



Expanding E-Government

Achieving Results for the American People

May 2008





EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 19, 2008

MEMORANDUM FOR CLAY JOHNSON III
DEPUTY DIRECTOR FOR MANAGEMENT

FROM: KAREN S. EVANS 
Administrator for E-Government and Information Technology

SUBJECT: Expanding E-Government Results Report

I am pleased to provide the Expanding E-Government Results Reports. The results included in this report are for the period of performance ending September 30, 2007. Included are the results for my Fiscal Year 2007 performance goals and the Fiscal Year 2008 goals.

As you can see, we continue to improve our overall performance. As of the most recent quarter ending March 31, 2008, our progress against the green scorecard criteria is as follows:

1. Enterprise Architecture: 93% or 25 out of 27 agencies;
2. Business Cases: 30% or 8 out of 27 agencies and 42% acceptable business cases (337 out of 810);
3. Security: 59% or 16 out of 27 agencies;
4. Project Management (Earned Value Management): 52% or 14 out of 27 agencies; and
5. E-Government Initiatives Implementation: 81% or 22 out of 27 agencies.

In addition to the efforts by the agencies for managing their IT investments in accordance with sound management principles, the CIO Council has taken on activities to support the continued development of our IT work force and the sharing of best practices. The Council has updated its Strategic Plan which I have also attached for your use. We anticipate working on activities to ensure the transition of the common government wide solutions into the next Administration.

There is much the departments and agencies have accomplished but there is still more which can be accomplished between now and the end of this Administration. I appreciate your support and look forward to your assistance in order to achieve results for the American taxpayer.

Attachments

Expanding E-Government: Achieving Results for the American People

We are committed to leaving government better than we found it. To be effective, the government needs to be held accountable to taxpayers for results. I don't think it matters who is in control, but it is important that we institutionalize stronger management practices. Increased government accountability and transparency make agencies more responsive and provide better performing programs to the American public.

Clay Johnson
Ask the White House
October 16, 2006

The Federal Government continues to improve services and deliver results through the adoption and implementation of the E-Government (E-Gov) initiatives and common government wide solutions. The departments and agencies continue to make great improvements in the area of security and privacy with their implementation efforts underway for the requirements included in Homeland Security Presidential Directive-12 (HSPD-12), the Trusted Internet Connection (TIC) and the specific efforts for securing personally identifiable information.

The United States Government continues to be one of the largest users and acquirers of data, information and supporting technology systems in the world, by investing approximately \$70 billion annually on Information Technology (IT). The Federal Government has made improvements but continues to strive to be the world's leader in managing technology and information to achieve the greatest gains of productivity, service and results. Implementation of the E-Gov initiatives and the common government wide solutions has delivered significant results to the taxpayer and federal employees alike with \$508 million of actual cost saving being reported this past fiscal year. The departments and agencies are determined to build upon past success and continue to apply the principles such as Earned Value Management (EVM) and complete implementation of government wide solutions to achieve greater savings, better results and improved customer service levels.

Being the Best

Our goal continues to be the best manager, innovator and user of information, services and information systems in the world. We have shown improvement over the last year in our achieving our goal. Additionally, there continues to be great opportunities to apply existing and emerging business best practices to government to achieve increases in productivity and delivery of services and information. We remain focused on the customer instead of our traditional approach of focusing on departments and agencies.



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The departments and agencies have delivered results by incorporating industry best practices for the management of information systems. The President's scorecard, documents the progress made by the agencies which is located at <http://www.results.gov/agenda/scorecard.html>. Currently, there are 6 agencies who have achieved "green" status on the E-Gov scorecard element. They are: Environmental Protection Agency, Department of Labor, Department of Housing and Urban Development, Department of State, Smithsonian Institute, and the National Science Foundation.

What does it mean to be the best?

- Department and agencies are justifying and managing their IT investments with benefits far outweighing costs;
- Our IT projects are managed to a variance of less than 10 percent of cost, schedule and performance; and
- Citizens and government decision makers have the ability to find information easily and securely.

