Expanding E-Government

Improved Service Delivery for the American People Using Information Technology

December 2005

E·GOV

MEMORANDUM FOR CLAY JOHNSON III
                DEPUTY DIRECTOR FOR MANAGEMENT

FROM: KAREN S. EVANS
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SUBJECT: Expanding E-Government Results Report

As the third anniversary of the E-Government Act passes, I am pleased to submit an update to last year's results report. This report, "Expanding E-Government: Improved Service Delivery for the American People Using Information Technology," highlights the accomplishments of the departments and agencies and sets forth our goals for this year. I look forward to working with the departments and agencies in continuing to improve our management of information technology and deliver results for the American people.

Attachment

Expanding E-Government: Improved Service Delivery for the American People Using Information Technology

Agencies have become more disciplined and are results-oriented about the way they manage their programs, people, costs and investments, with the help of the President's Management Agenda (PMA).

The Federal Government continues to deliver results through the adoption of electronic government management principles and best practices for the implementation of information technology. The departments and agencies are focused on providing timely and accurate information to the citizens and government decision makers while ensuring security and privacy.

The United States Government is one of the largest users and acquirers of data, information and supporting technology systems in the world, currently investing approximately $65 billion annually on Information Technology (IT). The Federal Government should be the world's leader in managing technology and information to achieve the greatest gains of productivity, service and results. For the past four years, the President's Management Agenda (PMA) initiative to Expand E-Government has delivered significant results to the taxpayer and federal employees alike. The departments and agencies are determined to build upon past success and apply new principles and methods such as Earned Value Management (EVM) to achieve greater savings, better results and improved customer service levels.

Being the Best

Our goal is 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 continue 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.

Since the introduction of the PMA, departments and agencies have delivered results by incorporating industry best practices for information handling and system management. The President's scorecard, located at http://www.results.gov/agenda/scorecard.html, documents the progress made by the agencies. Currently, there are 4

agencies who have achieved "green" status on the E-Gov scorecard element. They are: Department of Transportation, Department of Labor, Small Business Administration, 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 to date has been focused on:
- Increasing Efficiency;
- Controlling IT costs;
- Developing and implementing common solutions;
- Implementing the responsibilities of the E-Gov Act of 2002;
- Improving cyber security; and
- Building an effective IT workforce.

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 a governance process for modification of all the models; profiles for security, privacy and records management; and frameworks for IPv6 transitions and EVM policy. The FEA continues to be a comprehensive business-driven blueprint to enable the federal government to identify opportunities to leverage technology to:
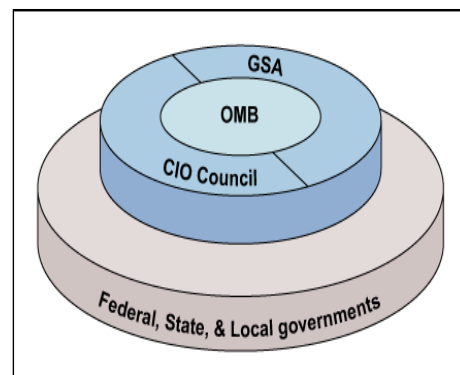
- Reduce redundancy;
- Facilitate horizontal (cross-federal) and vertical (federal, state and local) information sharing;
- Establish a direct relationship between IT and mission/program performance to support citizen-centered, customer-focused government; and
- Maximize IT investments to better achieve mission outcomes.

The FEA framework and its five supporting reference models (Performance, Business, Service, Technical and Data) are now used by departments and agencies in developing their budgets and setting strategic goals. With the recent release of the Data Reference Model (DRM), the FEA will be the "common language" for diverse agencies to use while communicating with each other and with state and local governments seeking to collaborate on common solutions and sharing information for improved services.

The following chart illustrates the potential uses of the newly released DRM Version 2.0:

- The FEA mechanism for identifying what data the Federal government has and how it can be shared in response to a business/mission requirement
- The frame of reference to facilitate Communities of Interest (which will be aligned with the Lines of Business) toward common ground and common language to facilitate improved information sharing
- Guidance for implementing repeatable processes for sharing data Government-wide

The FEA Data Reference Model (DRM) 2.0

What kind of information is it?	**Structured**	**Semi-structured**	**Unstructured**	Description
	Entity Attribute Data Model Relationship Type	Entity	Entity	

