



---

# Expanding E-Government

Making a Difference for the American People  
Using Information Technology

---

December 2006





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

MEMORANDUM FOR CLAY JOHNSON III  
DEPUTY DIRECTOR FOR MANAGEMENT

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

SUBJECT: Expanding E-Government Results Report

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

Attachment



Since the introduction of the PMA, departments and agencies have delivered results by incorporating industry best practices for information handling and system management. The President's scorecard, located at <http://www.results.gov/agenda/scorecard.html>, documents the progress made by the agencies. Currently, there are 6 agencies who have achieved "green" status on the E-Gov scorecard element. They are: Department of Transportation, Department of Labor, Department of State, Department of Housing and Urban Development, Small Business Administration, and the National Science Foundation.

### What does it mean to be the best?

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

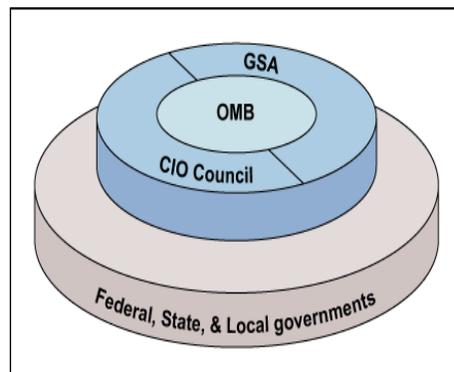
### Focus on Results

The strategy continues to focus on:

- Increasing Efficiency;
- Controlling IT costs;
- Developing and implementing common solutions;
- Implementing the responsibilities of the E-Gov Act of 2002;
- Improving Cyber Security; and
- Building an effective IT workforce.

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

- FEA Practice Guidance describing segment architecture and enterprise architecture (EA) transition strategy;
- Architecture Principles for the Federal government;
- EA Assessment Framework v2.1 to reflect new initiatives and guidance developed within the FEA community focusing on completion, use and results;
- Consolidated Reference Model (CRM) v2.1 containing updates to the FEA Reference Models; and
- Federal Transition Framework (FTF) which is the single information source for cross-agency IT initiatives using a simple, organized structure. The FTF contains the IT policy objectives and government wide solutions such as President's E-Gov Initiatives, Lines of Business, IPv6, and HSPD-12.



## Expanding E-Government

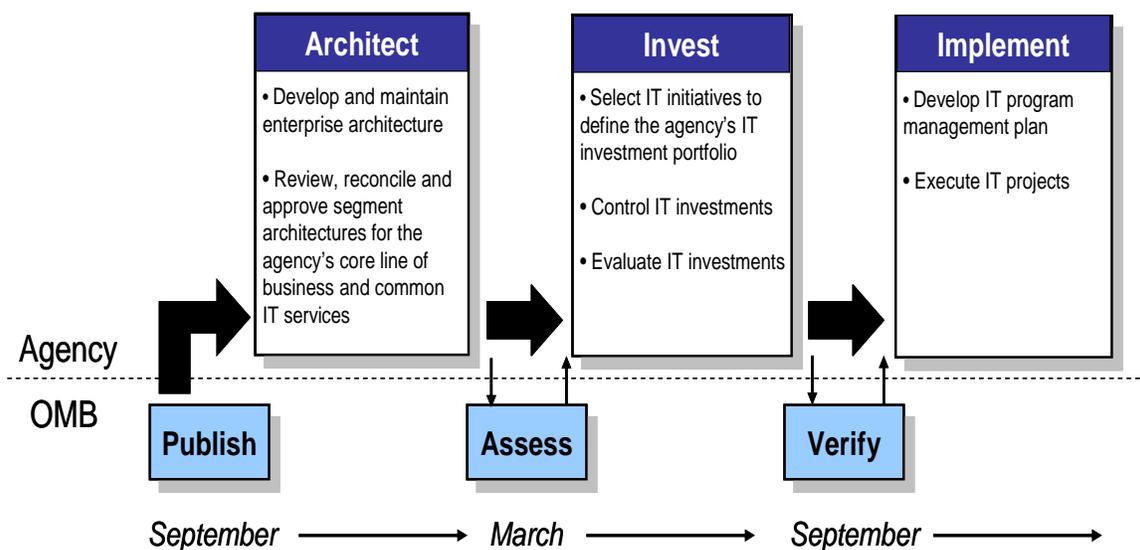
The FEA continues to be a comprehensive business-driven blueprint to enable the federal government to identify opportunities to leverage technology to:

- Reduce redundancy;
- Facilitate horizontal (cross-federal) and vertical (federal, state and local) information sharing;
- Establish a direct relationship between IT and mission/program performance to support citizen-centered, customer-focused government; and
- Maximize IT investments to better achieve mission outcomes.

The FTF will increase alignment of the agencies' EAs while increasing sharing, collaboration and reuse of common, cross-agency business processes, service components and technology standards. We anticipate our increasing level and speed of adoption of the cross-agency initiatives and improving the overall service related to the supporting IT investments.

The following chart illustrates the three step process for using the FTF:

- **Step 1:** The FTF catalog which provides a written description and information references for government wide initiatives will be published every September of the current year (CY) with the latest version of the EA Assessment Framework.
- **Step 2:** Agency EA self-assessments are submitted to OMB to be reviewed and assessed in March (CY+1). Submissions include EA work products and an updated EA Transition Strategy including government wide initiatives related to the agency services and mission.
- **Step 3:** Agency budgets are submitted to OMB in September (CY+1). IT investments are verified to ensure they reflect the agency's updated EA Transition Strategy including the relevant government wide initiatives.