Focus on Results

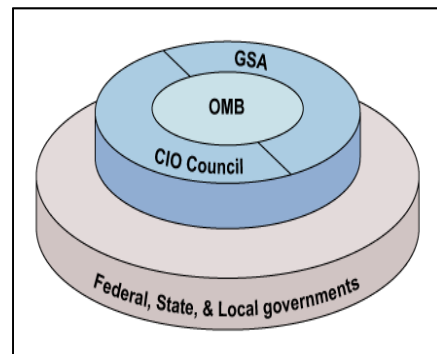
The strategy continues to focus on:

- Increasing Efficiency;
- Controlling IT costs;
- Implementing common solutions;
- Improving customer satisfaction levels
- Improving Security/Privacy; and
- Building an effective IT workforce.

Federal Enterprise Architecture

The Office of Management and Budget's (OMB) E-Government and Information Technology Office, with the support of the General Services Administration and the Federal Chief Information Officers (CIO) Council, completed several deliverables this year supporting the Federal Enterprise Architecture (FEA) framework. The deliverables included:

- Updated FEA Practice Guidance, including a new guidance on "EA Value Measurement" and the "Performance Improvement Lifecycle";
- EA Assessment Framework v2.2 to reflect new initiatives and guidance developed within the FEA community focusing on completion, use and results; and
- Consolidated Reference Model (CRM) v2.3 updating the FEA Reference Models.



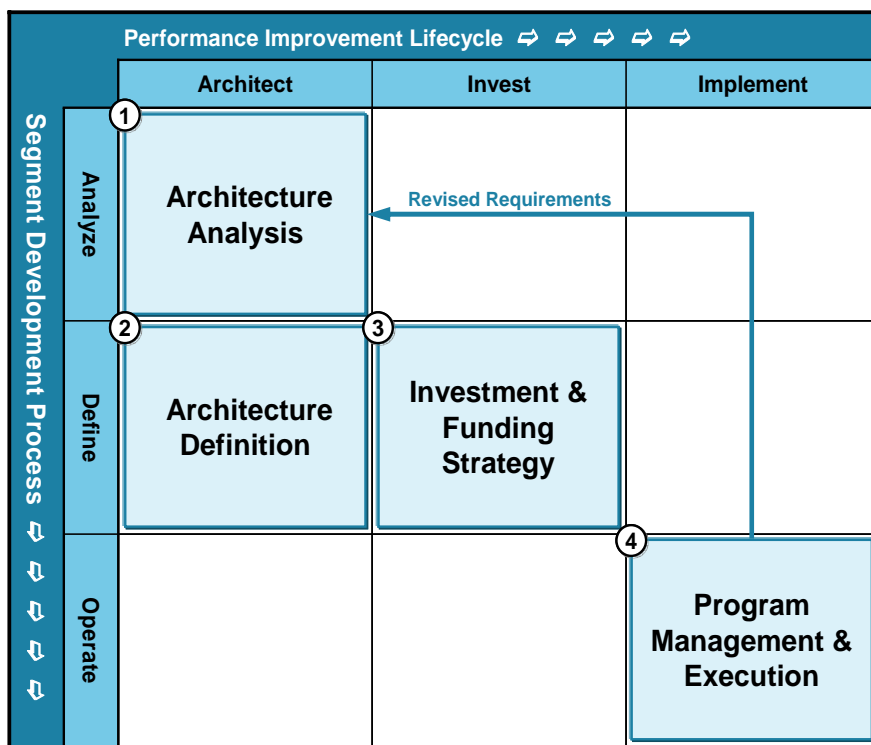
The FEA program has placed increased emphasis on the development of segment architecture. Segments are subsets of the overall agency architecture, focused on a core mission, business service (e.g., Financial Management), or cross-cutting

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enterprise service (e.g., Information Sharing). Agencies develop segment architectures:

- Using performance gaps as the driver for segment identification and prioritization;
- Integrating cross-agency initiatives using the Federal Transition Framework (FTF); and
- Measuring the value of EA to agency stakeholders.

The underpinning of these concepts is the Performance Improvement Lifecycle - our approach for the management of information technology and capital planning which promotes program results as the basis for all planning activities. The figure below illustrates the relationship between each phase of the Performance Improvement Lifecycle and the steps in the architectural process.



