Office of Management and Budget

FY 2004 Report to Congress on Implementation of The E-Government Act of 2002

March 1, 2005

TABLE OF CONTENTS

INTRODUCTION

This is the Office of Management and Budget's (OMB) second progress report on implementing the Electronic Government Act of 2002 (Public Law 107-347) as called for by section 3606 of title 44, United States Code.

The United States Government is one of the world's largest producers, users and acquirers of data, information, and supporting technology systems. In FY 2006 the President is proposing to spend about $65 billion annually on information technology. Charged with great responsibilities by its citizens and ably served by the Federal workforce, the Federal government should also be the world's leader in managing information and technology to achieve the greatest gains of productivity, service, and results.

Over the past year, the Federal government continued delivering results by adopting and expanding electronic government principles and practices to better manage information technology. In addition, agencies are providing timely and accurate information and services to citizens and government decision makers.

The President's Management Agenda initiative to Expand E-Government has already produced significant results for the taxpayer. The departments and agencies continue to build upon earlier successes to achieve even greater savings, better results, and improved customer service levels. As this report reflects, E-Government is a program founded on innovation and driven by the entrepreneurial energy of government agencies and industry. But, innovation alone does not guarantee success. We are striving for concrete, measurable results. Since last year we:

- Strengthened the security of government facilities and information technology systems. For example, the National Institute of Standards and Technology, at the direction of the President, is developing a standard for Federal employee identification. Also, between September 2003 and September 2004, the percentage of secure agency systems has risen from 62 percent to 77 percent. For more information regarding the security of Federal information technology, see OMB's report on implementing the Federal Information Security Management Act of 2002 (Title III of Public Law 107-347) located on OMB's website (www.whitehouse.gov/omb).

- Increased privacy protections for individuals by improving agency privacy impact assessment activities.

- Expanded the public's access to agency information and services by enhancing FirstGov.gov and launching FirstGov en Español (espanol.gov) to provide vital government information and services for Spanish speaking Americans.

- Improved the public's ability to participate in the development of government regulations, and thereby improve the quality of such regulations, by launching www.regulations.gov.

- Identified and began correcting weaknesses in the Federal information technology workforce by conducting an assessment, disseminating information technology project manager guidance, and developing a framework for agencies to use when creating information technology workforce training programs.

- Improved agencies' management of their information technology portfolios by ensuring they consistently measure the cost, schedule, and performance variance of project performance compared to initial expectations. As of September 30, 2004, nine agencies are planning and managing major investments to within 10 percent of planned project cost, schedule and performance goals.

- Increased the use of the Federal Enterprise Architecture and evaluated agencies' enterprise architectures to help identify specific relationships between effective use of information and program performance and to help improve agency information technology investments to better achieve mission objectives.

- Developed five lines of business (i.e., financial management, human resources, case management, grants, and health) to further reduce unnecessary duplication in common government processes, avoid future costs, and increase service levels.

- Developed through the SmartBuy (Software Managed and Acquired on the Right Terms) initiative, four government-wide software purchasing agreements to leverage the Federal government's purchasing power and reduce redundant agency purchasing.

- Moved each of the 24 Presidential E-Government initiatives (described in more detail at www.egov.gov) beyond their major development milestones, greatly increased their use, and continued delivering improved service to citizens, businesses, and government agencies.

- Ensured agency progress in implementing their own internal E-Government initiatives and increased their focus on developing performance metrics to clearly measure cost savings and service improvements in program delivery. Highlights of agency internal activities are presented in section two of this report and more detailed information is located on each agency's website.

Over the next year we will continue to use the President's Management Agenda scorecard to drive increased performance and results in the areas mentioned above while consolidating and reducing resources required to sustain the Federal government's information technology investments.

Looking further down the road, we will expand our use of electronic government principles to enhance the budget formulation process and institutionalize budget performance integration. The "budget of the future" would employ standards and technologies for electronic information exchange and the integration of budget and

financial information throughout all phases of the annual budget formulation and execution cycle. This will:

- Improve agency efficiency and effectiveness and facilitate collaboration among the agencies, OMB, and Congress;
- Enhance our ability to align outcomes with costs to highlight performance and promote applying scarce resources to high performing programs; and
- Provide better analytical capabilities to support the budget formulation process and provide more information to the public.

Thus the "budget of the future" will directly contribute to improved mission performance and results.

About this Report

This E-Government Act progress report comprises three sections:

- Section I: Compliance with Specific Goals and Provisions of the Act
- Section II: Highlights of Individual Agency Internal E-Government Activities
- Section III: Operations of the E-Government Fund

The report is based on information gathered by OMB throughout the past year, including agencies' annual E-Government Act reports and, as appropriate, agency FY 2006 budget materials. Section II highlights agency-specific E-Government activities. The goals, progress to date, performance metrics, and migration milestones of the 24 Presidential E-Government initiatives can be found in Chapter 9, Table 9-3, FY 2006 Budget of the U.S. Government, Analytical Perspectives (see http://www.whitehouse.gov/omb/budget/fy2006/pdf/ap_cd_rom/9_3.pdf).

The Act requires other specific reports from OMB and certain agencies, e.g., OMB's report on community technology centers and public libraries, and the General Services Administration's report on disparities in the public's access to the Internet. These reports will be transmitted separately and within the time frames prescribed by the Act.

SECTION I: COMPLIANCE WITH SPECIFIC GOALS AND PROVISIONS OF THE ACT

This section of the report addresses specific sections of the Act requiring implementation or reporting by OMB or the agencies.

Compatibility of Executive Agency Methods for Use and Acceptance of Electronic Signatures -- Section 203

Section 203 of the Act requires agency methods for use and acceptance of electronic signatures to be compatible with the relevant policies and procedures issued by the Director of OMB. Over the past year, OMB and NIST have provided updated guidance to assist agencies in using electronic signatures. This guidance builds on earlier guidance on the Government Paperwork Elimination Act (Title XVII of Public Law 105-277), the Electronic Signatures in Global and National Commerce Act (Public Law 106-229), and E-Authentication.

The E-Authentication Initiative will provide a common authentication infrastructure for electronic government. The foundation of the initiative, the technical approach, was released in June 2004 and is now being tested at several agencies (see http://www.cio.gov/eauthentication for more information).

In December 2004, OMB issued Memorandum M-05-05 Electronic Signatures: How to Mitigate the Risk of Commercial Managed Services, to guide agency acquisition of commercial services for electronic signatures for Federal employees (see http://www.whitehouse.gov/omb/memoranda/fy2005/m05-05.pdf).

In August 2004, the President issued Homeland Security Presidential Directive 12, establishing a policy for a common identification standard for Federal employees and contractors. The Directive requires agencies to issue Federal employees and contractors secure and interoperable identification for access to buildings and IT systems. In January 2005, OMB held a public meeting to discuss privacy and security issues related to the Directive and seek input on the implementation guidance OMB will release in FY 2005 (see http://www.csrc.nist.gov/piv-project).

Federal Internet Portal -- Section 204

Section 204 of the Act requires OMB, GSA, and other agencies to maintain and promote an integrated Internet-based system providing the public with access to government information and services. FirstGov.gov is the Executive branch's official Internet portal and serves as the public domain directory of Federal agency public websites – two specific requirements of the Act. FirstGov.gov meets statutory requirements, greatly simplifies the public's access to government information, and enables timely use of government services.

In FY 2004, FirstGov.gov greatly expanded its role to provide the public with a front door to easy-to-understand government information and services. Public use of FirstGov.gov continues to grow, and in FY 2004 more than 78 million visitors (an increase of 24 percent over FY 2003) viewed over 203 million pages on the FirstGov.gov website. The table below illustrates growth in FirstGov.gov usage.

Increases in FirstGov.gov Usage

	FY 2002	**FY 2003**	**FY 2004**
FirstGov.gov Site Visitors	33 million	63 million	78 million
FirstGov.gov Page Views	91 million	176 million	203 million
Subscribers to FirstGov.gov e-newsletter	28,532	45,075	65,946

Source: GSA FirstGov, 2004

During FY 2004, FirstGov.gov launched the Federal government's official Spanish language web portal, FirstGov en Español (see http://www.espanol.gov). FirstGov en Español includes over 900 external links to 60 federal agencies and sub-agencies, States, the District of Columbia and the Commonwealth of Puerto Rico, providing access to the government's more than 125,000 Spanish-language web pages.

In 2004, FirstGov received national recognition for citizen service from organizations such as Brown University, WABC TV New York, Forbes.com, and PC Magazine and was featured in a Public Broadcasting Service Visionaries documentary.

Accessibility, Accountability, and Transparency to the Development and Issuance of Agency Regulations -- Section 206

Section 206 of the Act enhances public participation in and improves the Federal government's development and issuance of regulations through the use of information technology. This section calls for agencies to accept electronically comments submitted on proposed regulations and to make electronic dockets (the full set of material related to a regulation) publicly available online. When completed, the E-Rulemaking initiative will provide comprehensive central access to and assist the public in finding and commenting on proposed Federal regulations (see http://www.regulations.gov).

Two agencies began using this electronic docket system in October 2004 and others will do so throughout 2005. Since launching in January 2003, regulations.gov increased public participation in the Federal regulatory development process. To promote greater public use, the initiative managers convened a series of public forums across the country to solicit input and help improve the electronic docketing system.

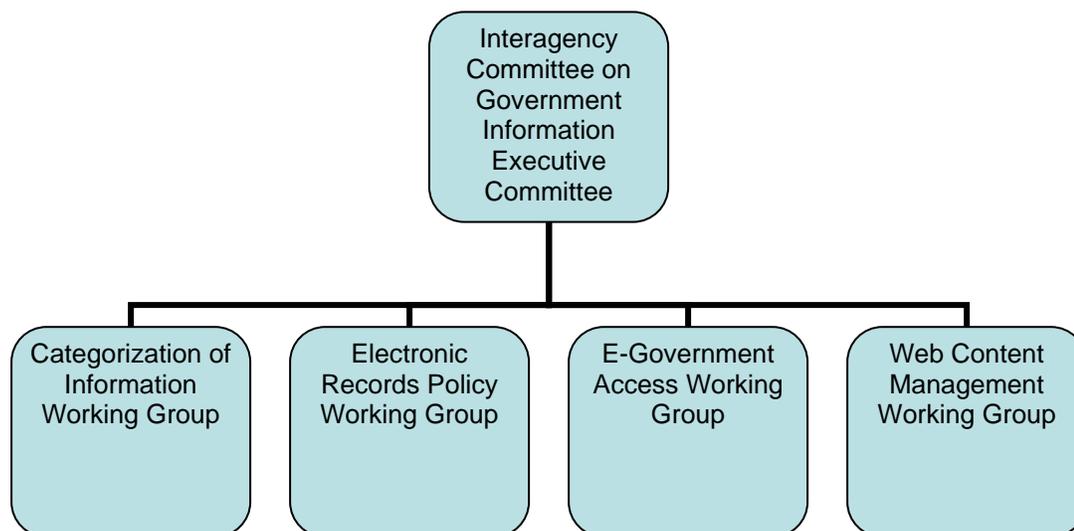**Accessibility, Usability, and Preservation of Government Information -- Section 207**

Section 207 of the Act aims to improve the way Federal government information is organized, preserved, and made accessible to the public.

