Fiscal Year 2008
Information Technology Budget

February 6, 2007

Report on Information Technology Budgets

February 2007 - (dollars shown in millions)

Agency		*FY2007 Request*	*FY2008 Request*	*FY2007 vs. FY2008 $*	*FY2007 vs. FY2008 %*
Department of Defense		*$30,710*	*$31,360*	*$650*	*2.1%*
Civilian Agencies					
Department of Agriculture		$2,153	$2,103	($50)	-2.3%
Department of Commerce		$1,676	$1,847	$171	10.2%
Department of Education		$403	$554	$151	37.4%
Department of Energy		$2,088	$2,111	$23	1.1%
Department of Health and Human Services		$5,101	$5,607	$506	9.9%
Department of Homeland Security		$4,160	$4,116	($44)	-1.1%
Department of Housing and Urban Development		$298	$300	$2	0.6%
Department of the Interior		$1,090	$963	($127)	-11.6%
Department of Justice		$2,525	$2,629	$104	4.1%
Department of Labor		$515	$541	$26	5.0%
Department of State		$890	$905	$15	1.7%
Agency for International Development		$134	$89	($45)	-33.7%
Department of Transportation		$2,620	$2,489	($131)	-5.0%
Department of the Treasury		$2,397	$2,957	$560	23.4%
Department of Veterans Affairs		$1,900	$1,859	($41)	-2.2%
Corps of Engineers		$375	$320	($55)	-14.6%
Environmental Protection Agency		$461	$436	($25)	-5.5%
General Services Administration		$546	$539	($7)	-1.2%
National Aeronautics and Space Administration		$2,230	$2,139	($92)	-4.1%
National Archives and Records Administration		$114	$125	$11	9.5%
National Science Foundation		$50	$58	$8	16.5%
Nuclear Regulatory Commission		$94	$137	$43	45.5%
Office of Personnel Management		$186	$141	($46)	-24.5%
Small Business Administration		$43	$75	$32	74.9%
Smithsonian Institution		$59	$59	$0	0.1%
Social Security Administration		$1,030	$1,043	$13	1.3%
Civilian Agencies	**Totals**	*$33,137*	*$34,139*	*$1,002*	*3.0%*
Total IT Investments for the Federal Government		*$63,847*	*$65,499*	*$1,652*	*2.6%*

Agency Cyber Security Status

Agency	% of systems with C&A	% of Contingency Plans Tested	Remediation Process and C&A Process Rated as Satisfactory or Better*
Department of Agriculture	93%	92%	No
Department of Commerce	92%	83%	No
Department of Defense	80%	78%	No
Department of Education	88%	30%	Yes
Department of Energy	98%	88%	No
Department of Health and Human Services	99%	99%	Yes
Department of Homeland Security	92%	63%	No
Department of Housing and Urban Development	100%	100%	Yes
Department of the Interior	98%	93%	No
Department of Justice	100%	100%	Yes
Department of Labor	100%	100%	Yes
Department of State	100%	72%	Yes
Agency for International Development	100%	100%	Yes
Department of Transportation	100%	46%	Yes
Department of the Treasury	87%	39%	No
Department of Veterans Affairs	99%	32%	No
Corps of Engineers	81%	68%	No
Environmental Protection Agency	100%	100%	Yes
General Services Administration	100%	97%	Yes
National Aeronautics and Space Administration	71%	62%	No
National Science Foundation	100%	100%	Yes
Nuclear Regulatory Commission	2%	12%	No
Office of Personnel Management	100%	100%	Yes
Small Business Administration	100%	99%	Yes
Smithsonian Institution	100%	100%	Yes
Social Security Administration	100%	100%	Yes
Government-wide	***88%***	***88%***	**-**

* - Ratings verified by Inspector Generals (or Agency heads)
Source: Agency Q1- FY 2007 FISMA Quarterly Reports and Agency FY 2006 Annual FISMA Report