The Performance Improvement Lifecycle breaks down the capital planning process in three distinct phases, each with their own activities and outcomes - "Architect," "Invest," and "Implement," extending feedback from Program Management and Execution, as shown. The key ideas are:

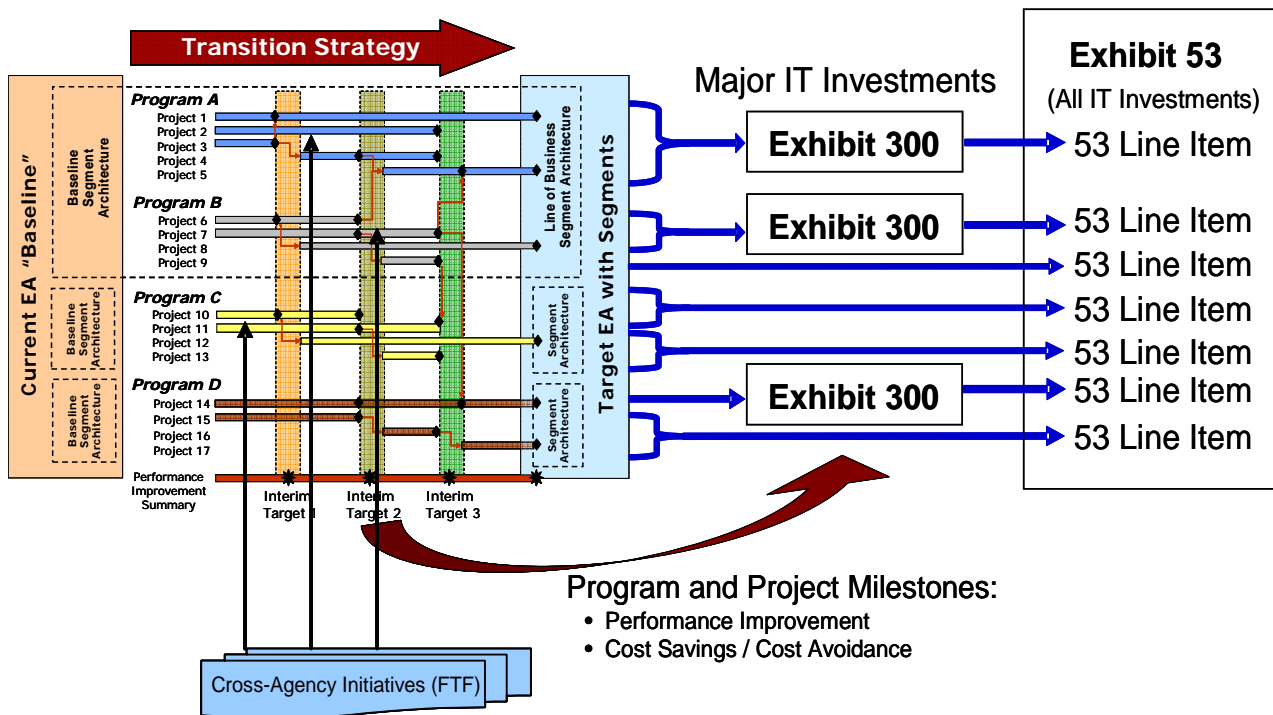
1. Performance must be measured to ensure the outcome of the architecture, investment, and implementation strategies;
2. Identification and prioritization of segments should be driven by performance gaps in the organization, as identified by the agency's strategic plan, IG or GAO reports, and/or the Program Assessment Rating Tool (PART); and
3. Architecture is more effective, and better aligned with performance goals and assists in achieving results, when done by segment.

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Segment architectures also are the integration point between cross-agency initiatives, performance improvement goals, and agency improvement commitments outlined in the Exhibit 300s, and the Exhibit 53. The figure below illustrates the linkages.

By ensuring agencies map their IT investments to the FEA reference models, and use the Performance Improvement Lifecycle approach to capital planning, the FEA program continues to enable the Federal government to:

- Establish a direct relationship between IT and mission/program performance to support citizen-centered, customer-focused government;
- Facilitate horizontal (cross-Federal) and vertical (Federal, State and Local government) information sharing;
- Reduce IT investment redundancies (within agencies and across agencies); and
- Maximize IT investment to better achieve mission outcomes.



