by OMB Circular A-130 and the Company Security Act.

j. Establishing and providing leadership to the Subcommittee of the HHS CIO Council on Security.

k. Establishing and leading the HHS Computer Security Incident Response Capability team, the Department's overall cyber security incident response/coordination center and primary point of contact for Federal Computer Incident Response Capability (FedCIRC) and National Infrastructure Protection Center (NIPC).

#### **D. Chapter AMS, Office of Finance**

*Section AMS.10 Mission.* The Office of Finance provides financial management advice and leadership to the Secretary and the Assistant Secretary for Budget, Technology and Finance, and the Operating Divisions' Chief Financial Officers (CFOs).

*Section AMS.20 Organization.* The Office of Finance is headed by the Deputy Assistant Secretary for Finance (DASF), who is also the Deputy Chief Financial Officer, and reports to the Assistant Secretary for Budget, Technology and Finance (ASBTF)/Chief Financial Officer (CFO). The Office includes the following:

- Immediate Office (AMS)
- Office of Financial Policy (AMS1)
- Program Management and Systems Policy Office (AMS4)

- Office of Audit Resolution and Cost Policy (AMSA5)

#### *Section AMS.20 Functions*

1. *Immediate Office (AMS).* The Immediate Office is responsible for support and coordination across the Office of Finance in the following areas: (1) Standards for financial systems and financial reporting; (2) cash and credit management, debt management, payment management including disbursement activities and functions, (3) the design and development of Department-wide and component financial systems; (4) the HHS Financial Management Plan and the HHS Annual Performance and Accountability Report; (5) the development of outcome-based financial performance measures and plans through facilitation and training forums and best practices; (6) coordination with other ASBTF components in the clearance/approval process for program information systems that provide financial and/or program performance data which are used in financial statements; (7) the implementation of a unified financial management system across HHS; (8) the preparation of financial statements that accurately represent HHS' financial condition; and (9) ensuring compliance with the Departmental reporting requirements of the Federal Managers Financial Integrity Act (FMFIA). In addition, the Immediate Office recommends CFO approval of the job descriptions and skill requirements for OPDIV CFOs advises the ASBTF/CFO on the selection of OPDIV CFOs; and advises the ASBTF/CFO regarding the annual performance plan/evaluation of each OPDIV CFO. The office also provides guidance on the qualifications, recruitment, training and retention of all financial management personnel.

2. *Office of Financial Policy (AMS1).* The Office of Financial Policy comprises the Division of Financial Management Policy (DFMP).

#### *Division of Financial Management Policy (AMS11)*

a. Develops Department-wide policies, procedures, and standards for financial management areas including cash management, credit management, debt management, payment and disbursement activities and functions, and promulgates these and related government-wide financial management requirements through the Departmental Accounting Manual system;

b. Establishes a financial management planning process for the development of strategic and tactical plans, preparation of the Department's Annual Financial Management Plan under the CFO Act,

and provision of guidance and financial management indicators that enable that ASBTF/CFO to evaluate the financial management programs and activities of the Department;

c. Provides support to the OPDIVs' Chief Financial Officers for financial planning and improvement initiatives;

d. Serves as principal staff advisors on fiscal and accounting policy matters to the Office of Finance;

e. Maintains liaison with the Office of Management and Budget (OMB), the Treasury Department, the General Accounting Office (GAO), the General Services Administration and other agencies on all financial management policy matters;

f. Maintains the Department Accounting Manual (DAM) which is the official accounting standard for recording and reporting accounting transactions;

g. Provides advice and assistance to OPDIVs and STAFFDIVs on financial accounting and related fiscal matters, government-wide accounting standards and serves as principal advisor to the DASF as it relates to financial statement preparation, audit and financial reporting;

h. Prepares, analyzes, coordinates and assesses financial data reflecting financial, accounting and performance information of the department financial activities;

i. Recommends policy and maintains a system for tracking and improving cash and credit management and debt collection performance throughout the Department;

j. Prepares the annual HHS report on CFO activities as guided by the DASF/Deputy CFO.