Management of IT Investments

Agency	# of Business Cases for FY 07*	# of Business Cases for FY 08**	# of BCs on the Management Watch List for FY08**
Department of Agriculture	56	40	9
Department of Commerce	66	65	30
Department of Defense	76	58	1
Department of Education	25	29	26
Department of Energy	36	31	0
Department of Health and Human Services	59	64	17
Department of Homeland Security	85	89	52
Department of Housing and Urban Development	18	14	0
Department of the Interior	58	56	6
Department of Justice	20	21	0
Department of Labor	30	38	2
Department of State	20	23	0
US Agency for International Development	9	4	0
Department of Transportation	50	47	33
Department of the Treasury	53	64	61
Department of Veterans Affairs	35	40	37
Corps of Engineers	13	10	7
Environmental Protection Agency	22	21	0
General Services Administration	27	28	16
National Aeronautics and Space Administration	24	26	24
National Archives and Records Administration	8	7	3
National Science Foundation	7	6	0
Nuclear Regulatory Commission	13	14	14
Office of Personnel Management	9	9	4
Small Business Administration	10	9	4
Smithsonian Institution	11	12	0
Social Security Administration	17	15	0
TOTAL	**857**	**840**	**346**

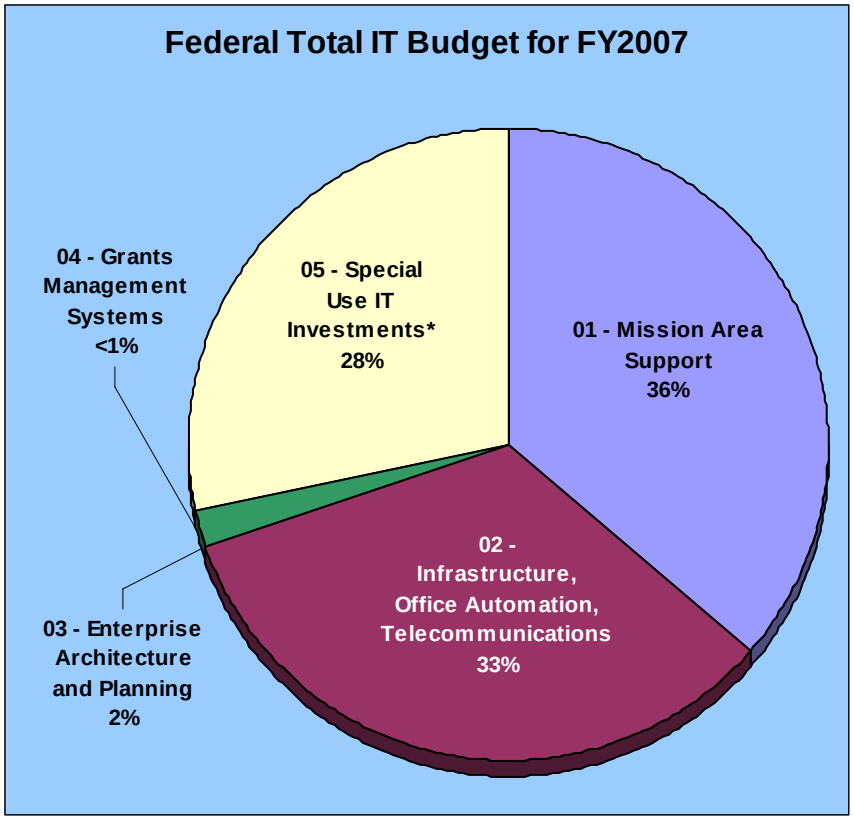
* - As of FY 2007 President's Budget

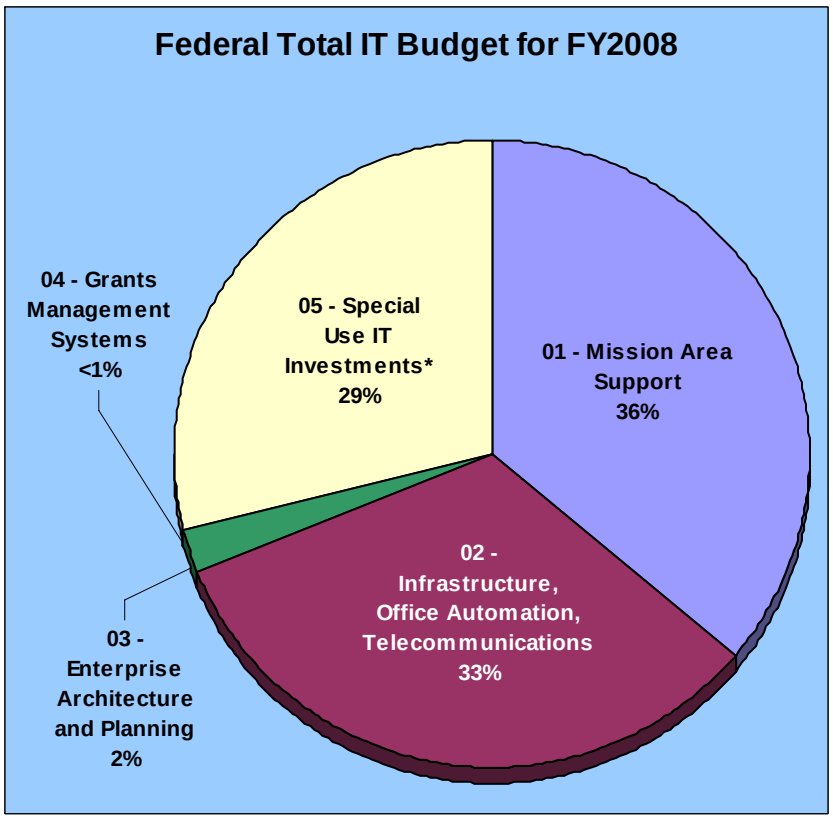
** - This information can also be found in Table 9-3 of the FY 2008 Analytical Perspectives (available at http://www.whitehouse.gov/omb/budget/fy2008)

