

NATIONAL COMMUNICATIONS SYSTEM
Washington, D.C. 20305-2010

NCS DIRECTIVE 2-2

PLANS, PROGRAMS, AND FISCAL MANAGEMENT

National Level NSEP Telecommunications Program (NLP) Funding

1. Purpose. This directive establishes policies and procedures and assigns responsibilities for the shared funding of approved national level national security emergency preparedness (NSEP) telecommunications programs and for the preparation and execution of National Level NSEP Telecommunications Program (NLP) Funding Memoranda of Agreement and funding agreements between NCS member organizations and the Manager, NCS.

2. Applicability. This directive is binding upon the Executive Agent, NCS; NCS Committee of Principals; Manager, NCS; those NCS member organizations required to share costs of approved NLP programs; and other affected Executive entities.

3. Authority. This directive is issued under the authority of Executive Order No. 12472, "Assignment of National Security and Emergency Preparedness Telecommunications Functions," April 3, 1984, 49 Federal Register 13471 (1984), Section 2(e), and NCS Directive 1-1, "National Communications System (NCS) Issuance System," November 30, 1987.

4. Policy. The President has directed that implementation and recurring costs for national level NSEP telecommunications programs shall be shared on a pro rata basis. Each NCS organization's share of such costs shall be determined by its share of NSEP telecommunications requirements. The Department of Defense shall fund all development costs associated with approved national level NSEP telecommunications programs. Agreements shall be executed to govern NLP funding. Compliance with this policy is subject to the authorization and appropriation of funds by the Congress.

5. References.

a. Executive Order No. 12472, "Assignment of National Security and Emergency Preparedness Telecommunications Functions," April 3, 1984, 49 Federal Register 13471 (1984).

b. National Security Decision Directive (NSDD) 201, "National Security Emergency Preparedness Telecommunications (NSEP) Funding," December 17, 1985 (Appendix A).

-Office of Primary Responsibility: NCS-FMO
-Distribution: NCS

c. NCS Directive 2-1, "National Security Emergency Preparedness (NSEP) Telecommunications Planning Process," (presently in process).

6. Definitions.

a. Shared Funding. The pro rata distribution among NCS member organizations of the implementation and recurring costs of approved national level NSEP telecommunications programs on the basis of each organization's NSEP telecommunications requirements.

b. NSEP Telecommunications Requirements. Initially, those telecommunications requirements identified by NCS member organizations as part of the NSEP Telecommunications Requirements Analysis directed by the Executive Office of the President. Alternative methods for determining requirements may be used, subject to approval as prescribed in Executive Order No. 12472, Section 2(c)(4).

c. The National Level NSEP Telecommunications Program (NLP). That document developed as part of the NSEP Telecommunications Planning Process that identifies national level NSEP telecommunications programs and accompanying provisions for their shared funding and implementation.

d. National Level NSEP Telecommunications Programs. Those programs that benefit multiple Federal departments, agencies, or entities and:

(1) Directly enhance national telecommunications infrastructure and service capabilities within the framework outlined in Executive Order No. 12472, and

(2) Are undertaken within the administrative structure of the NCS, i. e., by the Manager, NCS, NCS Committee of Principals (COP), and Executive Agent, NCS, via the NSEP Telecommunications Planning Process, and

(3) Involve acquisition and operations/maintenance costs of sufficient magnitude to warrant shared funding.

e. Development Costs. Those costs (e.g., research, pre-production engineering, proof of concept studies and demonstrations, and specification development) incurred prior to contract award leading to an operational capability.

f. Implementation Costs. Those costs (e.g., acquisition/procurement, production engineering, installation, and nonrecurring lease) incurred after contract award leading to an operational capability and prior to operational capability being achieved.

g. **Recurring Costs.** Those costs (e.g., recurring lease, maintenance, operational testing, and termination liability) incurred in support of the continuing operations and maintenance associated with national level programs.

h. **NLP Funding Memorandum of Agreement (MOA).** A memorandum of agreement developed between an NCS member organization and the Manager, NCS, to implement the provisions of this directive.

i. **Funding Agreements.** Funding documents, e.g., Interagency Funding Agreements and Vouchers, executed between the Manager, NCS, and NCS member organizations to provide for the payment of NLP funds to the Manager, NCS.