To accomplish these goals, the Act requires OMB to establish an interagency committee to recommend to OMB policies for agency public websites and indexing and categorizing government information. The committee is to recommend to OMB and the Archivist policies and procedures for applying the Federal Records Act to electronic records and government information on the Internet. Based on the committee's recommendations, OMB and the Archivist are to issue policies as necessary.

OMB must also work with the Office of Science and Technology Policy to develop and maintain a government-wide repository and website of research and development funded by the Federal government.

Interagency Committee on Government Information Working Groups.
OMB established the Interagency Committee on Government Information in June 2003. It comprises representatives from over twenty-five Federal agencies in both the Executive and Legislative Branches and is organized into four working groups.

```
┌─────────────────────────┐
│   Interagency           │
│   Committee on          │
│   Government            │
│   Information           │
│   Executive             │
│   Committee             │
└─────────────────────────┘
```

| Categorization of Information Working Group | Electronic Records Policy Working Group | E-Government Access Working Group | Web Content Management Working Group |

As required by the Act, each of the working groups delivered policy recommendations to OMB. Based in part on working group recommendations, in December 2004, OMB issued policies for managing Federal agency public websites (see http://www.whitehouse.gov/omb/memoranda/fy2005/m05-04.pdf). OMB is reviewing the recommendations and will use the recommendations from the other working groups to determine the extent to which new policies are needed concerning the adoption of standards for categorizing and indexing government information. As necessary, OMB will issue those policies by December 2005 as required by the Act.

A brief description of each working group and their activities follows. Final work products and more information about the committee may be found at: http://www.cio.gov/documents/ICGI.html.

1. Categorization of Information. This working group, led by the United States Geological Survey, developed a series of recommendations which may enhance

accessibility to government information and services through improved categorization and searching. OMB is reviewing these recommendations and will issue policies as necessary by December 17, 2005.

2. Electronic Records Policy. This working group led by the National Archives and Records Administration, identified a number of barriers which may impede effective electronic records management. The working group made recommendations to the Archivist and OMB outlining a strategy to overcome those barriers. The Archivist and OMB are reviewing these recommendations and will issue policy as necessary by December 17, 2005.

3. E-Government Access. This working group co-chaired by the General Services Administration and the Government Printing Office, completed a study of disparities in Internet access pursuant to section 215 of the E-Government Act (see: http://www.estrategy.gov/drilldown.cfm?action=it_legis). The report identified a number of different types of disparities (e.g., between different age groups and among people with different educational backgrounds) and how these disparities in access might affect the implementation of online government services. The study also identified a wide variety of existing Federal programs and activities aimed at maintaining timely and equitable access to government information and services.

4. Web Content. This working group led by the General Services Administration, provided to OMB recommendations to assist in developing policies for Federal agency public websites. OMB issued policy on December 17, 2004, describing the efficient, effective, and appropriately consistent use of Federal agency public websites as important to promote a more citizen-centered government. The guidance:

- Reminds agencies to establish inventories of the types of information available on their website as well as priorities and schedules for doing so;
- Reminds agencies to communicate with the public and with State and local governments to ensure agency information dissemination products meet their respective needs. In their annual E-Government Act reports to OMB, agencies described their process for communicating with the public and for determining which information will be made available on their website. This helps promote more effective agency information dissemination management.
- Suggests agencies use best practice recommendations published by the Interagency Committee on Government Information to assist implementing OMB's policies. The best practices may be found at http://www.webcontent.gov.

Information Regarding Federally Funded Research and Development.

The Federal government funds two primary research and development information repositories: RaDiUS (https://radius.rand.org) and Science.gov. RaDiUS provides the public and agencies with information about federally funded research and development activities and opportunities. Science.gov provides links to science websites and scientific databases so citizens can access the results of Federal research. These two repositories

contain integrated information about research and development required by Section 207 of the Act.

Privacy Impact Assessment Analysis and Privacy Provision Status -- Section 208

This section of the Act requires agencies to conduct Privacy Impact Assessments (PIAs) for information systems and post machine-readable web privacy policies.

<u>Agency Status on Privacy Impact Assessments.</u> A PIA is an analysis of an agency's handling of personally identifiable information describing for a specific system how the agency ensures compliance with law and policy. Agencies have been conducting PIAs pursuant to this requirement since the third quarter of FY 2003, submitting them to OMB in support of their information technology investment requests and making them publicly available as required by the Act. Performing a PIA helps an agency:

- Determine whether the agency's information handling practices conform to the established legal/regulatory/policy privacy framework and make any necessary corrections
- Identify risks arising from electronic collection and maintenance of information about individuals
- Identify protections or alternative processes needed to mitigate the risks identified

Throughout the past year, agencies demonstrated a greater understanding of the PIA requirement and instituted processes for promoting greater coordination between those who operate and supervise systems and experts in information technology, security, and privacy law and policy.

Over the coming year, OMB will work with the agencies to clarify and streamline their PIAs and focus on the specific data elements enumerated in the Act and in OMB's implementing guidance (see OMB Memorandum 03-22, "Guidance for Implementing the Privacy Provisions of the E-Government Act of 2002," September 2003, at: http://www.whitehouse.gov/omb/memoranda/M03-22.html). These data elements include the kind, origin, purpose, use and disclosure of the information, how consent applies to the collection, how the information system is secured, whether the information is subject to the Privacy Act, and what alterations to the system or business process the analysis demands.

On February 11, 2005, OMB issued guidance requesting each executive Department and agency to identify to OMB the senior official who has the overall agency-wide responsibility for information privacy issues. This senior agency official has overall responsibility and accountability for ensuring the agency's implementation of information privacy protections, including the agency's full compliance with federal laws, regulations, and policies relating to information privacy, such as the Privacy Act, the E-Government Act, and others. The Administration is committed to protecting the information privacy rights of Americans and to ensuring Departments and agencies continue to have effective

information privacy management programs in place to carry out this important responsibility.

Agency Status on Persistent Tracking Technology. Persistent tracking technology refers to technologies (such as persistent cookies, web bugs, web beacons) permitting tracking, monitoring, or surveillance of a website visitor's activity beyond the immediate web session. Longstanding OMB policy prohibits the use of persistent tracking except for a compelling agency purpose and when authorized by the agency head or designee (see M-00-13, June 22, 2000).

OMB requires agencies to review annually and report their use of persistent tracking technology. Of the 67 departments and agencies from whom OMB expected reports, 59 have responded at this time. Of the 59 responding agencies, only seven are using persistent tracking technology. OMB is following up with those agencies who have not yet reported.

In all cases where agencies use persistent tracking, such use has been appropriately approved by the head of the agency, head of subordinate agency or CIO reporting directly to the agency head. As required by the Act, agencies provided to OMB the specific language used or citation to the required privacy policy informing the public about the application of tracking technology.

Machine readable privacy policies. Machine readable privacy policies are translated into a standard computer language readable by a web browser. Where a privacy policy is so translated, a visitor can set his web browser for a summary of the agency's information handling practices and determine whether to interact with the site.

Agencies have made good progress in this area. In the year covered by the previous E-Government Act report, only two agencies had implemented this requirement. In the year covered by this report, 26 agencies have implemented machine readable policies. OMB will continue to work with the remaining agencies on this issue.

Workforce Development -- Section 209

The purpose of this section of the Act is to improve the skills of the Federal workforce in using information technology to deliver government information and services. The Act requires the Federal government to develop, establish, and implement:

- Policies to promote workforce development
- Uniform agency workforce assessments and gap analysis
- Information technology training programs
- Government information technology performance standards
- An information technology exchange program

Policies to Promote Workforce Development. Qualified Federal information technology project managers are essential to ensure projects are meeting cost, schedule, and

performance expectations to deliver efficient and effective services to citizens. Last year, OMB worked with the Chief Information Officers (CIO's) Council to create Federal information technology project manager guidance. This guidance was issued to the agencies by the E-Government Administrator in July 2004 (see http://www.whitehouse.gov/omb/memoranda/fy04/m04-19.pdf).

The guidance required agencies to:

- Submit implementation plans to OMB
- Designate the project manager level necessary for each information technology investment, and
- Describe in each investment request the project manager's qualifications and the validation against the guidance

Based on agency reporting, as of September 2004, about 75 percent of the government's information technology project managers have qualifications validated against the criteria in the guidance, and plans are in place across government to ensure remaining project managers are trained and validated.

Standardized Agency Workforce Assessments. Section 209(b) calls for OMB, GSA, the CIO Council, and the Office of Personnel Management (OPM) to analyze the information technology and information resources management workforce needs of the Federal government through collecting and assessing information from the agencies. To accomplish this, in 2004 OPM and the CIO Council conducted the second government-wide information technology workforce assessment. The assessment identified five critical information technology jobs -- IT Project Management, IT Security/Information Assurance, Customer Support, System Analysis, and Applications Software Management.

Agencies received the results of the assessment and are now working with OPM and the CIO Council to measure the gap between current workforce capabilities and future needs and to develop plans to meet their needs. After a preliminary review, the majority of agencies believe they can address these needs through training and not additional Federal employee resources.

Managing Governmentwide Information Technology Training Program. Section 209(b) also requires an assessment of the Federal government's current information technology training capabilities to ensure they meet current and projected needs. In July 2004, OPM published its Report to Congress on the "Establishment of a Government Information Technology Training Program"
(see http://opm.gov/hrd/lead/pubs/ittpreport_07-04/ittpreportJuly2004.pdf).

OPM used the Clinger-Cohen Act Divisions D and E of Public Law 104-106 core competencies for the development of the report. The adequacy of existing government-wide information technology training programs was reviewed and assessed. As required by the Act, this analysis establishes a baseline for OPM's tracking of information

technology and information resources management training availability and adequacy across government.