Federal Portfolio, IT Budgets

Investment Type (Exhibit 53 Part)	% of Total		% of DME		% of SS	
	FY2007 Budget	FY2008 Budget	FY2007 Budget	FY2008 Budget	FY2007 Budget	FY2008 Budget
01 - Mission Area Support	36%	36%	39%	39%	35%	34%
02 - Infrastructure, Office Automation, Telecommunications	33%	33%	17%	15%	41%	41%
03 - Enterprise Architecture and Planning	2%	2%	2%	2%	3%	2%
04 - Grants Management Systems	<1%	<1%	<1%	<1%	<1%	<1%
05 - Special Use IT Investments*	28%	29%	42%	44%	22%	22%
Approximate amount represented by each %	*~640M*	*~660M*	*~210M*	*~200M*	*~430M*	*~460M*

* - Special Use IT Investments previously identified as "Grants to State and Local/National Security Systems"



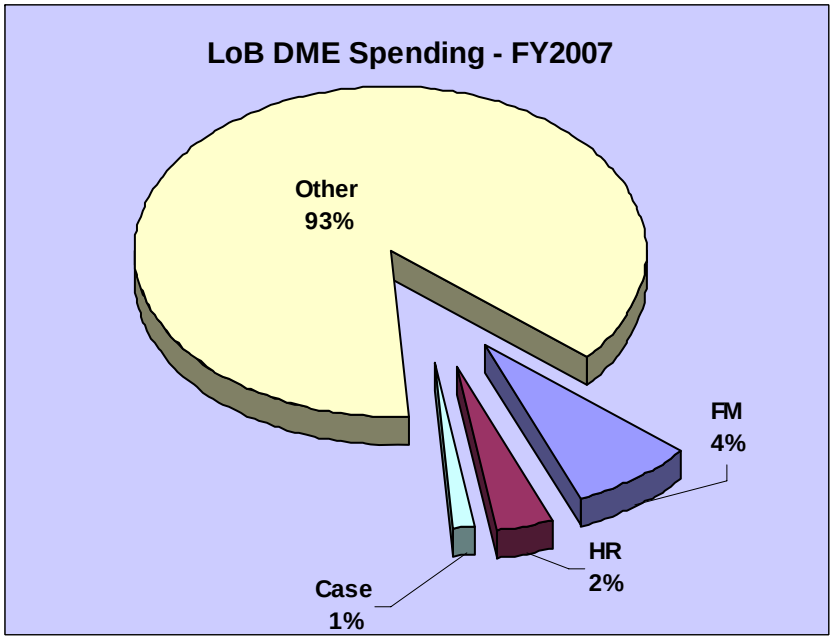


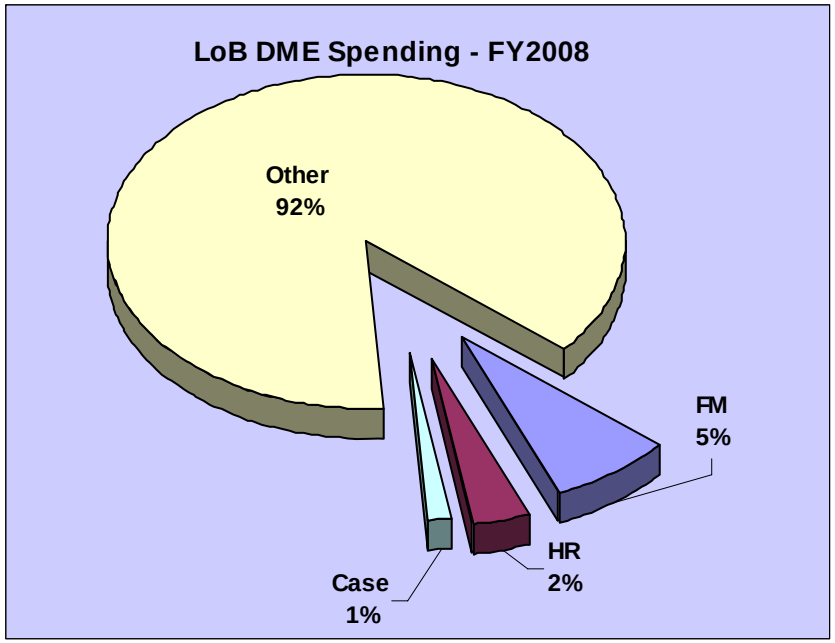
Current Line of Business (LoB) Spending

Analysis of Line of Business (LoB) Spending using the Federal Enterprise Architecture

Line of Business	% of DME for FY07 Budget	% of DME for FY08 Budget
Financial Management (FM)	4%	5%
Human Resources Management (HR)	2%	2%
Case Management (Case)	1%	1%
Grants Management (Grants)*	-	-
Federal Health Architecture (FHA)*	-	-