7. Responsibilities.

a. The Office of Management and Budget will provide guidance annually to NCS member organizations regarding the incorporation of funding for approved national level NSEP telecommunications programs in the President's Budget.

b. The Department of Defense will provide funding for the development costs associated with approved national level NSEP telecommunications programs.

c. The Manager, NCS, will:

(1) Negotiate and execute NLP Funding Memoranda of Agreement and Interagency Funding Agreements with those NCS member organizations required to share the costs of approved national level NSEP telecommunications programs, and

(2) Oversee the program and financial management of approved national level NSEP telecommunications programs, reporting quarterly on program status and the expenditure of funds to the NCS Committee of Principals.

d. Each NCS member organization required to share the costs of the NLP will:

(1) Incorporate its respective funding share of approved national level NSEP telecommunications programs in its annual budget submission;

(2) Execute with the Manager, NCS, an NLP Funding Memorandum of Agreement after review by the organization's NCS Principal; and

(3) Execute with the Manager, NCS, those funding agreements required for payment of funds for approved national level NSEP telecommunications programs to the Manager, NCS.

8. Procedures.

a. NLP Funding Guidance. The NLP funding guidance required by paragraph 7a(1) of this directive will be provided to the NCS entities annually by August 1.

b. NLP Funding Agreements. The shared funding of approved national level NSEP telecommunications programs will be accomplished through the execution, between NCS member organizations and the Manager, NCS, of the following:

(1) An NLP Funding Memorandum of Agreement that, as outlined in the model MOA at Appendix B, provides for incorporation of the NLP funding share in an NCS member organization's budget submission; preparation and execution of an Interagency Funding Agreement; and reporting of the NLP status. Those NCS organizations required to share the costs of the NLP as of the effective date of this directive shall execute such Memoranda by September 30, 1987.

(2) An Interagency Funding Agreement that outlines the scope of work to be undertaken as part of the NLP, the associated period of performance, the estimated maximum costs, and procedures for submission of vouchers for transfers between appropriated funds. This agreement, which does not constitute an obligation of funds, shall be executed by August 31 each year to provide for the payment of NLP funds for the following fiscal year.

(3) Vouchers for Transfers Between Appropriations And/Or Funds (Standard Form 1080) forwarded by the Manager, NCS, to NCS member organizations prior to the start of the fiscal year in which NLP funds are to be expended. Organizations will effect the payment of funds upon receipt of appropriated funds (or Continuing Resolution(s)), subject to OMB apportionment of those funds.

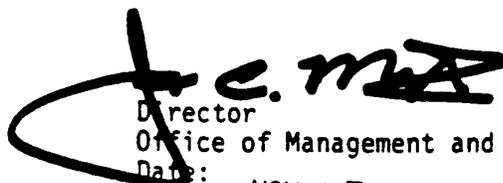
c. NLP Funding Shortfalls. If an NCS member organization is not authorized and appropriated the amount of funds necessary to pay its share of approved national level NSEP telecommunications programs, the Manager, NCS, should also be notified as soon as possible.

9. Authorizing Provision. NCS manuals implementing this directive are authorized.

10. Effective Date. This directive is effective immediately.

11. Expiration Date. This directive will remain in effect until superseded or cancelled.

- 2 Appendices
- A. NSDD 201, Dec 17, 1985
- B. Model NLP MOA


 Director
 Office of Management and Budget
 Date: NOV 17 1987

Summary of Changes: Initial publication.