3. *Program Management and Systems Policy Office (AMS4)*. The Program Management and Systems Policy Office has the following components:

- Program Management Office (AMSA)
- Division of Accounting and Fiscal Policy (AMS41)
- Division of Financial Systems Policy (AMS42)

a. *Program Management Office (AMSA)*. The Office is responsible for overseeing the design and implementation of a department-wide unified financial management system (UFMS) consistent with the Secretary's directive. The system consists of two major components: the Healthcare Integrated General Ledger Accounting System (HIGLAS) at the Centers for Medicare and Medicaid Services (CMS) and a system for the rest of the Department. The office's responsibilities include:

(1) Overseeing the design, development, and implementation of

the UFMS and the development of life-cycle and budgetary plans;

(2) Monitoring the milestones and schedules as well as budget expenditures;

(3) The meditation and coordination of UFMS activities throughout all levels of HHS;

(4) Ensuring that the UFMS complies with applicable Federal accounting concepts and standards, as well as all HHS accounting policies and procedures;

(5) Ensuring that business requirements are met, the future direction of the initiative is consistent with HHS planning, and the status of the project is appropriately communicated to internal and external organizations;

(6) Overseeing a comprehensive program of change management that includes addressing department communication, training plans and human resource issues;

(7) Coordinating with workgroups to maximize the input from the cross-functional areas of HHS into the implementation process; and

(8) Overseeing all risk management plans to ensure that risks to the Program are identified and effective mitigation strategies developed.

b. *Division of Accounting and Fiscal Policy (AMS41)* The Division:

(1) Develops uniform business rules, data standards and accounting policy and procedures in support of new financial systems implementations. Ensures the development of ongoing accounting policy that further supports the consistent development and implementation of these systems;

(2) In collaboration with the Office of Financial Policy, provides advice and assistance to OPDIVs and STAFFDIVs on financial accounting and related fiscal matters, and advises the DASF on such matters as they related to financial systems implementations; and

(3) Maintains liaison with the Office of Management and Budget (OMB), the Treasury Department, the General Accounting Office (GAO), and other agencies on accounting and fiscal years matters as they relate to financial systems implementations.

c. *Division of Financial Systems Policy (AMS42)* The Division:

(1) Develops department-wide policies and standards for financial and mixed financial systems;

(2) Provides advice and serves as the focal point with OMB, Treasury, GAO and other Federal control agencies on financial systems compliance matters;

(3) Provides for the establishment of Department-wide financial definitions and data structures;

(4) Provides for the administration of a data integrity and quality control program to ensure compliance with applicable Federal directives, Departmental financial systems policy and automated financial data exchange requirements;

(5) Oversees and monitors existing Department-wide and component accounting and financial management systems;

(6) In collaboration with the Office of Financial Policy, advises the DASF on financial systems related matters; and

(7) Maintains liaison with the OMB, Treasury, GAO and other agencies on matters involving financial systems.

4. *Office of Audit Resolution and Cost Policy (AMS5)*. The Office of Audit Resolution and Cost Policy provides leadership in the areas of resolving cross-cutting audit findings and managing cost policy. The Office has functional responsibility for cost principles and Department-wide cost policies and procedures affecting grants and contracts. It performs the following functions.

a. Serves as the Departmental liaison and maintains working relationships with OMB and other Federal agencies in the development of government-wide cost principles and Department-wide audit resolution policies; maintains similar relationships with associations of State, universities and other grantee and contractor organizations;

b. Reviews and resolves audit reports containing monetary and/or systemic findings of grantee and contractor organizations affecting the programs of more than one Operating or Staff Division or Federal agency. Conducts or arranges for additional reviews as needed;

c. Coordinates where necessary with other affected Federal agencies to establish a uniform Federal position on the actions needed to be taken and negotiates resolution on behalf of all Federal Departments and agencies;

d. When deemed necessary to protect the interests of the Department, makes recommendations to the Secretary, the ASBTF and other officials on safeguards or other actions against a grantee or contractor, where the organization is unwilling or unable to correct serious deficiencies in a timely manner;

e. Provides and arranges for technical assistance and/or training programs to grantee, contractors, and other Operating and Staff divisions on audit resolution, cost reimbursement and financial management of grants and contracts;

f. Upon request, reviews and approves accounting or other systems developed

by grantees and contractors to meet Federal cost principle requirements;

g. Establishes and monitors policy regarding audit issuance, follow-up and resolution for the Department in support of the function of the HHS audit followup official as required by OMB Circular A-50;

h. Coordinates status of final action on OS audits with the ASBTF Office of Budget; and

i. Prepares Management Report and Final Action for the Performance and Accountability Report.

*II. Delegation of Authority*—All delegations and redelegations of authority made to officials and employees of affected organizational components will continue in them or their successors pending further redelegation, provided they are consistent with this reorganization.

Dated: February 28, 2003.

**Ed Sontag,**

*Assistant Secretary for Administration and Management.*

[FR Doc. 03-5722 Filed 3-10-03; 8:45 am]

**BILLING CODE 4150-04-M**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Agency for Healthcare Research and Quality

#### Meeting of the National Advisory Council for Healthcare Research and Quality

**AGENCY:** Agency for Healthcare Research and Quality (AHRQ)

**ACTION:** Notice of public meeting.

**SUMMARY:** In accordance with section 10(a) of the Federal Advisory Committee Act, this notice announces a meeting of the National Advisory Council for Healthcare Research and Quality.