Where is it? How is it categorized?	Data Asset Taxonomy — Topic	Context

How do I access it?	Exchange Package Query Point	Sharing
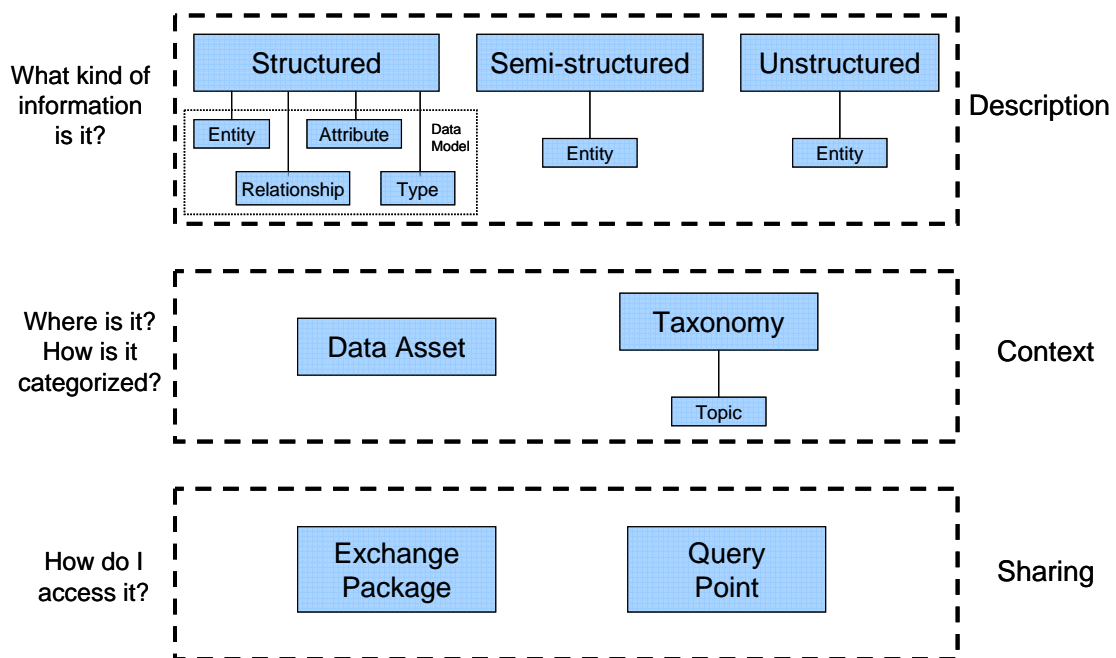
Presidential E-Gov Initiatives

In 2001, the President proposed 24 common solutions for services in his 2003 Budget. Operated and supported by agencies, these Presidential Initiatives are providing high-quality and well-managed solutions for improving services throughout the government. During the spring of 2004, OMB announced the formation of Lines of Business (LoB) task forces. Initially, there were five LoB efforts which identified common solutions and methodologies to increase operational efficiencies, improve services and decrease duplication. During FY 2005, we successfully completed major development milestones and are showing greater adoption and use of these services from citizens, businesses and government agencies. Specific accomplishments were included in the second annual report to Congress on the E-Gov Act of 2002. (http://www.whitehouse.gov/omb/egov/)

Highlights include:

- **Government to Citizen Portfolio:** To date, our benefits site receives more than 190,000 visits per month by citizens and provides more than 128,000 referrals per month to agency benefits programs. In the 2005 tax filing season, over 5.1M citizens filed taxes online for free using IRS Free File.

- **Government to Business Portfolio:** As of August 2005, the E-Rulemaking initiative has included 1,600,789 public participants in the rulemaking process through multiple service channels.

- **Government to Government Portfolio:** As of October 2005, over 1,500 grant programs are available online. To date, more than 17,000 grants applications have been received electronically. Additionally, Disaster Management Interoperability Services (DMIS) has been used in 111 disaster situations and 624 training exercises.

- **Internal Efficiency and Effective (IEE) Portfolio:** Federal job seekers have created more than 1,900,000 resumes online. Through its website (www.GoLearn.gov) E-Training currently has more than 650,000 registered users and more than 1,300,000 courses have been completed.

- **Lines of Business (LOB) Efforts:** Work continued to complete plans to move to centers of excellence in the areas of Financial Management and Human Resources while work continued in Health, Case Management, Grants Management and Cyber Security.

Holding to the promise 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 greater savings, better results, and improved customer service levels, while reducing overall annual E-Gov spending. As the initiatives complete their milestones and become operational, they will move to a fee-for-service model-thereby eliminating the need for direct agency funding for specific initiatives. We continue to reduce funding 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 expect fee-for-service amounts to increase as utilization of the E-Gov initiatives increase.

Funding for E-Gov Initiatives

	Agency Contributions	Fee-for-Service Fees*
FY03	177,617,010	
FY04	226,794,548	
FY05	168,445,172	91,007,490
FY06	181,865,986	243,587,798
TOTAL	754,722,716	334,595,288