APPENDIX A: NATIONAL SECURITY DECISION DIRECTIVE 201

THE WHITE HOUSE
WASHINGTON

SYSTEM II
90821

December 17, 1985

MEMORANDUM FOR THE SECRETARY OF STATE
 THE SECRETARY OF THE TREASURY
 THE SECRETARY OF DEFENSE
 THE ATTORNEY GENERAL
 THE SECRETARY OF THE INTERIOR
 THE SECRETARY OF AGRICULTURE
 THE SECRETARY OF COMMERCE
 THE SECRETARY OF TRANSPORTATION
 THE SECRETARY OF ENERGY
 THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
 THE DIRECTOR OF CENTRAL INTELLIGENCE
 CHAIRMAN, JOINT CHIEFS OF STAFF
 CHAIRMAN, NUCLEAR REGULATORY COMMISSION
 DIRECTOR, OFFICE OF SCIENCE AND TECHNOLOGY
 ADMINISTRATOR, GENERAL SERVICES ADMINISTRATION
 DIRECTOR, UNITED STATES INFORMATION AGENCY
 ADMINISTRATOR, NATIONAL AERONAUTICS AND SPACE
 ADMINISTRATION
 ADMINISTRATOR OF VETERANS AFFAIRS
 DIRECTOR, FEDERAL EMERGENCY MANAGEMENT AGENCY
 DIRECTOR, NATIONAL SECURITY AGENCY
 ADMINISTRATOR, NATIONAL TELECOMMUNICATIONS AND
 INFORMATION ADMINISTRATION
 CHAIRMAN FEDERAL COMMUNICATIONS COMMISSION
 CHAIRMAN, FEDERAL RESERVE SYSTEM
 POSTMASTER GENERAL, U.S. POSTAL SERVICE

SUBJECT: National Security Emergency Preparedness (NSEP)
Telecommunications Funding

The President has approved and signed the attached NSDD-201 on National Security Emergency Preparedness (NSEP) Telecommunications Funding.



Donald R. Fortier
Deputy Assistant to the President
for National Security Affairs

Attachment
NSDD-201

THE WHITE HOUSE
WASHINGTON

SYSTEM II
90821

NATIONAL SECURITY DECISION
DIRECTIVE NUMBER 201

December 17, 1985

NATIONAL SECURITY EMERGENCY PREPAREDNESS (NSEP)
TELECOMMUNICATIONS FUNDING

Policy

Implementation and recurring costs for national level NSEP telecommunications programs (i.e., those which benefit multiple Federal departments, agencies, or entities) shall be shared on a pro rata basis determined by each organization's share of NSEP telecommunications requirements. The Executive Agent, National Communications System (NCS) shall fund all development costs for national level NSEP telecommunications programs.

Policy Principles

All NCS member organizations have NSEP telecommunications requirements and shall participate in the ongoing NSEP Telecommunications Requirements Analysis being conducted by the NCS to identify and document their respective needs.

All NCS member organizations shall participate in national level telecommunications programs, to the extent consistent with their mission responsibilities, to satisfy their NSEP telecommunication requirements.

In accordance with the provisions of E.O. 12472, Assignment of NSEP Telecommunications Functions, and NSDD-97, National Security Telecommunications Policy, the Manager, NCS, on an annual basis, shall develop proposals for a national level NSEP telecommunications program, including required funding levels. The proposed program and funding plan will be submitted for consideration by the NCS Committee of Principals and the Executive Agent and forwarded to the NSDD-97 Steering Group.

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Implementation

For FY 87, DoD will continue to fund national level NSEP telecommunications programs. For FY 88 and beyond, other NCS members will share implementation and recurring costs with DoD. The method of determining each organization's share of such costs, in turn, will initially be based on the results of the ongoing NSEP Telecommunications Requirements Analysis within the NCS.

On an annual basis, the Manager, NCS, shall ensure that a proposed national level NSEP telecommunications program, including required funding levels based on each organization's share of NSEP telecommunications requirements, is submitted for consideration by the NCS Committee of Principals and the Executive Agent. The recommendations of each regarding those initiatives that should be implemented will then be provided to the NSDD-97 Steering Group by June 1 annually to include the required funding levels for the next fiscal years. The Steering Group will review these recommendations and provide approved recommendations to OMB and the agencies for use in preparation of the President's budget.

The Manager, NCS, in coordination with OMB, the Executive Agent, and the NCS Committee of Principals shall develop the necessary planning and funding procedures to implement the provisions of this NSDD.