Information System Security (ISS)*	-	-
Geospatial*	-	-
IT Infrastructure*	-	-
Budget Formulation and Execution*	-	-
Other	93%	92%
Approximate amount represented by each %	*~210M*	*~200M*

* - Investments in these lines of business represent "Horizonal (Cross-cutting) LoBs"





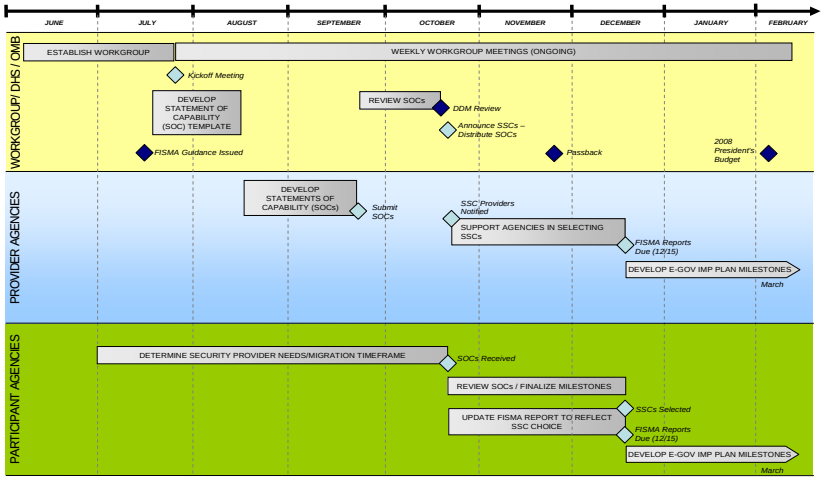
Line of Business Spotlight – ISS

2006 Progress

- Defined Shared Service Center (SSC) selection framework
- Selected SSC's in 2 key areas:
  - Security Training
  - FISMA Reporting

Next Steps

- Identify additional SSC opportunities
- Work with service providers to best support the Federal community
- Implement/migrate to SSC solutions
- Identify SSC solutions in additional areas:
  - Situational Awareness/Incident Response
  - Selection, Evaluation and Implementation of Security Solutions



Service Centers

Security Training	FISMA Reporting
• Office of Personnel Management • Department of State/U.S. Agency for International Development • Department of Defense	• Department of Justice • Environmental Protection Agency

Fiscal Year 2008
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Appendix - Supplemental Slides