*Estimated by the initiatives

Funding for E-Gov Initiatives
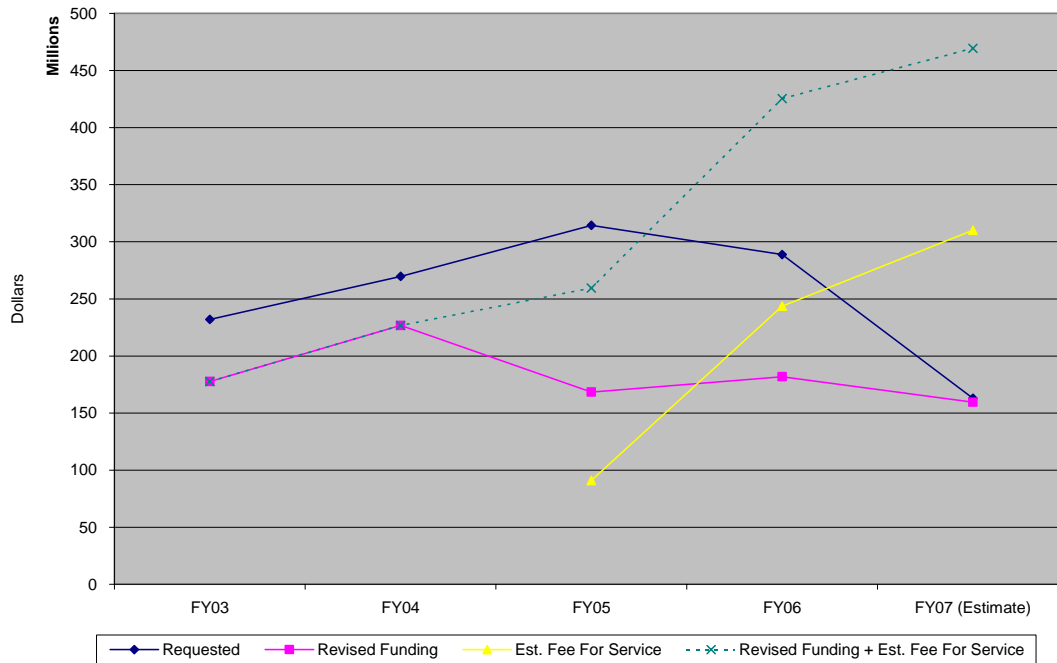
To ensure the initiatives maintain their originally intended scope, any new functionality and objectives are approved by the initiatives' governance boards and are appropriately included in agency budget requests. This approach ensures these solutions are incorporated into existing government service delivery operations.

The Keys to Continued Success

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

GOAL for FY 05	RESULTS
Enterprise Architecture: Federal Enterprise Architecture and the agencies' Enterprise Architectures are used to eliminate redundant business functions, processes, and technologies.	In June 2005, we completed assessments of 25 Federal agencies' enterprise architectures. All agencies have an "effective" EA – i.e. the EA is sufficiently mature enough to inform agency investment processes. *For FY 06, the goal is for agencies to continue to use their EA to eliminate redundant business functions. The elimination of functions/systems will show true cost savings and not just "cost avoidance."*
Acceptable Business Cases: 75% of agencies have all acceptable business cases	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. As of September 30, 2005, 84 % of the agencies (or 21 of 25) had acceptable FY 2006 business cases. Thus from last year's management watch list, only 19 business cases from 4 agencies remain. For the remaining FY 2006 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. *For FY 06, the goal is 90% of agencies with acceptable business cases for all of their systems.*
Security: 90% of IT systems have been certified and accredited	Federal government information and infrastructure need to be secure. As of September 30, 2005, 85% of agency systems are secured and accredited. We continue to strive to improve the security posture of the federal government assets and although we missed the goal for FY 05, we continue to improve our response to security incidents. *For FY 06, 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.*
IT Workforce: Gaps in the IT workforce are identified by agency CIOs and 50% of the agencies will have closed the identified gaps	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. Agencies have completed this analysis and developed plans to close IT skill and competency gaps across a number of key job areas (IT Project Management, IT Security, and IT Architecture). We did not meet the goal of 50% of the agencies closing their identified gaps. The CIO Council is going to assist with the implementation of the developed plans with activities such as conducting specialized recruitment activities. *For FY 06, the goal is 50% of the agencies will close the identified gaps.*

GOAL for FY 05	RESULTS
Earned Value Management: At least 50% of agencies are managing their IT portfolio in accordance with the standard.	Operational cost and schedule overruns and performance shortfalls should average within 10% for the department's or agency's IT portfolio. As of September 30, 2005, 28% of agencies have fully implemented EVMS (7 out of 25) and on average are achieving at least 90% of their cost, schedule, and performance goals. Another 52% of agencies are using some level of EVMS (13 out of 25) 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 75% 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 six agencies have a plan of action and milestones to incorporate the use of earned value management into their Capital Planning and Investment Control Process. *For FY 06, the goal is for at least 50% of the agencies managing their IT portfolio in accordance with the standard and averaging 10% of cost, schedule and performance.*

As these goals are achieved and the FEA framework and departments' and agencies' enterprise architectures are utilized, IT investments will be made and managed wisely. Duplicate functions and/or systems will be eliminated and we will achieve true cost savings, not just "cost avoidance" for the taxpayer.

What is Coming

In the coming months, the Presidential E-Government initiatives will continue to graduate from the development and implementation phase to mature service offerings supported by service fees. Increased agency adoption and customer utilization will become the primary measures of success. The E-Government program will continue to identify IT opportunities for collaboration and consolidation using the FEA framework. The future is to ensure reliability, security and continuity of services to the point where they are thought of as utilities just like electricity and water. This service-oriented approach will ensure that future government IT investments will leverage existing capabilities to their maximum potential and will provide the most efficient and customer-centered services.

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

- 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. The Federal Government will continue to work in all aspects of the Expanding E-Government initiative to deliver results the American people deserve.

Appendix

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/app/freeFile/welcome.jsp
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	http://lobm.gsa.gov

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