APPENDIX B: MODEL NATIONAL LEVEL NSEP TELECOMMUNICATIONS PROGRAM (NLP)
FUNDING MEMORANDUM OF AGREEMENT (MOA)

1. PURPOSE: This Memorandum of Agreement (MOA) defines the relationship between and responsibilities of the (name of NCS member organization) and the Office of the Manager, NCS (OMNCS), with respect to the financial management of national level national security emergency preparedness (NSEP) telecommunications programs approved by the Executive Office of the President (EOP) in the National Level NSEP Telecommunications Program (NLP).

2. SCOPE: This MOA is limited to the implementation and recurring costs of approved national level NSEP telecommunications programs, including termination liability costs, if applicable. Development costs will be funded by the Department of Defense.

3. BACKGROUND: In April 1984, Executive Order No. 12472, "Assignment of National Security and Emergency Preparedness Telecommunications Functions," established a framework for the funding of NSEP telecommunications initiatives by the NCS, providing for:

a. The prescription, by the Office of Management and Budget (OMB) in consultation with the National Security Council (NSC) and the NCS, of general guidelines and procedures for reviewing the financing of the NCS within the budgetary process, and for preparation of budget estimates by participating agencies.

b. The determination, by the NSC, the Office of Science and Technology Policy (OSTP), and OMB in consultation with the Executive Agent, NCS, and the NCS Committee of Principals (COP), of what constitutes NSEP telecommunications requirements, and

c. The determination, by Federal departments and agencies, of their NSEP telecommunications requirements and the provision, after consultation with the Office of Management and Budget (OMB), of resources to support their respective requirements for NSEP telecommunications.

To implement the provisions of Executive Order No. 12472, the President directed in National Security Decision Directive (NSDD) 201, that "implementation and recurring costs for national level NSEP telecommunications programs (i.e., those which benefit multiple Federal departments, agencies or entities) shall be shared on a pro rata basis determined by each organization's share of NSEP telecommunications requirements." The Director, OMB, subsequently instructed the NCS member organizations to work with the Manager, NCS, to develop the necessary agreements for the payment of member funds to the Office of the Manager, NCS (OMNCS).

4.0 RESPONSIBILITIES:

4.1 The Office of the Manager, NCS, shall:

a. Serve as the Office of Primary Responsibility for the financial and program management of approved national level NSEP telecommunications programs.

b. Upon approval of national level NSEP telecommunications programs and receipt of funding guidance from the EOP, prepare an Interagency Funding Agreement necessary to effect the payment of (name of NCS member organization) funds to the Manager, NCS. This agreement shall be executed by August 31 each year.

c. Prepare and provide vouchers for transfers between appropriations and/or funds (Standard Form 1080) for (name of NCS member organization) prior to the start of the applicable fiscal year.

d. Provide technical, programmatic, and financial management support for individual national level NSEP telecommunications programs, including the maintenance of financial records and accounting system and the update of program plans.

e. Report quarterly to the NCS COP on the programmatic and financial status of approved national level NSEP telecommunications programs.

f. Advise the (name of NCS member organization) of any significant programmatic or financial adjustments/modifications.

4.2 The (name of NCS member organization) will:

a. Incorporate its respective funding share of approved national level NSEP telecommunications programs in its annual budget submission.

b. Execute with the Manager, NCS, by August 31 of each year the Interagency Funding Agreement required for the transfer, payment and/or reimbursement of funds for the NLP.

c. Upon receipt of appropriations (or Continuing Resolution(s)) for each applicable fiscal year and subject to OMB apportionment of those funds, effect the payment of funds to the Manager, NCS, in accordance with Standard Form 1080.

5.0 IMPLEMENTATION: This MOA is effective upon the date of the latest signature. This MOA is subject to periodic review and update as circumstances warrant and will terminate upon the mutual agreement of the parties. Compliance with this MOA is subject to the authorization and appropriation of funds by the Congress.

