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OMB launches government-wide analysis of new Lines of Business initiatives

Today the Office of Management and Budget (OMB) launched a government-wide analysis of three new Lines of Business (LoBs) initiatives in order to identify opportunities to reduce the cost of government and improve services to citizens through business performance improvements.

Analysis of the fiscal year 2007 budget shows significant opportunities for improvement in sharing common information technology infrastructure, geospatial data and capabilities, and budgeting processes and functions across government. For example, based on industry benchmarks and analysis of agencies' FY07 IT budget submissions, the Federal government could potentially save between 16 percent and 27 percent annually on its IT infrastructure budget (between \$18 and \$29 billion) over 10 years by taking a more coordinated approach to spending on commodity IT infrastructure.

"We are pursuing a number of government-wide opportunities to improve the effectiveness and efficiency of our IT investments," said OMB Deputy Director for Management Clay Johnson. "I know the teams looking at these three new areas will do a great job of clarifying the opportunities and the steps that need to be taken to realize them."

The three new Lines of Business are:

- IT Infrastructure Optimization
- Geospatial
- Budget Formulation and Execution

Throughout the fiscal year, an interagency task force for each of the new LoBs will analyze the current state, identify common solutions and target architectures, and develop a business case to be submitted for FY 2008 budget review.

The goal of the Lines of Business approach is to identify opportunities to reduce the cost of government and improve services through business performance improvements. The three new LoBs will join six existing lines: Financial Management, Human Resources, Grants Management, Case Management, Federal Health Architecture and IT Security.

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