OPM recommended a government-wide information technology training framework using the IT Workforce Development Roadmap (a self-assessment skills toolkit) (see http://itroadmap.golearn.gov). The framework supports the OPM requirement to assist agencies in establishing and operating information technology training programs consistent with requirements in 209(b). Agency use of this framework enables the workforce to assess their needs and to obtain necessary skills to improve their ability to achieve mission objectives and program goals. The information technology training framework fosters the development of highly skilled information technology workers to better deliver essential information and services to the American people. On January 31, 2005, OPM issued "Information Technology (IT) Training Program Guidance." This memorandum provides guidance to assist agencies in meeting these responsibilities, in accordance with the general framework.

Government Information Technology Performance Standards. Section 209(b) also requires OPM to issue policies to promote the use and development of performance standards for training and uniform implementation of this subsection by Federal agencies. OPM developed guidance in coordination with the CIO Council prior to its January 31, 2005 publication to Chief Human Capital Officers.

Implementation of the Information Technology Exchange Program. Another requirement of Section 209(b) is the publication of regulations for the Information Technology Exchange Program and reporting to Congress agencies' use of the exchange programs. On January 15, 2004, OPM published proposed regulations to implement an Information Technology Exchange Program. OPM has completed analysis of comments received from the public on the proposed program regulations and plans to publish the final regulations in the Federal Register in early 2005.

The Program's semi-annual status report to Congress highlight:

- Publication of the proposed program regulations (January 15, 2004), which received favorable comments overall;

- Implementation plans will:
  – Be coordinated with the CIO Council and with private information technology industry associations, and
  – Include posting of a question and answer sheet about program implementation when regulations are finalized;

- Links between the program as a training and development opportunity within the government-wide framework published in the OPM report, "Establishment of a Government-wide IT Training Program."

Agency Implementation of Section 209. Agencies were asked to report to OMB on their use of training plans and their integration of information technology plans into their overall human capital planning and training programs. Based on agency responses, agencies are making progress to meet their Section 209 responsibilities.   Agency responses indicate:

- coordination and cooperation between Chief Human Capital Officers and Chief Information Officers to better use information technology project management skills across organizations and initiatives.

- inclusion of the government-wide Information Technology Workforce Capability Assessment Survey data to agencies' succession planning.

- reference to OPM's report, "Establishment of a Government-wide IT Training Program," as the basis for selecting training to fill current workforce gaps, especially in the information technology project management arena.

- recognition of human capital planning efforts as a way to ensure the Federal government has sufficient highly qualified information technology professionals to deliver services to citizens, businesses, and government entities effectively and in direct alignment with the agency mission.

Integrating Reporting and Pilot Projects – Section 212

OMB seeks to improve the exchange and use of data between multiple information technology systems, a concept termed "interoperability." Section 212 has as its purposes enhancing interoperability; assisting the public in electronically submitting electronic information to agencies; and enabling people to integrate information from different agencies. Each of these purposes is being addresses through the development and implementation of the Federal Enterprise Architecture (FEA) program.

The major elements developed to date as part of the FEA are:

- A series of reference models providing a common framework (available at www.egov.gov),
- A policy requiring agencies to link investment with the reference models to help identify commonality,
- An Enterprise Architecture assessment model and process to help agencies improve the quality of their Enterprise Architectures.

Agencies are now using the FEA and its five supporting reference models (Business, Performance, Service, Technical and Data) to develop their budgets and set strategic goals. The FEA is also becoming the "common language" when disparate agencies partner to develop common processes.

In 2004, OMB assessed each agency's Enterprise Architecture using the Enterprise Architecture assessment model. The results of OMB's assessments were provided to each agency to serve as a baseline from which OMB will measure agency progress in 2005 and beyond. OMB officials visited each agency to discuss the results of their assessment and how each agency can also use the model to measure their progress against OMB's rating.

Using the FEA, OMB identified five common functions used in most agencies. By consolidating these functions, known as lines of business, the Federal government can improve services and deliver substantial savings. The line of business initiatives could save $5 billion across the Federal government over the next 10 years.

In February 2004, OMB launched the first set of lines of business:

- Financial management
- Human resources management
- Grants management
- Case management
- Federal health architecture

Interagency task forces identified common solutions for each line of business and submitted a business case to OMB. Each business case was reviewed and the results allowed OMB to identify candidates for shared service centers or centers of excellence. These centers will provide government-wide services in the areas of human resources and financial management thereby improving government efficiency through consolidated operations while improving system interoperability and streamlining data collection. Agencies will begin moving to the new centers in late FY 2005 and FY 2006.

Community Technology Centers and Online Tutorial – Section 213

This section of the Act requires OMB to conduct a study and submit a report to Congress by April 17, 2005 evaluating the best practices of community technology centers who have received Federal funds and to identify methods for such centers, public libraries, and other institutions to expand computer and Internet access to the public. OMB is leading this effort with the Department of Education, the Institute of Museum and Library Sciences, the General Services Administration, and other relevant agencies, with appropriate cooperation from the legislative branch's Government Printing Office.

The Interagency Committee on Government Information is developing an online tutorial pursuant to section 213 of the E-Government Act and the Act does not establish a deadline for completion. The tutorial will aid users in accessing government information and will place it on the Federal Internet portal (Firstgov.gov) and other Federal agency public websites as appropriate.

Use of Information Technology to Enhance Crisis Management – Section 214

Section 214(b) of the Act requires the Administrator of the Office of E-Government and Information Technology, in consultation with the Federal Emergency Management Agency to ensure a study is conducted, and report on the findings and recommendations, on using information technology to enhance crisis preparedness, response, and consequence management of natural and manmade disasters. Specifically, the study should address the following two items:

- A research and implementation strategy for effective use of information technology in crisis response and consequence management, including the more effective use of technologies, management of information technology research initiatives, and incorporation of research advances into the information and communications systems of Federal, State, and local agencies responsible for crisis preparedness, response, and consequence management; and
- Opportunities for research and development on enhanced technologies into areas of potential improvement as determined during the course of the study.

While an initial study on the use of information technology to enhance crisis preparedness, response, and consequence management of natural and manmade disasters was completed in early 2003, it did not include a research and implementation strategy and future opportunities for research and development. Therefore, a new study designed to address the requirements in the Act was initiated in February 2005. Phases of the study are:

- Phase I will be completed by September 30, 2005, and will examine opportunities for more effective use of technologies, including management of information technology research and development opportunities, and explore options for managing this research and transitioning results into operational systems.
- Phase II will be completed by April 30, 2006, and will address the development of research and provide an implementation roadmap with associated findings and recommendations. At the end of this phase, OMB will submit a report to the Committee on Government Affairs of the Senate and the Committee on Government Reform of the House of Representatives.

The Act also charges the Administrator of the Office of E-Government and Information Technology to report to Congress on other activities furthering the goal of maximizing the utility of information technology in disaster management. In 2001, the President launched two critical government-wide initiatives to directly improve the ability of our nation's first responders to communicate and share information at all levels of government. These initiatives, Disaster Management and SAFECOM, have been working to leverage information technology and develop standards to improve information sharing and communications for the nation's public safety community. Both of these initiatives are led by the Department of Homeland Security, are supported by other Federal agencies with responsibilities in this area, and partnered with state, local, and tribal organizations.

Disaster Management Initiative

The Disaster Management initiative provides three critical services to first responders and citizens:

- One-stop access through the disasterhelp.gov portal for all Federal disaster management-related information, services, and planning and response tools making it easier to find disaster assistance information;
- Standards to share emergency response information across disparate third party software packages and between organizations, regardless of the source or type of information; and
- An interoperable disaster management tool to assist first responders in preparing for and responding to a disaster. This tool promotes information sharing among the public safety community and between local, state, and Federal governments.

As the diagram below highlights, there are currently over 1,031 user groups in 50 states and Washington, DC, using this tool and it has been used to respond to over 40 real-world incidents, including Hurricane Isabel in September 2003 and the California wildfires. There are also over 34,000 registered users of the disasterhelp.gov portal who look to the portal not only to get the latest updates on incidents across the nation, but also for authoritative sources of disaster preparation, mitigation, and recovery information.
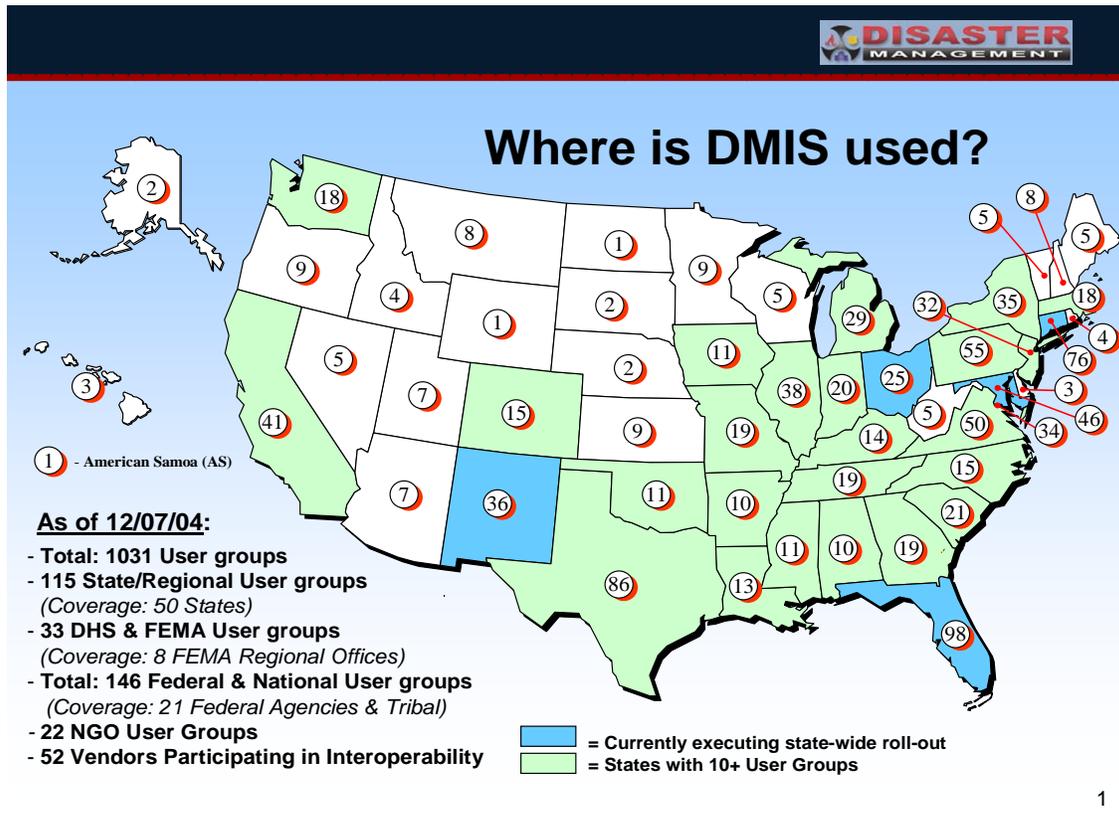
SAFECOM Initiative

The other initiative, SAFECOM, partners with Federal agencies, state and local, public safety organizations, and industry to improve interoperable wireless communication and information sharing across all levels of government so public safety officials can communicate and share information as they respond to emergencies. The three objectives of this initiative are to:

- Develop standards to promote wireless interoperability;
- Develop a national architecture to assist in the progression towards wireless interoperability; and
- Coordinate the Federal government's wireless interoperability investments.