Measuring Results

Since we launched the E-Gov solutions for improved services, the agencies now operate and support the common government wide solutions. These initiatives are providing high-quality and well-managed solutions throughout the Federal government. Lines of Business (LoB) task forces identified common solutions and methodologies to increase operational efficiencies, improve services and decrease duplication. During FY 2007, we successfully completed major implementation milestones, showing greater adoption and use of these services from citizens, businesses and government agencies, and shutting down legacy systems.

During this last year, we continued to work with each E-Gov initiative to improve their goals and measurements to achieve the maximum use and benefit. We have available to the public on a quarterly basis the metrics with descriptions and type to address adoption/participation, customer satisfaction and usage on the public website, <http://www.egov.gov>.

Highlights include:

- **Government to Citizen Portfolio:** To date, our benefits site receives more than 258,000 visits per month by citizens and provides more than 378,000 referrals per month to agency benefits programs. In the 2007 tax filing season, over 3.9M citizens filed taxes online for free using IRS Free File.
- **Government to Business Portfolio:** As of Q4 FY07, through the E-Rulemaking initiative, 23 out of 25 President's Management Agenda Scorecard rulemaking agencies required to implement the Federal Docket Management System (FDMS) have fully completed implementations to the Federal Docket Management System (FDMS). FDMS provides the public and agencies access to a central repository of rulemaking dockets, which include Federal Register notices, public comments and supporting documents, materials and studies for the public and agency staff to use. Recently, a SmartBUY agreement was reached to provide server licenses, server maintenance, perpetual enterprise agreements and maintenance, annual subscription licenses, and electronic data and records management training. Under SmartBUY, GSA now has 15 agreements for software including database, network management and enterprise resource planning. Agencies will save as much as 38 percent off the GSA schedule when using this new agreement. For FY07, SmartBUY helped the government avoid more than \$133 million in software costs.
- **Government to Government Portfolio:** As of September 2007, all 26 grants making agencies are now using grants.gov posting over 1,000 grant programs but customer satisfaction is 61%. Currently, 26 Federal agencies (100%) are posting data sets to Geodata.gov, providing Federal and state agencies with single a point of access to map-related data enabling the sharing of existing data to maximize geospatial investments to leverage resources and reduce redundancies.

- **Internal Efficiency and Effective (IEE) Portfolio:** From April 2007 to September 2007, there was a daily average of nearly 312,000 visits to USAJOBS.gov. As of September 2007, approximately 63,000 of nearly 92,000 (68%) job postings were available for online submission through USAJOBS.gov. Federal job seekers have continued to create resumes online with an ACSI customer satisfaction score of 76.
- **Lines of Business (LOB) Efforts:** Recently, GSA approved three companies to provide human resource services under the HR LoB effort. Agencies now have three private-sector vendors to choose from along with five agency providers the Office of Management and Budget approved in the fiscal 2006 budget request: the Treasury, Defense, and Health and Human Services departments; the Interior Department's National Business Center; and the Agriculture Department's National Finance Center. In FY07, a commercial research firm was awarded a contract to develop metrics under the Information Technology Infrastructure and Optimization Line of Business (ITI LOB). The company is collecting and analyzing data to establish baseline and target performance measures that will allow agencies to optimize outcomes for their end user support systems, telecommunications and networks, and data centers. Work continued to complete plans with migrations continuing in the areas of Financial Management and Human Resources. Work continued in Health, Case Management, Grants Management, Cyber Security, Infrastructure, Budget Formulation and Execution and Geospatial.

Continuing with our goal of decreased investment and increased performance, the charts below provide an overview of the Administration's promise to deliver more results for the taxpayers' investment. We continue to focus the President's E-Gov initiatives on achieving improved customer service, while reducing overall annual E-Gov spending. As the agencies complete their milestones and become operational, the initiatives continue moving towards a fee-for-service model-thereby eliminating the need for direct agency funding for specific initiatives. We continue to reduce agency contributions from its peak in FY 2004 and have ensured the governance boards for each initiative approve the spending plans and the associated requirements. Finally, we continue to expect fee-for-service amounts to increase as utilization of the E-Gov initiatives increase.