**DATES:** The meeting will be held on Friday, March 28, 2003, from 8:30 a.m. to 4 p.m. and is open to the public.

**ADDRESSES:** The meeting will be held at the Hubert H. Humphrey Building, 200 Independence Avenue, SW., Room 800, Washington, DC 20201.

**FOR FURTHER INFORMATION CONTACT:** Anne Lebbon, Coordinator of the Advisory Council, at the Agency for Healthcare Research and Quality, 2101 East Jefferson Street, Suite 600, Rockville, Maryland, 20852, (301) 594-7216. For press-related information, please contact Karen Migdail at (301) 594-6120.

If sign language interpretation or other reasonable accommodation for a disability is needed, please contact Mr. Donald L. Inniss, Director, Office of

Equal Employment Opportunity Program, Program Support Center, on (301) 443-1144 no later than March 21, 2003.

Agenda, roster, and minutes are available from Ms. Bonnie Campbell, Committee Management Officer, Agency for Healthcare Research and Quality, 2101 E. Jefferson Street, Suite 400, Rockville, Maryland, 20852. Her phone number is (301) 594-1846. Minutes will be available after April 25, 2003.

#### SUPPLEMENTARY INFORMATION:

##### I. Purpose

Section 921 of the Public Health Service Act (42 U.S.C. 299c) established the National Advisory Council for Healthcare Research and Quality. In accordance with its statutory mandate, the Council is to advise the Secretary of the Department of Health and Human Services and the Director, Agency for Healthcare Research and Quality (AHRQ), on matters related to actions of the Agency to enhance the quality, improve the outcomes, reduce the costs of health care services, improve access to such services through scientific research, and to promote improvements in clinical practice and in the organization, financing, and delivering of health care services. The council is composed of members of the public appointed by the Secretary and Federal *ex officio* members.

##### II. Agenda

On Friday, March 28, 2003, the meeting will begin at 8:30 a.m., with the call to order by the Council Chairwoman. The Director, AHRQ, will present the status of the Agency's current research, programs, and initiatives. Tentative agenda items include AHRQ's research on health care costs, on long term care and on patient safety. The official agenda will be available on AHRQ's website at [www.ahrq.gov](http://www.ahrq.gov) no later than March 5, 2003. The meeting will adjourn at 4 p.m.

Dated: February 26, 2003.

**Carolyn M. Clancy,**

*Director.*

[FR Doc. 03-5782 Filed 3-10-03; 8:45 am]

**BILLING CODE 4160-90-M**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Administration for Children and Families

[Program Announcement No. ACYF/HSB-2003-01]

#### Notice Inviting Abstracts for Grants To Support the Development of Innovation and Improvement Projects That Address the President's Initiatives Within Head Start Programs

**AGENCY:** Administration on Children, Youth and Families, ACF, DHHS.

**ACTION:** Notice.

**SUMMARY:** The Administration for Children and Families (ACF), the Administration on Children, Youth and Families (ACYF) invites abstracts from organizations for Innovation and Improvement Projects that address the President's initiatives related to the Head Start (including Early Head Start) program and other priorities which meet needs related to the comprehensive nature of Head Start, such as, medical and dental needs and the needs of special populations served by the program.

The Catalogue of Federal Domestic Assistance Number is 93.600.

**DATES:** The closing date for submitting abstracts under this announcement is May 12, 2003. An original and two copies are required. Mailed applications will be considered as meeting the announced deadline if they are postmarked on or before the published deadline date. Only abstracts, not full proposals, will be accepted under this announcement. Abstracts hand-carried by applicants, applicant carriers, other representatives of the applicant, or by overnight/express mail couriers or any other method of hand delivery shall be considered as meeting an announced deadline date if they are received on or before the published deadline date, between the hours of 8 a.m. and 4:30 p.m., e.d.t., Monday through Friday, (excluding Federal holidays), at the following address:

ACYF Operations Center, Program Announcement No. ACYF/HSB-2003-01, 1150 Connecticut Avenue, NW., Suite 1100, Washington, DC 20036. Telephone: 1-800-351-2293. E-mail: [HSB@esilsg.org](mailto:HSB@esilsg.org).

ACYF cannot accommodate the transmission of applications by FAX or through other electronic media. Therefore, applications transmitted to ACYF electronically will not be accepted regardless of the date or time of submission and time of receipt. ACYF