SAFECOM is working with existing federal communications initiatives and key public safety stakeholders to address the need to develop better technologies and processes for the cross-jurisdictional and cross-disciplinary coordination of existing systems and future networks. The scope of this community is broad. The customer base includes over 50,000 local and state public safety agencies and organizations. Federal customers include over 100 agencies engaged in public safety disciplines such as law enforcement, firefighting, public health, and disaster recovery.

To ensure more consistent Federal support, SAFECOM developed grant guidance for public safety interoperability equipment grants to local, tribal, and State organizations. This guidance has been incorporated into existing grant requirements within DHS and DOJ agencies. Additionally, SAFECOM worked with the public safety community to complete a common statement of requirements. From this baseline, further prioritization for standards development as well as progress toward a national architecture will continue.

Conclusion

This report describes a number of FY 2004 activities to expand electronic government and also meet the specific requirements of the E-Government Act.

We led many initiatives to encourage contractor and government innovation and excellence when developing and enhancing E-Government services and processes. For example, OMB launched the lines of business initiative. For these common business solutions, OMB established inter-agency taskforces to develop common approaches and target architectures for service delivery in the areas of financial management, human resources management and grants management.

To identify innovative approaches and effective practices, the Administrator of the Office of E-Government and Information Technology and GSA held a Government-Industry Day convening interested parties in industry. Following the Government-Industry Day, GSA released requests for information to gather more detail on proposed innovations. The line of business task forces reviewed and analyzed each response helping frame their

proposed approaches in each of the three areas. The requests for information are available at www.Fedbizopps.gov.

In addition to the line of business activities, in FY 2004 several other E-Government initiatives issued requests for information to also identify innovative approaches. For instance, the Case Management line of business hosted a "Government Industry Day" and asked industry for product and process descriptions to help the Departments of Justice, Homeland Security, and other investigative agencies to merge existing systems into a single case management architecture for use throughout the Federal government.

Additionally, the Health Information Technology initiative led by the Department of Health and Human Services issued a request for information to inform policy discussions about possible methods to promote cross-government and private sector interoperability. Greater interoperability will improve the exchange of health information during deployment and operations of health information systems. As a result, an interoperable health information technology infrastructure will improve the quality and efficiency of health care.

Finally, the Business Gateway initiative issued a request for information to encourage innovative ways for government-wide forms processing. The request asked for information regarding industry's capability and interest in implementing publicly accessible, online forms processing to permit greater electronic interaction with the government.

Recognizing the value of private sector capabilities, OMB established "Vendor Day," a monthly all-day information exchange between interested vendors and OMB officials. This day allows the private sector to present innovative approaches to improve the use and delivery of information and services throughout the government and to the public.

To further identify unique and effective approaches to electronic information and service delivery and information technology management, OMB participated in several international conferences related to E-Government including the North American Day, the Asia-Pacific Economic Cooperation High Level Symposium on E-Government, and the Organization for Economic Co-operation and Development 4th Symposium on E-Government. Through our participation in these conferences, OMB gained experience and insight into the international community's implementation of E-Government.

As described throughout this report, the Federal government made significant progress in implementing the requirements of the E-Government Act and moved far beyond those specific requirements. Innovation is integral to and demonstrated throughout the Administration's E-Government program in a cost-effective manner.

SECTION II: HIGHLIGHTS OF INDIVIDUAL AGENCY INTERNAL E-GOVERNMENT ACTIVITIES

This section of the report summarizes and highlights agency specific E-Government activities. More detailed information is located on each agency's website.

Department of Commerce: http://www.commerce.gov

Each day an average of six million citizens visit the Department of Commerce (DoC) National Oceanic and Atmospheric Administration's (NOAA) main National Weather Service website (http://weather.gov, and also www.nws.noaa.gov) and supporting websites. These sites allow users to find their local forecast by city and state. During a 45-day period starting in August 2004, National Weather Service websites, including the website of the National Hurricane Center (http://www.nhc.noaa.gov), received more than 1.5 billion hits as Hurricanes Charlie, Frances, Ivan, and Jeanne came ashore in the southern states. As a result, DoC moved from 70th to 15th in the world on the entire Internet for the month of September 2004 for unique visitors on the web.

During 2004, the National Weather Service surveyed more than 12,000 citizens about their use and satisfaction of the weather.gov web portal site. More than 75 percent of survey respondents reported an overall satisfaction level of seven or higher on a scale of 10, with 10 being highest.   A large number of Federal, State, and local government partners use data from the website. One such example is the map displaying active watch/warnings in daily briefings to the Director of Federal Emergency Management Agency. Weather.gov supports a number of National Weather Service Government Performance and Results Act goals as a dissemination platform for watches, warnings, and alerts. Citizen phone calls into local National Weather Service offices have been reduced by approximately half since NOAA began putting weather information on the Internet. This equates to a cost avoidance of about $3 million per year. Additionally, the reduced workload at the local offices allows forecasters to focus better on forecasting.

All Commerce operating units make information available in hard copy format, over the telephone, by facsimile, and by CD-ROM for customers who may not have access to the Internet. Specifically, NOAA makes its observations, forecasts, and warnings available through NOAA Weather Radio and through a wide range of communication channels to the media in real time.

Department of Defense: http://www.dod.gov

The Department of Defense (DoD) is an active member of the multi-agency team responsible for executing complex, government-wide licenses for software. The E-Government initiative, SmartBUY, is based in part on DOD's success with its Enterprise Software Initiative which has yielded over $2 billion in cost avoidance for the Department since 1998.

The Interim Voting Assistance System, a voluntary program implemented in September 2004, allowed eligible absentee voters to request and receive their absentee ballots via the Internet from the www.myballot.mil website. In 2004, 108 counties in nine states participated and by the end of the election, 30 counties in those states had actually received ballot requests, processed the requests and delivered ballots to uniformed and overseas absentee voters. The email option was especially beneficial to those citizens in remote areas who could not rely on the mail service to receive and vote absentee ballots by close of polls on Election Day.

Under the Federal Voting Assistance Program, the Department, seven volunteer states and 50 counties developed a web-based registration and voting system for use in the 2004 elections. The Program also enhanced its website resources for uniformed and overseas citizens and the states. The website contains information on all voting assistance programs (e.g., Get-Out-the-Vote Campaign, the Ombudsman Service, the Electronic Transmission Service, and the State Legislative Initiatives Program), and all voting assistance forms and publications can be viewed on or downloaded from the website. The voting assistance program's website had 1,943,105 accesses for the five-week period ending October 31, 2004, and a total of 7,772,628 accesses since November 2003. Finally, the voting assistance program inaugurated an E-Learning initiative which provides Voting Assistance Officers with a complete online training package for Military and civilian Federal employees similar to the voting assistance program workshops provided world-wide.

Department of Education: http://www.ed.gov

The Department of Education (ED) continues to offer and enhance the "FAFSA on the WEB" (the Free Application for Federal Student Aid on the Web), which offers electronic financial aid applications to the public. Cost savings have been identified in such areas as reduced paper processing, reduced printing and mailing costs, and lower software development and maintenance costs to the web products. As a result, Federal Student Aid-wide savings for these items amounted to over $23 million for FY 2003 as compared to FY 2002. In addition, Federal Student Aid constituencies can access any one of several websites developed and maintained to receive real-time information on issues impacting student aid.

Partners with the Federal Student Aid initiative involve the State and local education agencies, and includes colleges, universities, and other post-secondary institutions. The Department continues to focus online services to customers, expanding public access to grants, loans, and research information through improvements in electronic transactions.

As part of ED's strategic objectives, burden hours associated with information collections are tracked.

100 percent of the Department's Title IV loan programs provide online capability. Not only are eligibility applications for Federal Student Aid available online, students and parents can also complete and sign loan applications and promissory notes online.

Financial aid information and application services are not diminished for the public who do not have access to the Internet. The student aid awareness division is devoted to activities specifically designed to increase participation in the financial aid programs by low-income individuals and those most likely not to have Internet access. Publications about the financial aid programs and paper applications continue to be developed and made available each year. Agencies, organizations, high schools, and higher education institutions order financial aid publications and applications for their constituents by contacting the EdPubs center. In the current cycle, approximately three million paper applications will be processed.

Department of Energy: http://www.energy.gov

The Department of Energy's (DoE) Integrated Management Navigation System (I-MANAGE) Standard Accounting and Reporting System and Standard Budget System will offer the Department a modern, comprehensive and responsive financial management system to electronically integrate budget formulation, budget execution, financial accounting, financial reporting, cost accounting, and performance measurement. These systems, along with the I-MANAGE Data Warehouse, will provide critical strategic support for the DoE mission as the solution for financial, operational and reporting requirements to enhance accountability and improve decision-making.

The Department's legacy systems are outdated and require specialized programming efforts in order to meet budgeting and financial reporting requirements. These systems have varied formats, are disparate, paper intensive, and not accessible to all stakeholders who require the information. Replacing the paper-based reporting functions and manual processes will result in reduced costs and more efficient operations. The Department plans to eliminate all non-integrated, redundant Program Office budget and financial systems by the end of FY 2006.

Implementation of the I-MANAGE investments will occur over a 10 year life cycle and provide significant benefits. Benefits include savings associated with Federal and contractor processes, reduced operating and maintenance costs as redundant systems are eliminated, avoidance of future system maintenance and upgrade costs with the elimination of the redundant systems and access to corporate financial information for better decision-making.