E-GOV

HSPD-12 Update

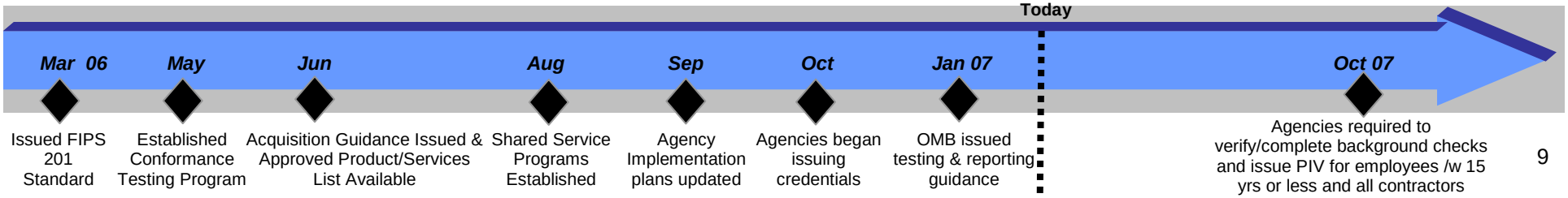
Common Identification Standard for Federal Employees and Contractors implementing recommendations of the 9-11 Commission to improve the security of our federal facilities and information systems.

Progress

- NIST activities:
  - Issued FIPS 201 standard
  - Established Conformance Testing Program
- GSA established:
  - Interoperability Testing Program
  - Government Certified and Approved Products and Services List (http://www.idmanagement.gov)
- Acquisition guidance issued by OMB (M-06-18)
- GSA/Interior established HSPD-12 Shared Service Programs
- Agencies began issuing credentials (Oct. 2006)
- OMB issued M-07-06 requiring agency validation and monitoring of compliant identity credentials

Next Steps

- Address issues identified during Interoperability Testing, some credentials have been identified as being non-compliant with the NIST standard
- Continue to work with agencies to monitor progress and ensure interoperability and conformance with NIST technical standards and business processes
- Assist agencies as necessary with their implementation plans for physical and logical access
- Agencies are required to verify/complete background checks and issue credentials for federal employees with 15 years or less service and all contractors (Oct. 2007)

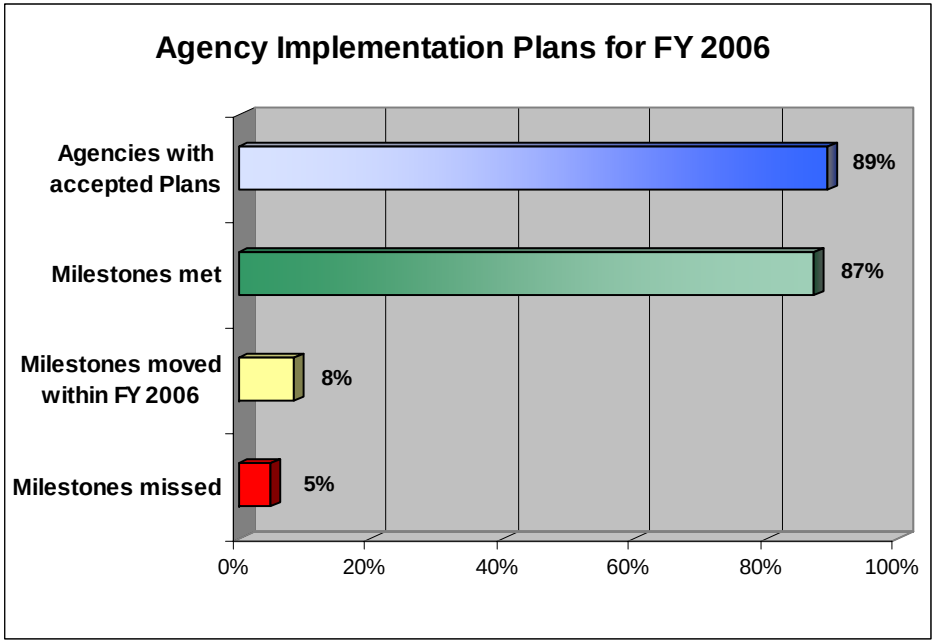


E-Gov Implementation Plans

We are achieving results through the use of the E-Gov Implementation Plans…

Provide milestones to gauge E-Gov progress…

- Linked to quarterly PMA E-Gov Scorecard
- Mutually agreed to by Initiatives, Agencies, and OMB
- Provide objective standards for evidence of completion



For FY 2006…

- 25 of 28 agencies had mutually accepted Plans
- 87% of milestones (or 1708) met
- 5% of milestones (or 95) missed
- 8% of milestones (or 166) moved within FY 2006

Reduction of Duplicative Systems

Significantly, agencies are reporting the retirement and shutdown of legacy and redundant systems via the E-Gov Implementation Plans…