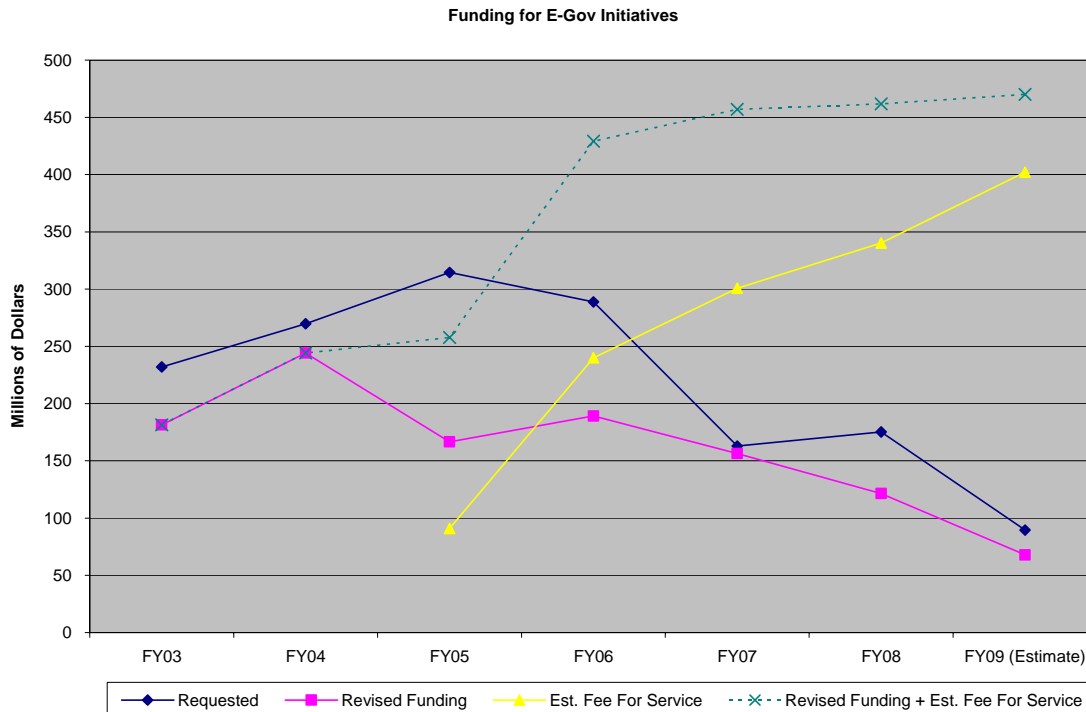
Funding for Original E-Gov Initiatives

	Agency Contributions*	Fee-for-Service Fees**
FY03	181,344,531	
FY04	244,109,284	
FY05	166,668,060	91,007,490
FY06	189,252,074	239,862,798
FY07	156,343,072	300,712,058
FY08	121,419,491	340,275,336
TOTAL	1,059,136,512	971,857,682

* Reflects updates to initiative-reported historical actuals

**Estimated by the initiatives

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Currently, the E-Gov Implementation Plans apply to 28 agencies, including all scorecard agencies as well as NARA and NRC. The following results were as of September 30, 2007:

- 24 of 28 agencies (86%) have a mutually-accepted E-Gov Implementation Plan;
- 76% of implementation milestones (or 715) scheduled for completion were met;
- 8% of implementation milestones (or 72) schedule for completion missed; and
- 16% of implementation milestones (or 152) scheduled for completion were moved within FY 2007.

Our PTB 5 goal is for agencies to adhere to the agency-accepted and OMB-approved implementation plan for all of the appropriate E-Gov/Lines of Business/SmartBUY initiatives and has transitioned and/or shut down investments duplicating these initiatives in accordance with the OMB-approved implementation plan. We continue to work with the agencies to ensure any new functionality and objectives are approved by the initiatives' governance boards and are appropriately included in agency budget requests.