Department of Homeland Security: http://www.dhs.gov

The US Coast Guard (USCG) continues to work closely with the National Association of State Boating Law Administrators in enhancing and implementing a system to manage accident report data electronically. Such applications as *The Boating Accident Report Database (BARD) System*, designed to afford all states and territories the opportunity to automate the collection, management, and analysis of recreational boating accident information, reflect the Department's commitment to data sharing. The latest version of BARD (BARD-Web) at https://bard.cns-inc.com/ provides all 56 reporting jurisdictions

with an Internet application to input accident report data, perform queries, and generate statistical reports. The vision for BARD-Web is an information system used by accident investigators to input data at the scene of an accident where data is quickly disseminated and used by state agency personnel to improve the safety and security of our nation's recreational boaters.

Two E-Government initiatives at the Transportation Security Agency (TSA) are the Performance Measurement Information System (PMIS) and the Performance Information Management System (PIMS). Both systems are deployed enterprise-wide at all federalized airports as well as headquarters locations. Capabilities delivered through these applications include:

- A flexible and responsive platform to capture and report TSA performance data in a timely manner from across the organization, with necessary security and data quality controls.
- The delivery of integrated performance data to decision makers at multiple levels within the organization.
- The expansion of the public's access to agency information through the provision of collected data (e.g. wait times).

The Performance Measurement Information System (PMIS) and the Performance Information Management System (PIMS) facilitate integration of information and information sharing across the TSA, and allow for flexible, near real time collection of data. The performance data is delivered to decision makers at various levels as well as the traveling public, resulting in higher customer satisfaction.

Department of Health and Human Services: http://www.hhs.gov

The National Health Service Corps (NHSC) Loan Repayment and Scholarship Programs are administered by the Health Resources and Services Administration (HRSA) to provide scholarships and the repayment of student loans in exchange for health care services in underserved communities. During FY 2004, HRSA made steady progress in development to enable electronic support for the NHSC Loan Repayment and Scholarship programs through a web-based transaction system.

In FY 2003, 98 percent of the 7,821 applications received for the Nursing Loan Repayment System were submitted on the web with an increase of nine percent in FY 2004. Similar results are expected as the other NHSC components are available online. The ability to apply for these programs through the web remains a high priority for HRSA, and is vital to increase access to these programs.

The NHSC program contributes to HRSA's ability to meet strategic goals of improving access to health care by increasing number of applications and the number of available sites. FY 2005 benefits, from HRSA's E-Gov efforts with the NHSC programs include the following:

- Increased public exposure with web access provides exposure to a greater pool of applicants and ensures a full complement of funded positions can be filled each year.
- Simplified application process with user-friendly web interfaces results in a reduction of time and effort needed by applicants to apply.
- Shortened cycle time and internal review with automated support for the selection and review process allows HRSA staff to handle a greater number of applications in a reduced time frame.
- Improved customer relationships with increased support for online administrative interactions between scholars and loan re-payers, health center grantees, and HRSA.
- Improved ability to match deployment of the National Health Service Corps with available opportunities and needs.

Continued automation of NHSC programs will include tracking scholarship and loan repayment applicants/awardees, scholarship benefits, designated communities, health care delivery sites, service commitment, paying for or reimbursing expenses associated with a clinician's education in exchange for service, and identifying eligible sites within Health Profession Shortage Areas. Anticipated improvements via electronic data collection and information integration will allow HRSA to meet the President's Five-Year Growth Initiative targets of broadening access to health care services for the underserved by an additional 1,200 new and expanding sites and serving 6.1 million more patients by 2006.

Department of Housing and Urban Development: http://www.hud.gov

The Federal Housing Administration Connection (FHAC) is an Internet-based system which allows Federal Housing Administration (FHA)-approved lenders to have real-time access to several FHA systems over the Department of Housing and Urban Development's (HUD) Internet for the purpose of originating and servicing FHA loans. FHAC processed 1.4 million FHA loans last year with a total value of over $180 billion. There are currently 9,000 lenders and 90,000 Federal Housing Administration Connection users. The system is used by other agencies to access:

- Credit Alert Interactive Voice Response System (CAIVRS) - CAIVRS is accessed for Federal debt related credit checks; and
- Pay.gov - This year, HUD also implemented lender recertification payments using Pay.gov's electronic payment system, as a speedier and more efficient method of collecting fees at the Office of Lender Approval. Pay.gov reduces processing costs for HUD, because the Department of Treasury (Treasury) provides these transaction services free of charge. HUD anticipates saving one dollar for every form and collection authorization received in electronic format.

CAIVRS is a HUD-initiated Federal government interagency shared database used to alert participating Federal lending agencies when an applicant for credit benefits has a Federal lien judgment or a Federal loan which is currently in default or foreclosure.

CAIVRS reduces, by almost 100 percent, the risk of endorsing a mortgage for FHA insurance without knowledge of previous delinquencies or defaults in Federal programs.

Since 1987, over 61 million borrowers have been pre-screened through CAIVRS. As a direct result of CAIVRS participation, HUD alone has avoided over $98.7 billion in potential claims and over $35.6 billion in potential losses.

HUD serves millions of low- and moderate-income households, and thus is sensitive to the challenges of access to technology. All information is available in various accessible formats, including paper documentations which can be requested through various telephone/TTY (text telephone) systems. Additionally, HUD has placed 106 touch-screen kiosks in public places throughout the country to provide basic information about HUD programs and services to citizens. HUD's outreach efforts are further supplemented through events (e.g., local homeownership fairs) sponsored by HUD business partners who disseminate HUD program information. Also, HUD offers free access through HUD Answer Machines to its Internet website – the Homes and Communities page – from each of its 81 offices across the country.

Department of the Interior: http://www.doi.gov

The Financial and Business Management System (FBMS) is a major enterprise management initiative to integrate financial and business systems and modernize administrative processes throughout the Department. FBMS will provide access to common financial, grants, acquisition, property, budgetary and business data; provide improved transactional processing; and provide a single method to upgrade and/or replace older Interior systems. This solution also provides better external financial transparency and improved security and controls over financial management and property systems.

Once fully implemented within the Department, all components of the FBMS may be used to support cost-effective, efficient cross-servicing of other Federal agencies. FBMS development is being coordinated with the Office of Management and Budget Lines of Business initiatives, as well as with the Integrated Acquisition Environment, E-Travel, Grants.gov, and E-Authentication E-Government initiatives.

FBMS will reduce costs and/or improve efficiencies in at least the following areas:

- Improved efficiency of operations due to automating manual processes and using faster applications will allow FBMS users to do their jobs in less time;
- Cost avoidance from decreased time to accumulate Enterprise Management Information System information from integrated databases will be a fundamental part of the FBMS;
- Decreased maintenance costs as a result of retiring legacy and redundant systems (at least five departmental and 30 bureau legacy systems will be retired);
- Standardized processes to provide better services to managers handling financial and related transactions;

- Improved timeliness and accuracy of information available to Interior employees to minimize the need to maintain separate records and reduced confusion caused by conflicting data or information;
- Automatic and ad-hoc reporting to improve the data available to analyze operations and improve decision support;
- Reduced cost of moving data between systems and extensive reconciliation efforts; and
- Improved security of systems through security awareness and new technology reducing the risk of misuse of data and systems thus costing the government substantial time and resources to continue operations.

The initiative reflects cost avoidance factors through labor (resulting from improved efficiency of operations, allowing FBMS users to do their jobs in less time), with projected savings of $210,000 in FY 2006, increasing to $14.7 million in 2011; decreased maintenance costs (reducing baseline operations by retiring legacy systems) amounting to approximately $365 million over the lifecycle; and experience with development and support of enterprise systems with commercial-off-the-shelf products.

Interior maintains an ongoing dialogue with partners and stakeholders on a variety of opportunities to use technology to improve its services and to find operational efficiencies. The Department's bureaus and offices meet regularly with stakeholders on programmatic issues, and also seek specific feedback on how to use technology and E-Government approaches to improve the Department's operations and delivery of services.

Department of Justice: http://www.usdoj.gov

The Department of Justice's (DoJ) Joint Automated Booking System (JABS) is an information sharing initiative to strengthen law enforcement and homeland security activities. The initiative automates the booking process and provides a mechanism to rapidly and positively identify an individual based on a fingerprint submission to the Federal Bureau of Investigation's Integrated Automated Fingerprint Identification System (IAFIS). The JABS Program is not restricted to DoJ users, and includes other user groups from within the Departments of Justice, Homeland Security, Defense, and Health and Human Services.

The JABS Program interfaces with three boards to maintain a continuous dialog with the system's user communities. The program has completed its initial design and development phase and is nearing completion of full deployment. JABS transactions (bookings) totaled 948,054 in FY 2004 and are estimated to reach 1.5 million in FY 2005.

Implementation of the JABS System has resulted in significant savings to the government. In June 2004, JABS added an Inter-Agency booking service to provide automated submission of booking packages for Federal law enforcement agencies bringing their suspects in for booking. This initiative expanded JABS services to agencies in 11 Federal departments outside of DoJ (Departments of Homeland Security, Agriculture, Education, Interior, Labor, State, Transportation, Treasury, Veterans Affairs,

Housing and Urban Development, and the General Services Administration), as well as the U.S. Postal Service. These agencies can now utilize JABS without having to actually deploy an automated booking station in their offices, in turn saving money. This $292,000 investment has returned an estimated savings of $8 million dollars in bookings system costs (400 locations have used this functionality, eliminating a $20,000 system cost at each location). Participating agencies use the secure JABS-IAFIS network interface instead of building their own network interface. The participants can also use the IAFIS-compliant JABS booking station software available and provided at no cost to the agency. Bookings processed by the computer based JABS System are input to the FBI's IAFIS without manual intervention; whereas paper based bookings require some manual handling and loss of timeliness.

Department of Labor: http://www.dol.gov

The Department of Labor's (DoL) Safety and Health Information Management System (SHIMS) is improving service to Federal employees with a faster transmission of workers' compensation claims to the Employment Standards Administration's Office of Workers' Compensation Programs for processing and the ability to allow the claim to be processed in an expedited manner. Previously, claim forms were manually written and mailed which took several days and a response took two weeks. Now the claim is submitted electronically within 24 hours and a response on receipt of the claim from the Office of Workers' Compensation Programs is within 48 hours. This allows the claimant to begin referencing their claim within two days of filing.