(Signature)
(Name of Manager, NCS)
(Title of Manager, NCS)

(Signature)
(Name of Authorized Official)
(Title of Authorized Official)
(Name of NCS organization)

DATE:

DATE:

NATIONAL COMMUNICATIONS SYSTEM
701 S. Court House Road
Arlington, VA 22204-2198

NCS DIRECTIVE 2-2

PLANS, PROGRAMS AND FISCAL MANAGEMENT

National Level NS/EP Telecommunications Program (NLP) Funding

1. Purpose. This directive establishes policies and procedures and assigns responsibilities for the funding of approved national level National Security and Emergency Preparedness (NS/EP) telecommunications programs.
2. Applicability. This directive is binding upon the Executive Agent, NCS; Manager, NCS; NCS Committee of Principals; NCS member organizations; and other affected Executive entities.
3. Authority. This directive is issued under the authority of Executive Order No. 12472, "Assignment of National Security and Emergency Preparedness Telecommunications Functions," April 3, 1984, 49 Federal Register 13471 (1984), Section 2(e), and NCS Directive 1-1, "National Communications System (NCS) Issuance System," November 30, 1987.
4. References.
 - a. Executive Order No. 12472, "Assignment of National Security and Emergency Preparedness Telecommunications Functions," April 3, 1984, 49 Federal Register 13471 (1984).
 - b. NCS Directive 2-1, "National Security and Emergency Preparedness (NS/EP) Telecommunications Planning Process," February 16, 1994.
5. Cancellation/Supersession. This directive supersedes NCS Directive 2-2, "National Level NS/EP Telecommunications Program (NLP) Funding," November 30, 1987.
6. Definitions.
 - a. The National Level NS/EP Telecommunications Program. That document developed as part of the NS/EP Telecommunications Planning Process (Ref. 4.b.) that identifies national level NS/EP telecommunications programs and accompanying provisions for their funding and implementation.
 - b. National Level NS/EP Telecommunications Programs. Those programs that benefit multiple Federal departments, agencies, or entities and:
 - (1) Directly enhance the national telecommunications infrastructure and the service capabilities within the framework outlined in Executive Order No. 12472,
 - (2) Are undertaken within the administrative structure of the NCS, i.e., by the Manager, NCS, NCS Committee of Principals, and Executive Agent, NCS, via the NS/EP Telecommunications Planning Process.
 - c. The National Level NS/EP Telecommunications Program (NLP) Funding. The document that identifies funding requirements for national level NS/EP telecommunications programs.

7. Policy. Costs for national level NS/EP telecommunications programs shall be funded by the Executive Agent of the NCS, subject to the authorization and appropriation of funds by the Congress. Participation by Federal agencies in the NCS will continue to be in accordance with the provisions of Executive Order 12472.

8. Responsibilities. ~~The Manager, NCS, will provide annually a proposed National Level NS/EP Telecommunications Program (NLP) Funding document (Ref: 0.000000) for review and forwarding to the Executive Agent.~~

9. Alternative Funding Agreements. In the event the Executive Office of the President requires shared funding of an NCS program, or if some or all of the NCS member agencies agree to share funding, the following documents will be executed:

a. Funding Agreements. A funding Memorandum of Agreement will be prepared that provides for incorporation of the NCS member organization's share of the program into its budget submission, and procedures for preparing and executing an Interagency Funding Agreement.

b. Vouchers for Transfers Between Appropriations And/Or Funds (Standard Form 1080) will be prepared and forwarded by the Manager, NCS, to NCS member organization prior to the start of the fiscal year in which NLP funds are to be expended. Organizations will effect the payment of funds upon receipt of funds specifically appropriated therefore (or Continuing Resolution(s)), subject to OMB apportionment of those funds.

10. Authorizing Provision. NCS manuals implementing this directive are authorized.

11. Effective Date. This directive is effective 1 October 1994.

12. Expiration. This directive is in effect until superseded or cancelled.

Director
Office of Management and Budget
Date:

Summary of Changes:

a. Due to substantial changes in the NCS NS/EP planning process, and revised direction from the Executive Office of the President, NCS 2-2, Change 1, replaces the original directive dated September 30, 1988, in its entirety.

b. Addition of a paragraph describing the national level NS/EP telecommunications program (NLP) Funding document which is prepared each year by the Manager, NCS.

c. The national level NS/EP telecommunications program is to be funded entirely by the Executive Agent. Flexibility remains within the Directive to allow for joint or cooperative projects.