



**U.S. DEPARTMENT OF COMMERCE**  
**National Oceanic and Atmospheric Administration**  
Office of the Chief Information Officer  
High Performance Computing and Communications  
**CHIEF INFORMATION OFFICER**

April 29, 2015

MEMORANDUM FOR: Assistant Chief Information Officers  
NOAA OCIO Division Directors

FROM: Zachary G. Goldstein   
NOAA Chief Information Officer and  
Director for High Performance Computing and Communications

SUBJECT: SCR Assessment for Acquisition of FIPS-199 Moderate  
Information Systems

This memorandum provides specific guidance to NOAA Assistant Chief Information Officers (ACIO), Authorizing Officials (AO), System Owners, and OCIO Division Directors regarding Acquisition Alert 15-02 (AA-15-02), a copy of which is attached. The NOAA Acquisition and Grants Office (AGO) issued AA-15-02 to address Section 515 of the Consolidated and Further Continuing Appropriations Act, 2015, P.L. 113-235, Div. B, Title V (Section 515).

Section 515 requires an assessment of Supply Chain Risk (SCR) prior to the acquisition of a high-impact or moderate-impact information system, as such systems are defined in National Institute of Standards and Technology's Federal Information Processing Standard Publication 199 (FIPS-199). AA-15-02 is intended to complement the Department of Commerce's (DOC) procurement memorandum, PM-2014-03, addressing SCR for high-impact systems and classified systems. AA-15-02 specifies that NOAA contracting officers shall continue to follow PM-2014-03 and extends SCR evaluations to acquisitions of moderate-impact systems.

After consulting with DOC Office of General Counsel, I have determined that acquisitions of moderate-impact information systems that meet one or more of the three categories set out below trigger the SCR assessment requirements of Section 515; such acquisitions should be treated as though they are "Covered IT" within the meaning of PM-2014-03:

- (i) The acquisition of a new moderate-impact information system, i.e. purchase of an information system that does not have an existing Authorization to Operate (ATO).
- (ii) The acquisition of components to replace or upgrade 51 percent or more of an existing moderate-impact information system.



(iii) The acquisition of component(s) that, if installed, would cause a significant change to an existing FISMA system as determined by the AO or the NOAA CIO.

To clarify item (iii), above, The term “significant change” means a change that (1) would make any of the system’s AO(s) or the NOAA CIO determine that a new or revised ATO for a moderate-impact system is necessary or (2) elevates the FIPS-199 classification, e.g. moves it from low-impact to moderate or moderate-impact to high.

I am delegating the Covered IT determination for moderate-impact acquisitions (i.e. whether the acquisition falls into one of the categories specified above) to the NOAA ACIO responsible for the moderate information system. ACIOs may further delegate the Covered IT determination to anyone who is currently authorized to sign the *IT Compliance in Acquisition Checklist* for high-impact systems. Those making the determination should use the attached *NOAA Addendum for Moderate Systems to the IT Compliance in Acquisition Checklist* to document whether proposed purchases meet any of the three categories.

This memorandum does not alter current NOAA policies for acceptance of risk; it does not authorize any decision regarding the acceptance of risk. Any determination regarding SCR mitigation strategies is the responsibility of the cognizant ACIO or the NOAA CIO.

Questions pertaining to the AA-15-02 should be directed to Justin Cofer, AGO Policy and Oversight Division (POD) at [Justin.L.Cofer@noaa.gov](mailto:Justin.L.Cofer@noaa.gov) or by telephone at (816) 823-3820.

Attachments:

Acquisition Alert 15-02, Supply Chain Risk Management for Acquiring High and Moderate Impact Information Systems

NOAA Addendum for Moderate Systems to the IT Compliance in Acquisition Checklist