Fourteen Federal agencies have agreed to implement SHIMS software with six agencies moving to DOL SHIMS hosting services beginning in January 2005. DoL's sustained performance in attaining Federal goals on timeliness is a major factor in Agencies seeking to partner for use of SHIMS. DoL is in communication with 25 external agencies on SHIMS development and implementation through one-on-one presentations and quarterly meetings. DoL will also meet with agencies who signed a Memorandum of Understanding for hosting, and is in constant communications on needs and actions for implementation.

Cost savings can be attributed to the implementation of the SHIMS in DoL. The system was fully implemented in FY 2003 and since then DoL has demonstrated a reduction in workers' compensation costs through quicker processing of claims and the ability to use the system to identify persons able to return to work and develop light duty positions for them. As a result of this effort DoL reduced worker compensation costs in FY 20004 by $3.2 million, representing a 13% decline.

Department of Transportation: http://www.dot.gov

The Federal Motor Carrier Safety Administration's Motor Carrier Management Information System provides businesses with an online, efficient method to apply for operating authority and register for an U.S. Department of Transportation (DoT) Number. The system improves the sharing of commercial motor carrier information among the

levels of government, as Federal, State, and local agencies all access the system for their safety, enforcement, licensing, and insurance needs.

Prior to October 2003, Cargo Tank Manufacturers could not register online. Now over 4,000 Cargo Tank Manufacturers have registered online. The database contains 20 million inspections; 400,000 crash records; 200,000 compliance reviews; 700,000 motor carriers, 10,000 shippers and cargo tank manufacturers. The goal is to increase commercial motor carrier safety crash data maintained by States by five percent over the previous year.

This investment reduces costs and improves efficiencies in various ways:

- Information for all interstate carriers is stored in one central database.
- Safety data for motor carriers are used to target enforcement activities.
- For other stakeholders, like insurance companies, shippers, and the public, having operating authority and safety data for motor carriers provides an efficient way to assess a motor carrier's safety.

DoT offers several methods available to individuals without access to the Internet. For example, the National Highway Transportation Safety Administration maintains a toll-free Auto Safety Hotline where users can report safety defects. The Federal Aviation Administration maintains a toll-free consumer hotline. DoT supports safety outreach programs via roadside billboards on highways and via television commercials. Finally, the Federal Railroad Administration programs provide client software to railroads and states to assist them in their Federal record keeping. This software is provided at no charge and data is exchanged electronically.

Department of the Treasury: http://www.treas.gov

The Internal Revenue Service (IRS) offers a suite of web-based e-services to eligible tax professionals and payers, allowing them to conduct business with the IRS over the Internet. These and other products are available at the IRS' website www.irs.gov:

- E-services Registration: One-time automated online registration for all tax professionals who wish to use e-services products.
- Online e-file Provider Application: This new form integrates previous forms into a single application to be an authorized provider of any of the IRS' individual or business e-file programs. This form allows the application to be maintained and updated, and sends an acknowledgement of completion via email. New delegation of authority feature allows principals or officials of an authorized e-file provider to delegate authority to use e-services to their employees.
- Taxpayer Identification Number (TIN) Matching: TIN Matching is a pre-filing service offered to payers and authorized agents who submit any of six information returns subject to backup withholding. To determine whether backup withhold is required, TIN Matching allows authorized payers to perform

bulk matching of payee TIN and name combinations against IRS records prior to submitting an information return.

In its first year of operation, more than 36,000 individual users registered to utilize IRS e-services. Current statistics show a growth of 25 percent over usage figures from last year, and the number of users is quickly approaching 50,000.

In its first year of operation, e-services automated approximately 10 percent of the more than 70,000 Preparer Tax Identification Number (PTIN) requests received by the IRS. More than 17 million TIN matching requests have also been fulfilled. In the first few months of deployment, almost 2,000 e-file provider applications were received electronically, together with over 4,000 automated power of attorney requests and 20,000 transcript requests. By utilizing e-services, taxpayers saved an estimated $55 million by reducing the need to correct processing errors on paper tax returns. Treasury realized an estimated $291 million from e-services due to additional tax collected by the IRS as a result of matching Form 1099 reported income. Additional savings will be realized for taxpayers and the IRS as participation, processing times, and overall system performance continue to improve.

The IRS maintains open lines of communications with parties and stakeholders having an interest in electronic tax administration. The IRS established several executive advisory boards and industry associations with industry representation (e.g., Electronic Tax Administration Advisory Committee, Council for Electronic Revenue Communication Advancement, Federation of Tax Administrators). The IRS also hosts a yearly conference with tax industry software developers to discuss potential areas of technology improvement. IRS National Account Managers maintain an ongoing dialogue with various industry segments and State government tax agencies.

E-services is an additional channel for conducting business with the IRS. All e-services transactions can also be accomplished through paper submission or via the telephone to ensure ongoing availability of services and information to those without Internet access.

Department of State: http://www.state.gov

The eAllowances initiative directly supports the Department of State's (State) strategic objective to strengthen diplomatic and program capabilities with a goal of management and organizational excellence.

When fully operational, the system will compile statistics on overseas living costs, education, hardship differentials, and danger pay and support the computation of allowances to compensate U.S. government civilian and contractor personnel assigned abroad.

The Department provides the resulting allowances data to 36 other U.S. government agencies, U.S. citizens, and private industry. The impact extends to 475,000 uniformed service members, 120,000 employees of contractors to the Federal government, and a

significant number of employees who travel abroad and are reimbursed according to U.S. government guidelines. The alternative of piecemeal data collection and analysis of allowances data by U.S. citizens and private industry would be cost-prohibitive.

The change from the manual system to the proposed electronic business process will improve performance in several ways:

- Reduce work hours spent on manual calculations and result in fewer errors;
- Reduce training time for post personnel to complete the allowance surveys overseas and improves the turn-around time to update and publish per diem rates;
- Integrate the financial management systems to deliver allowance data to the State financial centers and to other agencies;
- Aggregate electronic data rather than single typed and printed reports; and
- Reduce redundant data.

Performance measures for FY 2005:

- Reduce Per Diem training time for new staff from 60 to 30 days.
- Increase surveys completed using eAllowances system from zero to 70 percent.
- Reduce survey errors by up to 70 percent related to electronic entry of responses.

Over a ten year life cycle, the new system is projected to conservatively produce $9,658,583 in discounted present value benefits. These benefits are primarily attributable to productivity improvements.

The Department has ensured the general information published on its principal Internet website (www.state.gov) is available in print form upon request. There are several public access points in the Department not Internet related:

- Public Diplomacy has Information Resource Centers at posts in more than 140 countries where people can come in or call and get information (some also offer Internet access). The Smith-Mundt Act prohibits domestic distribution of some of the Department's publications.
- Speaker programs help communicate with key foreign audiences - such as the media, government officials, opinion leaders, non-governmental organizations, and industry heads at overseas posts.

Consular information and services can be accessed via consular offices, passport agencies and a phone number (1-877-4USAPPT) on their brochures.

Department of Veterans Affairs: http://www.va.gov

In FY 2004, the Department of Veterans Affairs (VA) maintained more than 2.6 million graves and nearly 7,200 developed acres, and launched a web-based Nationwide Gravesite Locator system on April 8, 2004. This system supports the ability to search some three million interment records contained in the Burial Operations Support System

database (National and State Veterans cemeteries, as well as Arlington National Cemetery), and provide query results.

This innovation will make it easier for anyone with Internet access to search for the gravesite locations of deceased family members and friends, and to conduct genealogical research. The nationwide grave locator contains more than three million records of veterans and dependents buried in VA's 120 cemeteries since the Civil War. Most of the 120 VA's national cemeteries may be searched for burial locations. Arlington National Cemetery records are also available for interments occurring after 1999. As more records are added to the database, more burial information will become available to the grave locator system. Some State veteran cemetery interments can also be searched.

Veterans and their family members without access to the Internet can access similar interment information by visiting the National Cemetery or supported State Veterans Cemetery where the veteran or family member is interred. If interment is in a National Cemetery already supported by the web-based (Intranet) kiosk Grave Locator System, a visitor can query this system for specific interment information. If these options are not available, a veteran or family member can call or submit a written request to National Cemetery Administration for interment information.

VA contract management operations are primarily manual and paper-based procedures. They are labor intensive, inefficient, and expensive to operate. An effort is underway to automate this process. Manual processing prevails in every facet of VA contract management operations. The Electronic Contract Management System has been successfully prototyped by VA. This prototyping effort demonstrated system capabilities proposed to operate in conjunction with any VA enterprise financial and logistics system. The proposed system can also be interfaced with the Veterans Health Information Systems and Technology Architecture, and the Integrated Funds Distribution, Control Point Activity, Accounting and Procurement system.

The Electronic Contract Management System is sufficiently robust and scalable to serve as the enterprise-wide solution. The benefits of enterprise Electronic Contract Management System implementation include: improved processing of contract actions and ability to communicate with customers and suppliers electronically; elevating the level of service and performance; electronic capability for entering data once and reusing it; reducing time for processing contract actions significantly; and improved capability for converting proposed single source orders to large competitive purchases resulting in additional savings. Further, with the availability of system-wide contract data, contract administration and capability for consolidating orders will be substantially improved.

Environmental Protection Agency: http://www.epa.gov

The National Environmental Information Exchange Network is an innovative model for exchanging environmental, health, and natural resource information among partner organizations. Over the next three to five years, the Exchange Network will increase efficiency, improve the quality of environmental data, provide the Environmental

Protection Agency (EPA), agencies, and the public with ready access to this data, and increase their ability to employ this information to protect public health and the environment.

The Network uses the Internet to tie together Federal, State and Tribal environmental databases in real time. Faster, easier and more automated data sharing and integration saves money and improves data quality, timeliness, and accessibility. For example, wastewater discharging facilities in Michigan used to submit many thousands of Discharge Monitoring Reports which had to be entered manually into the state system and then again into an EPA system. With the Exchange Network, industry in Michigan can now easily enter and transmit the reports electronically and have them automatically loaded into the state's database and then into EPA's. The information gets to the proper individuals faster, and, according to the state, Michigan tax payers will ultimately save upwards of $500,000 a year in reduced staff time. In another case, construction companies are required to file a Stormwater Notice of Intent before they begin construction projects. Using electronic submissions through the Exchange Network, the program has eliminated the 33 days of processing time for these forms and error rates have gone from 80 percent to virtually zero.