Initiative	Agencies with Systems Shut down*	Agencies with Planned Shut downs
E-Payroll	16**	5
E-Rulemaking	6***	15***
E-Training	7	9
EHRI		3
E-Travel		13
Federal Asset Sales		27***
FM LoB		20
HR LoB	1	19
Integrated Acquisition Environment	23	3
Recruitment One-Stop	3	
TOTAL	44	114

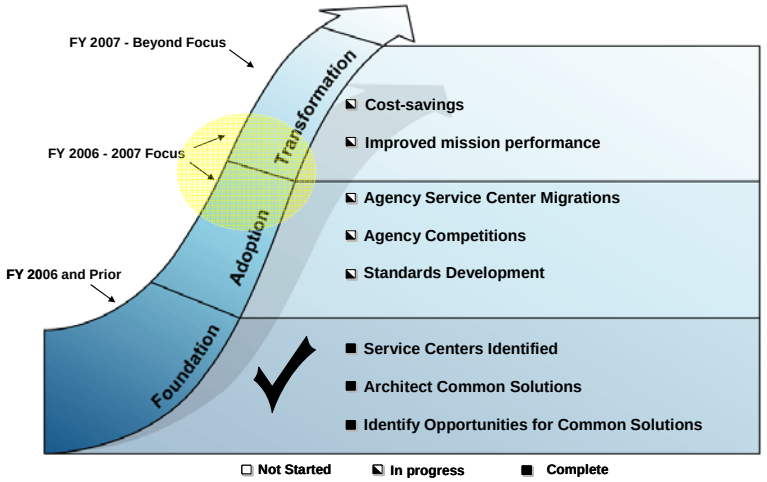
* Systems shut down from Q4FY05 – Q1FY07
** Includes agencies migrated prior to Q4FY05
*** Includes agency specific processes being retired

- ✓ ***Transparent Process***
- ✓ ***Measurable Milestones***
- ✓ ***Quantifiable Results***

Lines of Business Update

Current Lines of Business

- Human Resources
- Financial Management
- Grants Management
- Case Management
- Federal Health Architecture
- Information Systems Security
- Geospatial (launched FY 2006)
- IT Infrastructure (ITI) (launched FY 2006)
- Budget Formulation & Execution (BFE) (launched FY 2006)



Line of Business Spotlight – HR & FM

The Human Resources and Financial Management LoBs continue to make progress in standardizing and consolidating IT systems and business processes…

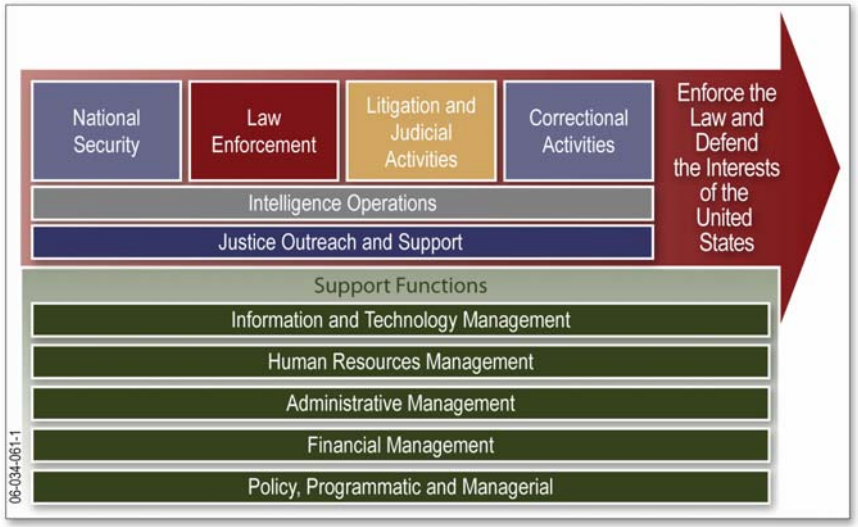
	Human Resources	Financial Management
Approved Federal Service Centers	▪ Department of Agriculture ▪ Department of the Interior ▪ Department of the Treasury ▪ Department of Health and Human Services ▪ Department of Defense	▪ General Services Administration ▪ Department of the Interior ▪ Department of the Treasury ▪ Department of Transportation
Service Coverage	▪ 12 departments and large agencies serviced by a Federal SSC ▪ 77 small entities (boards, commissions, etc.) serviced by a Federal SSC	▪ 5 CFO Act agencies hosted at a Federal SSC ▪ 2 CFO Act agencies hosted at a Commercial SSC ▪ 75 non-CFO Act agencies hosted at a Federal SSC ▪ 4 non-CFO Act agencies hosted at a Commercial SSC
Current Status/Next Steps	▪ In process of developing public-private competition schedule ▪ Agencies continue conducting competitions	▪ Public-private competition guidance issued summer/fall 2006 ▪ Agencies continue conducting competitions