The Keys to Continued Success

The following goals are included in the departments' and agencies continued focus on continued improvement and results for the citizen:

GOAL for FY 07	RESULTS
<p>Enterprise Architecture: 100% of agencies to continue to use their EA to achieve results</p>	<p>In March 2007, we completed assessments of 27 Federal agencies' enterprise architectures. For PTB 5, agencies were required to achieve a Level 4 for Completion, Level 3 for Use, and a Level 3 for Results in order to achieve a status of "green" overall. This standard was designed to focus agencies on the completion of a segment architecture and the achievement of IT cost savings/avoidance. 23 out of the 27 agencies (85%) achieved this new, raised target. Two agencies (or 7 percent) are at the yellow standard and 2 agencies (7 percent) are currently red. At the green standard, an agency's EA is sufficiently mature to be used to guide and inform the agency's investment processes, and EA documents verify agency progress toward program results for at least some agency activities.</p> <p><i>For FY 08, the goal is for the agencies to achieve a Level 4 for Completion, Use, and Results in order to achieve a status of "green." This increase in the "green" standard continues to focus agencies on achieving results, while ensuring their enterprise architectures are mature enough to guide investment decision making at the agency.</i></p>
<p>Acceptable Business Cases: 90% of agencies have all acceptable business cases</p>	<p>The vision and outcomes should be clearly defined and aligned with the department's or agency's mission with the benefits far outweighing the costs.</p> <p>As of September 30, 2007, 48% of the agencies (or 13 of 27) had all acceptable FY 2008 business cases. 44% (12 of 27) had more than 50% of business cases acceptable and two agencies (7%) had less than 50% of their business cases acceptable. There are 136 business cases from 14 agencies remain. For the remaining FY 2008 investments still on the management watch list, OMB will use the appropriate management tools to ensure agencies manage or mitigate risk before beginning or continuing a project.</p> <p><i>For FY 08, the goal is 90% of agencies with acceptable business cases for all of their systems and 85% of the business cases are acceptable.</i></p>
<p>Security: 90% of IT systems have been certified and accredited including the IG's (or Agency Head's) verification of the effectiveness of the department or agency IT security remediation plan.</p> <p>Privacy: 90% of applicable systems to have publicly posted privacy impact assessments 90 percent of systems with personally identifiable information</p>	<p>Federal government information and infrastructure need to be secure. As of September 30, 2007, 92% of agency systems are secured and accredited and 67 percent of agencies have a verified effective plan of action and milestone process. 84 percent of applicable systems have publicly posted privacy impact assessments and 83 percent of systems with personally identifiable information contained in a system of records covered by the Privacy Act have developed, published, and maintained systems of records notices. Although we missed our targets, we continue to strive to improve the security posture of the federal government assets by working with the appropriate Councils such as the CIOs, PCIE, ECIE, and GITEC.</p>

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GOAL for FY 07	RESULTS
<p>contained in a system of records covered by the Privacy Act to have developed, published, and maintained systems of records notices (SORNs).</p>	<p><i>For FY 08, the goal is 90% of all IT systems properly secured (certified and accredited) including the Inspector General's verification of the effectiveness of the department's or agency's IT security remediation process including 90% of applicable systems to have PIAs posted and 90% of systems with PII covered by the Privacy Act to have SORNs.</i></p>
<p>IT Workforce: Gaps in the IT workforce are identified by agency CIOs and 50% of the agencies will have closed the identified gaps</p>	<p>The IT workforce needs to be fully trained and qualified. The CIO Council developed guidelines for assisting department and agency CIOs in identifying skills and competencies gaps in their workforce.</p> <p>As of September 30, 2007, 96% (24 of 25) of agencies have met all gap closures milestones or are consistently meeting their IT hiring targets. The CIO Council completed an updated IT Workforce Assessment Survey which was released. We continue to have challenges in closing identified gaps at this time. Agencies prepared a gap analysis report and improvement plan. The CIO Council continues to share best practices and will work to develop a framework for cyber security professionals similar to the framework for project managers.</p> <p><i>For FY 08, the goal is 50% of the agencies will close the identified gaps.</i></p>
<p>Earned Value Management: 50 percent of agencies (14 out of 27) managing their projects to within 10 percent cost, schedule, and performance.</p>	<p>Operational cost and schedule overruns and performance shortfalls should average within 10% for the department's or agency's IT portfolio.</p> <p>As of September 30, 2007, 48 percent (13 out of 27) of agencies have now fully implemented EVM in accordance with the industry standard, and on average are achieving at least 90 percent of their cost, schedule, and performance goals. 44% of agencies are using some level of EVMS (12 out of 27) to track the cost and schedule status of their major investments and do not have cost overruns or schedule delays exceeding 30%. Those agencies are taking the appropriate actions, including developing comprehensive agency policies and incorporating requirements into contracts for using EVMS, to bring the management of all of their major IT development efforts into full compliance with the industry standard for EVMS. Together these two groups of agencies account for over 92% of Federal agencies being able to measure progress toward milestones in an independently verifiable basis, in terms of cost, capability of the investment to meet specified requirements, timeliness, and quality. The remaining two agencies have a plan of action and milestones to incorporate the use of earned value management into their Capital Planning and Investment Control Process.</p> <p><i>For FY 08, the goal is for at least 75% of the agencies managing their IT portfolio in accordance with the standard and averaging 10% of cost, schedule and performance.</i></p>