The Network is developed, owned and operated by EPA and the States together. This new approach means better coordinated environmental analysis, data gathering, and data sharing and compliance activities. Every state and 35 tribes are involved at some level in the Network.

General Services Administration: http://www.gsa.gov

The General Services Administration's (GSA) GSA Advantage! provides an online purchasing and acquisition research system to support the acquisition needs of Federal agencies. Federal agency customers can buy over eight million commercial products on GSA Advantage! and over 2,000 orders are placed every work day. For large volume commodity purchases and complex service needs, customers can post requests for quotes and receive bids from the more than 12,000 companies holding GSA multiple awards schedules.

GSA Advantage! achieves improved performance by tracking the following key performance measures:

- Best Value for the Customer - GSA Advantage! enables customer agencies to make "best value" procurement decisions in one place, faster and at less expense, saving the taxpayer money and providing more access to Federal contracting opportunities for small businesses.
- Operate Efficiently and Effectively - GSA Advantage! enables easy customization, integration, and maintenance.
- Government Responsibility - GSA Advantage! allows customers to select vendors to meet their own socio-economic goals.

The Gartner Group reports administrative costs range from $100 to $250 per manual purchase order compared to as little $10 for electronic purchase orders, for a net savings of $90 to $240 per transaction. These savings will increase as usage increases. Private sector studies have shown significant real savings to online shoppers based on the ability to do comparison pricing of the same or similar products. Estimates range from 12 percent to 18 percent.

Most of GSA's efforts have been to extend services available by mail, in-person, or phone, and make them available on the Internet. Generally, GSA has not eliminated these channels of service delivery, but augmented them with web-based technology.

National Aeronautics and Space Administration: http://www.nasa.gov

An important E-Government activity at the National Aeronautics and Space Administration's (NASA) is the ongoing development of the agency web portal. NASA's web portal has several unique features contributing to its effectiveness as a medium for communicating the Agency's mission and the activities to the public and has improved the overall quality of NASA information. Pages within the portal provide an identifiable NASA 'look and feel' letting users know they are visiting an official source of information. Improvements in internal processes associated with website management have resulted in a reduction in the amount of redundant and outdated content on NASA's main web pages. The portal allows citizens and researches easy access to NASA information and publications.

NASA's public websites are highly utilized. From 2002 to 2004, base level traffic to the main NASA website increased threefold. Between February and May 2003, the portal received over 748 million hits from more than 6.5 million unique visitors. In addition, the site handled one of the biggest events in the history of the Internet, the Mars Exploration Rover landings, without any technical issues, serving up nearly 400 million web pages in January 2004. As of December 1, 2004, the portal had received over 16.84 billion hits, including 1.66 billion page views and 143 million sessions. NASA is currently one of the top 10 U.S. government websites due to fast performance, as ranked by the Keynote Government Internet Performance Index (KG40). More importantly, customer satisfaction ratings for the portal have reached new highs.

NASA has shared the success of the NASA web portal with interested parties from the Department of Homeland Security and the Federal Knowledge Management Working Group, and has presented lessons learned in portal implementation at E-Government conferences attended by other Federal government representatives. Also, NASA has worked closely with staff from the General Services Administration's FirstGov.gov to ensure NASA's web portal resources are linked to FirstGov.gov.

NASA is committed to providing Agency information and services to all citizens, including those without access to the Internet. NASA participates in the Federal Library Depository Program, which brings key scientific, technical, and other publications to states and regions for use by the public. In addition, NASA provides information,

materials, and services to the Nation's education community through a multi-faced dissemination network. NASA's Central Operation of Resources for Educators provides distribution of NASA's educational materials, and NASA's Educator Resource Center Network provides expertise and facilities to help educators utilize NASA-related science, mathematics, technology, and geography instructional products in all formats. Finally, NASA Television provides real-time coverage of Agency activities and missions, including instructional programming targeted for classroom use.

Nuclear Regulatory Commission: http://www.nrc.gov

The Nuclear Regulatory Commission (NRC) operates the Licensing Support Network (LSN), a portal by which parties to high-level waste repository licensing adjudication make all relevant documentary material available. It represents a novel and fundamental change to the way document discovery is conducted by making all parties' potentially relevant materials accessible well in advance of proceedings, eliminating the time consuming process of document discovery.

In congressional testimony in early 1999, nuclear industry officials indicated the cost of adding on-site waste storage capacity at individual reactors in lieu of the Yucca Mountain, Nevada repository being ready to receive waste shipments was $4.3 billion over an eight year period in additional costs to the ratepayers (roughly $537 million per year in constant dollars). LSN is vital to the agency in helping to meet the Congressional goal for the hearing process to be completed in three years, thereby affording savings to industry and, ultimately, the public who pay for these storage costs in the form of higher utility prices. LSN is also expected to help reduce the time required to adjudicate and make a determination on the issuance of a construction authorization for Yucca Mountain by 50 percent or more compared to the previous most complex and politically charged reactor licensing proceeding (this system performance metric cannot be accurately measured until the license application is submitted and reviewed by the NRC).

National Science Foundation: http://www.nsf.gov

National Science Foundation's (NSF) new Electronic Jacket pathfinder, closely integrated with FastLane and Grants.gov, is a proof-of-concept for total electronic proposal processing at NSF. NSF is working toward eliminating the need to process, print, and store paper copies of proposal processing files for approximately 70 percent of the proposals received by NSF, which will result in significant efficiency and productivity savings.

The success of the electronic proposal and review process at NSF is significant and the trends are positive since FY 2000. Since FY 2000, even though the number of proposals processed by NSF has increased 48 percent, the percentage of applicants who were informed of NSF's funding decision within six months rose from 54 percent in FY 2000 to 77 percent in FY 2004. The agency's paper-based work processes have evolved to capitalize on technology-enabled ways of doing business, allowing the agency to serve as

an effective and capable steward of the taxpayer's resources. As a result of the technology innovations implemented by NSF, in FY 2004, NSF processed more than:

- 43,500 Electronic Proposals (over 99.9 percent of all proposals)
- 195,000 Electronic Reviews
- 9,000 Graduate Research Fellowships
- 25,000 Electronic Grantee Progress Reports
- 10,000 Electronic Post-Award Actions
- 14,000 Electronic Cash Requests
- $3.5 billion Distribution of Funds

In the past panelists reviewed paper proposals. In the electronic environment panelists review proposals online or they can request a printed copy via NSF's electronic Print on Demand feature or a CD via the CD on Demand feature. The number of participating programs in Print on Demand this year is 622, a 14 percent increase from FY 2003. While the number of programs participating in Print on Demand increased from FY 2003 to FY 2004, the Print on Demand requests have stayed level indicating a trend to more online review of proposals.

CD on Demand grew substantially this year. The number of programs participating in CD on Demand grew from 104 to 408 and the total number of CD's created rose from 317 in FY 2003 to 1,469 in FY 2004. There was a six percent decrease in the number of copies made on the FastLane proposal copiers (8,790,064 copies in FY 2003 versus 8,270,639 copies in FY 2004). This represents a 55 percent decrease in copies over a four-year period.

The effectiveness of electronic dissemination and website downloads is reflected in the decrease in cost. There has been a 22 percent decrease in the metered mail cost in the NSF Mail Center ($171,906 in FY 2003 and $134,867 in FY 2004). This represents a decrease of over 70 percent from FY 2001. The number of customer visits to NSF's website, or user sessions, increased dramatically in 2004 to 7,548,134. This represents an 87 percent increase since FY 2001. This year NSF recorded 29,738,798 web pages requested; 2,275,675 document downloads and 109,986 Grant Proposal Guide downloads. The general trend as more users retrieve e-publications from the website, is annual printing and postage costs have decreased. In lieu of print, CD on Demand has grown substantially and NSF program participation in Print on Demand has grown.

Several options are available for customers whose access to the Internet is limited but who wish to obtain information about NSF:

- NSF Information Center: General inquiries about NSF can be directed to the NSF Information Center at 703-292-5111 or info@nsf.gov. (TDD: 703-292-5090; FIRS: 800-877-8339).
- NSF Publications: NSF maintains a supply of paper publications which customers may request by phone at (703) 292-7827 or by mail NSF Publications, Suite P-60, Arlington, VA 22230.

Office of Personnel Management: http://www.opm.gov

The Retirement Systems Modernization initiative will transform OPM operations by moving from a labor intensive, paper-based system to a system with automated electronic data capture of agency employee data, electronic case management, and web-based self-service applications for employees, annuitants, and retirement program administrators.

When fully implemented, the Retirement Systems Modernization initiative will provide:

- A single, integrated data repository accessible to the Office of Personnel Management (OPM) and agency personnel across all retirement program core processes.
- Standardized applications for coverage and eligibility determinations and benefits calculation tailored to customer needs, integrated with the database, and accessible to Federal agencies and members.
- A unified system of benefits administration to support annuity payments, data validation, and financial auditing processes.
- Automated data capture interfaces for agency withholding data and other critical information for retirement program administration.
- Electronic case management and workload planning systems to enhance labor efficiency and data access, promote proactive planning, and improve customer service.
- Web accessible self-service applications for the administration of retirement program members and appropriate, on-demand changes to employee and annuitant records.
- A comprehensive Customer Contact Center to support customer needs and self-service.
- Employee and counselor training programs to ensure consistent interpretation of rules and regulations, ensure responsiveness to new legislation, and to mitigate the increased workload and decreased numbers of Agency retirement counselors.

Planned Performance Improvement Goals for the RSM initiative include:

- Improve Civil Service Retirement System Annuity claims processing accuracy by 2.5 percent to 96 percent.
- Maintain a Federal Employees' Retirement System Annuity claims processing accuracy of at least 94 percent.
- Improve Retirement (Annuity & Survivor) claims productivity – reduce unit cost by $19.53 to $89.00.
- Improve Agency Benefits Officers knowledge of benefit programs through use of benefits tools.
- Improve Agency Benefits Officers satisfaction rating from 71 percent to 75 percent.

Implementation of the RSM initiative will show the following benefits.

- Improved Claims Processing and Record keeping: The total number of claims processors/record-keeping specialists is expected to drop from about 532 full time employees to about 340 full time employees after RSM is implemented.
- Increased automatic adjudication of all retirement claims: The licensed technology solution will be integrated with program-wide member data to automatically adjudicate 70 percent of all retirement claims.
- Increased Self Service Options: RSM, through a licensed technology solution, will also provide greater self-service options for participants, thereby reducing OPM's workload and improving customer satisfaction by increasing one's ability to become actively involved in administering one's retirement benefits.
- Reduced Reliance on Paper Data: RSM provides for the conversion into electronic data of prior history paper records, (personnel folders), located at the ROC. The use of this electronic data by RSM systems will reduce claims processing and paper storage and transportation costs.