Line of Business Spotlight – Case Management

The Case Management LoB (CM LoB) continues work to establish the Federal Architecture for improved sharing of Investigations and Litigations…

2006 Progress

- Continue refinement of Federal Case Management Architecture
- Focus areas of Architecture:
  - Litigation
  - Investigation



Benefits Already Realized

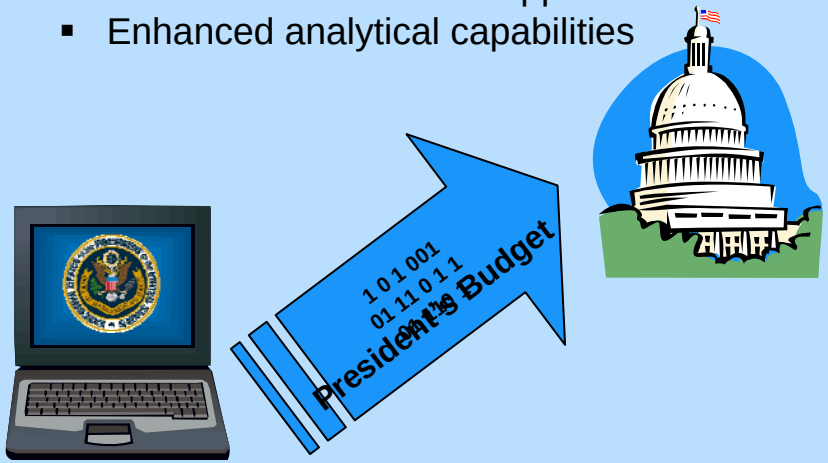
- The National Labor Relations Board (NLRB) was able to cut its procurement preparation efforts in half by re-using the case management functional requirements developed by the initiative.
- The Department of Homeland Security (DHS) will use the CM LoB information exchange standards as a key component of their new investigation solutions.
- The Department of Treasury is leveraging the best practices and lessons learned of the CM LoB in planning their new solution.

Lines of Business Update – BFE

The Budget Formulation & Execution (BFE) LoB enhances the effectiveness of Federal agency and central budget processes through interoperable, flexible, cost effective, and optimized solutions to support the formulation and execution of the Federal budget.

The Budget of the Future

- Agencies formulate their budgets using automated systems and pass the data to OMB electronically.
- Budget documents move seamlessly from stage to stage of the budget process and to Congress
- Budget exercises are conducted using nation-wide web-based applications.
- Enhanced analytical capabilities



2006 Progress

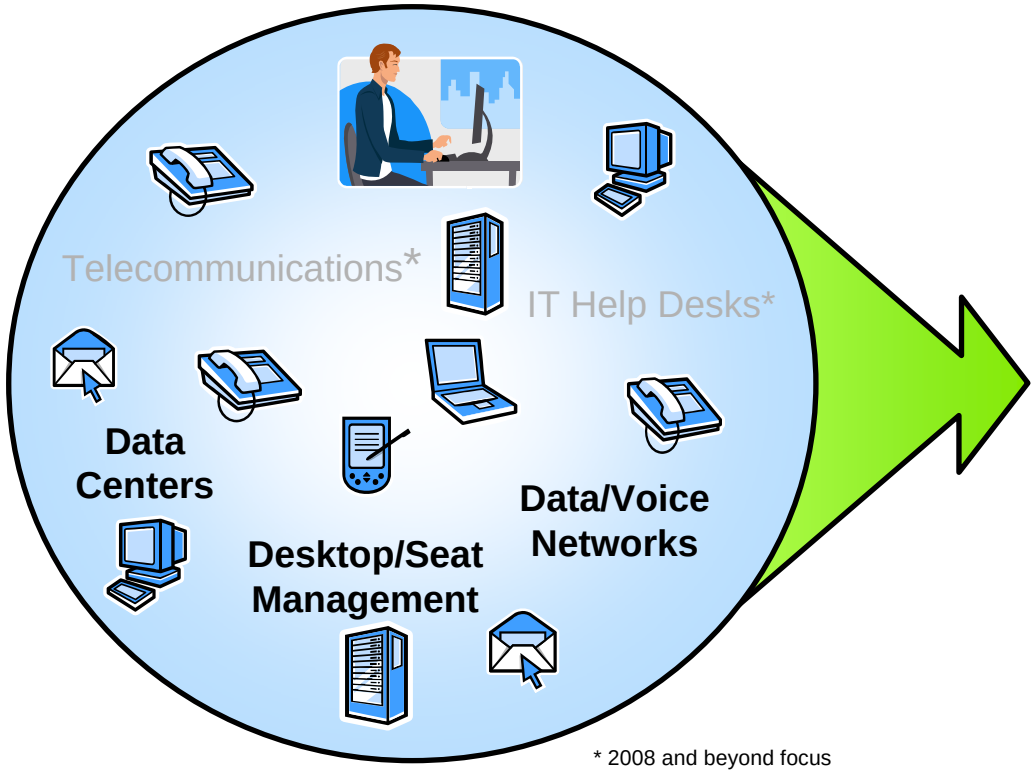
- Formed inter-agency taskforce consisting of 25 agencies
- Developed a joint business case with common solutions to enhance the capabilities of agency and OMB budget personnel in performing budgeting functions