As these goals are achieved and the FEA framework and departments' and agencies' enterprise architectures are utilized, duplicate functions and/or systems will be eliminated, and IT investments will be selected and managed wisely. We will continue to document actual cost savings, not just "cost avoidance" for the taxpayer.

Focus on Execution

In the coming months, the departments and agencies will continue to implement their E-Gov Implementation plans to increased agency adoption with customer utilization will become the primary measures of success. The E-Government program will prepare for transition of common solutions into the next Administration in collaboration with the CIO Council. The future activities are to ensure the institution of the management practices and the reliability and security of the services.

The Office of E-Government and Information Technology will continue to provide leadership and support for:

- Transition activities;
- Common solutions focused on results;
- Interoperability, with the adoption of data standards and modernization efforts in lieu of legacy systems incapable of providing upgrades or cross agency support;
- Improved service levels with a focus on the citizen; and
- Adoption of best practices and shutting down ancillary and duplicative systems within and across the federal government.

This Office will continue to work with the departments and agencies to ensure privacy issues are addressed across boundaries to provide a uniform and systematic process to protect citizen information. We have huge potential and opportunities for growth and want to ensure program success and results the American people deserve.

Presidential Initiatives Links

Business Gateway	www.Business.gov
Disaster Management	www.DisasterHelp.gov
E-Authentication	www.cio.gov/EAuthentication
E-Loans	www.GovLoans.gov
E-Records Management	www.archives.gov/records_management/initiatives/erm_overview.html
E-Rulemaking	www.Regulations.gov
E-Training	www.USALearning.gov
Federal Asset Sales	www.FirstGov.gov/shopping/shopping.shtml
Geospatial One-Stop	www.GeoData.gov
GovBenefits.gov	www.GovBenefits.gov
Grants.gov	www.Grants.gov
Business Partner Network	www.BPN.gov
Excluded Parties Listing System	www.EPLS.gov
Federal Business Opportunities	www.FedBizOpps.gov
Federal Technical Data Solution (password required)	www.FedTeDS.gov
Federal Procurement Data System	https://www.FPDS.gov
Past Performance Information Retrieval System	www.PPIRS.gov
International Trade Process Streamlined	www.Export.gov
IRS Free File	www.irs.gov/efile/article/0,,id=118986,00.html
Recreation One-Stop	www.Recreation.gov
Recruitment One-Stop	www.USAJOBS.gov
SAFECOM	www.SAFECOMProgram.gov
USA Services	www.FirstGov.gov www.usaservices.gov
Lines of Business Web Site	www.whitehouse.gov/omb/egov/c-6-lob.html

E-Gov Related Links

Official Web Site of the President's E-Gov Initiative	www.egov.gov
CFO Council Web Site	www.cfoc.gov
CIO Council Web Site	www.cio.gov
FedWorld	www.FedWorld.gov
FirstGov.gov	www.FirstGov.gov
GSA E-Gov Web Site	http://egov.gsa.gov
GSA E-Strategy	www.estrategy.gov
OMB Web Site	www.omb.gov
OPM E-Gov Web Site	www.opm.gov/egov/
Resources for the President's Team	www.Results.gov www.WhiteHouse.gov www.USAFreedomCorps.gov