Many OPM customers do not have access to the Internet and OPM therefore has developed and maintained several alternative methods to ensure information and products are available to the public. These alternatives include multiple call centers, Interactive Voice Response systems, brochures, forms, and direct mail.

Small Business Administration: http://www.sba.gov

The U.S. Small Business Administration (SBA) created E-tran, a system allowing participating lenders to submit loans to the agency with little or no additional effort. With the introduction of E-tran, lenders are able to have direct loan submission and immediate response from the agency, thus reducing the 24-hour response time by the agency. In addition to this Internet technology, loan applications will still be accepted via Facsimile or mail.

The SBA created E-tran to allow lenders of any size to take advantage of the efficiencies of electronic application submission. With full implementation of E-tran, the agency will increase efficiency and decrease cost.

The E-tran application provides the agency with high quality, timely data to support the management and oversight of its portfolio. Primary lenders have claimed E-tran based processing has decreased processing time by more than 2 full days. As the use of the application expands, SBA will begin to quantify the internal cost savings and avoidance.

Social Security Administration: http://www.socialsecurity.gov

In 1997, the Social Security Administration (SSA) processed nearly 60 million paper wage reports (Form W-2), nearly 162 million W-2s from diskettes and tapes and only 6.5 million electronic wage reports. By 2004, the number of paper W-2s decreased to 48 million, diskettes and tapes reduced to 43 million W-2s while the number of electronic

reports increased to 139 million. Electronic wage reporting enables SSA and the nation's employers to process W-2s more quickly and less expensively.

SSA meets regularly with employers and others to discuss ways to use technology to enhance services. For example, SSA now provides a W-2 form on the web (W2Online) for small businesses. Employers can use this free service to create up to 20 W-2s for their employees without having to purchase additional software or forms. SSA received more than a quarter million W-2s via W2Online in 2004. SSA also sponsors the Annual National Payroll Reporting Forum to discuss issues with the payroll and software service communities.

To promote greater use of electronic wage reporting, SSA partners with the Internal Revenue Service (IRS). SSA participates in the IRS Tax Forums and jointly authors the quarterly SSA/IRS Reporter, which is sent to more than six million employers.

SSA has met or exceeded every electronic wage reporting goal. For example, the Agency's goal for 2004 was to have 55 percent of all W-2s filed through electronic wage reporting. The goal was exceeded -- 60 percent of all W-2s were processed through electronic reporting.

Electronic wage reporting reduces costs for both SSA and the nation's employers. In estimating the cost savings to the government, SSA considered specific costs related to processing and posting of original paper Forms W-2. In 2004, electronically processed Forms W-2 cost the agency $0.002 per form, compared to $0.297 for each paper form.

Similarly, by using electronic wage reporting, employers avoid the cost of physical media, software, and postage. While SSA has not attempted to quantify the savings realized by employers, SSA believes it to be significant enough to encourage conversion from paper to electronic filing. Employers still have the option to send W-2s on diskettes, tapes, and cartridges; for fewer than 250 filings, they may send paper W-2s.

US Agency for International Development: http://www.usaid.gov

The United States Agency for International Development (USAID) deployed Phoenix Overseas Deployment, a web-hosted American Management Systems' "Momentum" accounting commercial-off-the-shelf package shared with the Department of State (State), to five pilot missions during the Summer of 2004. Two of the goals of the pilot were to demonstrate how Phoenix will function overseas using existing USAID telecommunications infrastructure and how it would address mission-specific business processes.

USAID holds leadership roles and has fully participating members on the workgroups of USAID/Department of State Joint Management Council. Both State and USAID use this forum to formally devise policy solutions to a myriad of shared management challenges with the aim of greater efficiency and effectiveness in achieving USAID's unique but parallel missions.

USAID's Legislative and Public Affairs office publishes in cooperation with the Agency's printing office many reports are available electronically on the website. For example, USAID's annual Performance and Accountability Report is available in a softbound printed copy as well as on the website electronically. Overall, the agency follows the provisions of the Government Paperwork Elimination Act, but tries to have some printed versions available for those stakeholders without computer access. This and other agency information can be accessed on the web at www.usaid.gov.

US Department of Agriculture: http://www.usda.gov

The US Department of Agriculture (USDA) launched a reorganized website presenting the Department's information and services by topic rather than on an organizational basis. The redesigned USDA.gov went live in January and uses the Agency's newly established USDA Web Standards and Style Guide. Based on the Agency's customer-centered priority of delivering USDA information and services, the new USDA.gov presented its content in easy-to-navigate and understandable pages. In September, USDA.gov was enhanced once again and now uses the new enterprise portal and includes improved design and navigation as well as a customizable My USDA. To date, there have been nearly 4,900 registered My USDA users with 2,500 users having formally customized their own sites. Near-term, the site will make use of enterprise web content management technologies.

Developed by webmasters across the Department, the USDA Standards and Style Guide, and a new Departmental regulation published in 2004 have been central to improving USDA's sites and applications. Throughout the year, other agencies and web-based applications implemented the new "look and feel" including:

- The Food Safety and Inspection Service
- Office of Communications
- Office of the Chief Information Officer
- Office of General Counsel
- AgLearn
- USDA E-Authentication Service
- USDA Customer Statement
- Nutrition.gov (a multi-Federal agency site)
- The Animal and Plant Health Inspection Service – National Animal Identification System

These efforts – web style guide and standards, USDA.gov, and the taxonomy – are part of a broader eDeployment business case with an estimated return on investment of 147 percent. Significant time savings for employees and for customers will result from decreased time searching for information. There is also cost avoidance from use of enterprise portal, content management, and document management tools as well as from the maintenance and upkeep of sites.

USDA.gov makes online access to USDA information and services easy for many of the Agency's customers and partners. However, USDA knows all its customers and partners do not have Internet access although the numbers are significantly growing each year. These customers can call, write, fax, or visit agency offices and centers. Toll-free phone numbers are available from USDA agencies and co-location of different USDA offices in the same building or center further assist with access to USDA. Additionally, many libraries and information centers include USDA handouts and related information as part of their publications offered to the public.

SECTION III: OPERATIONS OF THE E-GOVERNMENT FUND

Section 3604 of title 44 of the U.S. Code, as enacted by the Act, requires a description of all projects receiving monies from the E-Government Fund as well as the results achieved for these funded projects.

GSA manages the E-Government Fund to support projects approved by OMB. Projects qualifying for funding include those making Federal information and services more readily available to the public, e.g., applying for benefits, receiving services, pursuing business opportunities, submitting information, and conducting other transactions. These projects also enable Federal agencies to share information and conduct transactions with one another, and with State and local governments.

The following table describes the projects for which funding was approved by OMB in FY 2004 and a description of the results achieved. Funding for the three initiatives totaled $3,000,000.

FY 2004 E-Government Fund Initiatives			
Agency	**Initiative**	**Funding**	**Description and Results**
SBA	Business Gateway	$1,000,000	The funds expended have resulted in: • Establishment of a formal program management office • Launch of the redesigned "business.gov" website in September 2004 • Developed an e-forms catalog for business and citizen forms • Release of an RFI for forms processing engines • Release of an RFP for an alternatives analysis of forms processing engines
OMB	Marketing and Utilization, and Internal Validation and Verification	$1,250,000	Funds were used to engage contractor support to work with selected initiatives and develop marketing plans to increase utilization and adoption. The marketing plans and strategies address measurable results (i.e., how will successful implementation of plans and utilization of the initiatives be measured) and will be implemented by the initiatives throughout FY 2005 and FY 2006. Ten initiatives were selected for work under this marketing and utilization contract: • Recreation One-Stop • E-Authentication • International Trade Process Streamlining (Export.gov)

FY 2004 E-Government Fund Initiatives			
Agency	**Initiative**	**Funding**	**Description and Results**
			• GovBenefits • E-Rulemaking • Disaster Management • Grants.gov • Recruitment One-Stop • Integrated Acquisition Environment • E-Loans To date, all strategic plans have been received and are currently under review by OMB. Funds are also being used to obtain contract support to perform the following activities: • Develop Independent Validation and Verification (IV&V) methodology • Prepare project plan • Conduct IV&V testing • Perform gap analysis of goals and objectives of initiatives • Develop recommendations for resolving identified gaps To date, funds expended have supported the development and issuance of a solicitation for contract support. The award was made in December 2004. The Presidential E-Government Initiatives were selected on the basis of value to citizens, potential improvement in agency efficiency, and the likelihood of deploying within 18 to 24 months. As the majority of the initiatives near completion, it is essential to assess progress against those goals and to provide recommendations for the next phase of these initiatives. The IV&V exercise will explore the following topics to determine status and gaps: • How successful has the initiative been in achieving its initial vision? • What progress has been made in terms of value delivered to the citizen, improvement in agency efficiency, and improvement of government

FY 2004 E-Government Fund Initiatives			
Agency	**Initiative**	**Funding**	**Description and Results**
			responsiveness to citizens?
			• How effective has the initiative program management been at dealing with challenges?
			• How effective has the initiative been in gaining adoption commitments and driving usage?
			• What can be done by the initiative to overcome these challenges to adoption and usage?
OMB	Lines of Business Taskforces	$750,000	The funds were used to provide contractor support to assist taskforces for the Financial Management Line of Business (LoB), the Human Resources LoB, and the Grants Management LoB in the development of common solutions, target architectures, and business cases.

The contractor support also assisted the taskforces in developing questions for industry to solicit quality and insightful responses to inform the development of the common solutions and business cases. A RFI was issued to industry in the third quarter of FY 2004, and over 100 responses were received.

Common solutions and target architectures were developed in quarter four of FY 2004 while business cases were submitted to OMB during the FY 2006 budget process.

OMB evaluated agency requests to provide government-wide, shared-services to support Financial Management and Human Resources LoBs. OMB granted selected agencies permission to enter into competitions to operate as a Shared-Service Center (SSC)/Center of Excellence (COE) for the Financial Management and Human Resources LoBs. Agency migrations to SSCs/COEs are expected to commence in late FY 2005/early FY 2006. More information can be found in the President's FY 2006 Budget of the U.S. Government, Analytical Perspectives: (see: http://www.whitehouse.gov/omb/budget/fy2006/pdf/spec.pdf). |