Next Steps

- Work with agencies to identify and assess existing systems that can be shared, including cross-servicing
- Establish capabilities for government-wide collaboration, data collection, and tracking of agency and central budget activities
- Develop an architecture that promotes interoperability and re-usability

Line of Business Spotlight - IT Infrastructure

Significant cost savings can be generated through consolidation and standardization…



* 2008 and beyond focus

Common Solution

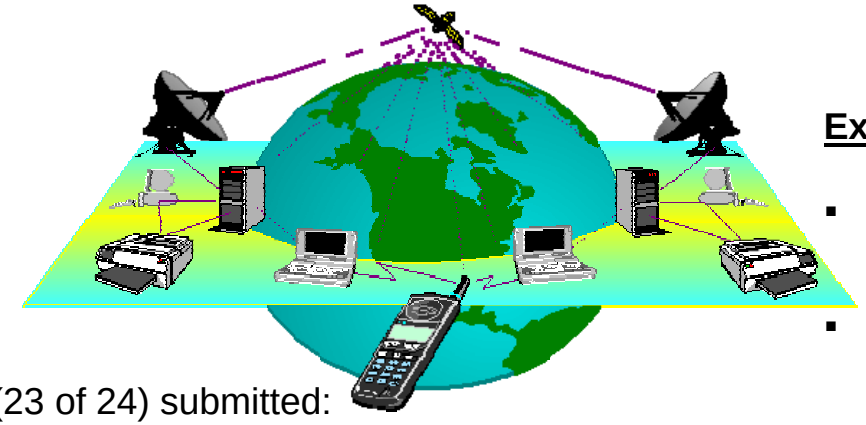
- Develop Performance Measures
- Release of Best Practices & Lessons Learned
- Leverage GSA's NetWorx

Next Steps

- Develop Performance Measures initially for Desktop/Seat Management – then subsequently for Data Centers and Data/Voice Networks
- Provide Best Practices for Optimizing Agency Infrastructure and Developing Government-wide Solutions

IPv6 Update

The adoption of IPv6 into Federal government will allow all of the assets owned by the government to be connected to the Internet, while remaining mobile. Agencies will no longer face the limitations of IPv4, and will be able to implement many of the emerging Internet technologies…



Examples of "Smart" devices (IPv6 enabled):

- Internet-enabled remote sensing devices (environmental, geological, military)
- Internet-enabled medical devices (microscopes, thermometers, blood-pressure cuffs)
- Internet-enabled logistics (RFIDs, real-time location tracking)

2006 Progress

- 96% of agencies (23 of 24) submitted:
  - IPv6 transition plans
  - IP-aware device inventories
  - Cost/Risk impact analyses of IPv6 transitions
- Federal CIO Council published IPv6 transition guidance (February 2006)
- A Federal Acquisition Regulation (FAR) case, or FAR rule, regarding IPv6 was made available for public comment thru October 2006. FAR Council is currently reviewing feedback.
- IPv6 standards profile drafted for the Federal Government. NIST released for 30 day public comment period (January 31, 2007)