## Measuring Results

Five years ago, we launched the Presidential E-Gov solutions for improved services. Operated and supported by agencies, these Presidential initiatives are providing high-quality and well-managed solutions throughout the Federal government. Lines of Business (LoB) task forces identified common solutions and methodologies to increase operational efficiencies, improve services and decrease duplication. During FY 2006, we successfully completed major development milestones and are showing greater adoption and use of these services from citizens, businesses and government agencies.

During this last year, we worked with each Presidential initiative to specifically identify clear and measurable goals to achieve the maximum use and benefit. With the release of this report, we will have available to the public the metrics with descriptions and type to address adoption/participation, customer satisfaction and usage on the public website, <http://www.egov.gov>.

### Highlights include:

- **Government to Citizen Portfolio:** To date, our benefits site receives more than 301,875 visits per month by citizens and provides more than 118,579 referrals per month to agency benefits programs. In the 2006 tax filing season, over 3.9M citizens filed taxes online for free using IRS Free File.
- **Government to Business Portfolio:** As of August 2006, the forms used for applying for Employment Tax, Corporate Income Tax, Employer Identification Number and Wage Reporting were available on line but only 9% of corporate income tax forms were filed electronically.
- **Government to Government Portfolio:** As of September 2006, all 26 grants making agencies are now using grants.gov posting over 1,000 grant programs but customer satisfaction is 56%.
- **Internal Efficiency and Effective (IEE) Portfolio:** Federal job seekers have continued to create resumes online with customer satisfaction of 77%.
- **Lines of Business (LOB) Efforts:** Work continued to complete plans with migrations continuing in the areas of Financial Management and Human Resources. Work continued in Health, Case Management, Grants Management, Cyber Security, Infrastructure, Budget Formulation and Execution and Geospatial.

## Expanding E-Government

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

### Funding for E-Gov Initiatives

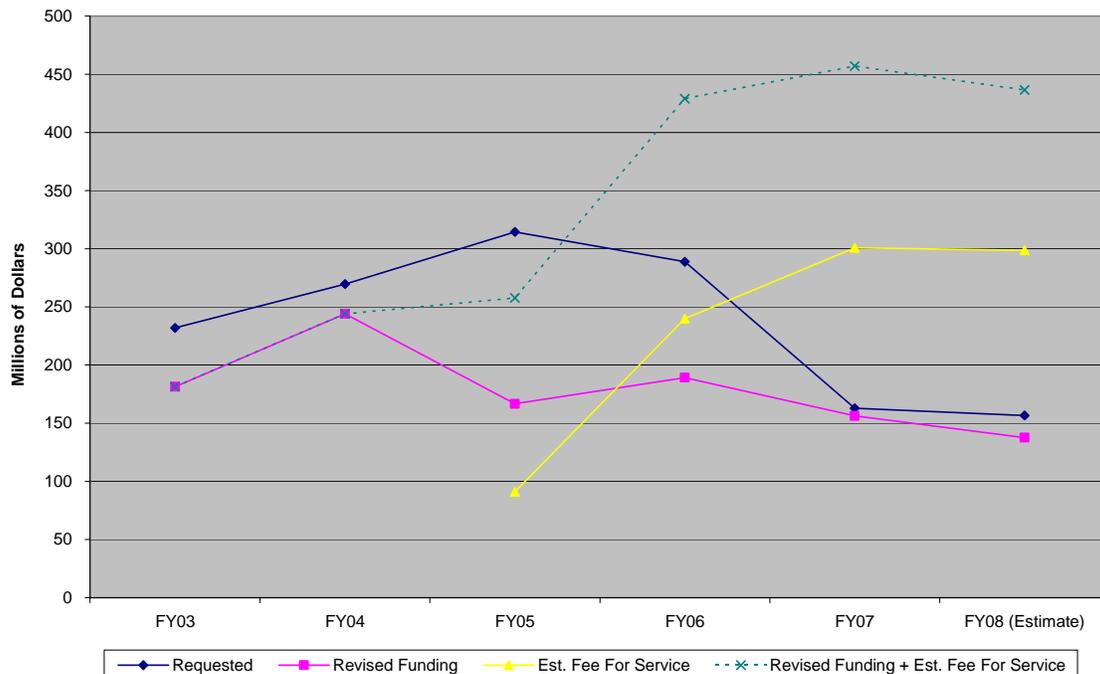
	Agency Contributions*	Fee-for-Service Fees**
<b>FY03</b>	181,344,531	
<b>FY04</b>	244,109,284	
<b>FY05</b>	166,668,060	91,007,490
<b>FY06</b>	189,252,074	239,862,798
<b>FY07***</b>	156,343,072	300,712,058
<b>TOTAL</b>	937,717,021	631,582,346

\* Reflects updates to initiative-reported historical actuals

\*\* Estimated by the initiatives

\*\*\* Subject to the Continuing Resolution

Funding for E-Gov Initiatives



## Expanding E-Government

Currently, the E-Gov Implementation Plans apply to 28 agencies, including all scorecard agencies as well as NARA and NRC. The following results were as of September 30, 2006:

- 25 of 28 agencies have a mutually-accepted E-Gov Implementation Plan;
- 87% of implementation milestones (or 1708) scheduled for completion were met;
- 5% of implementation milestones (or 95) schedule for completion missed; and
- 8% of implementation milestones (or 166) scheduled for completion were moved within FY 2006.

We continue to work with the agencies to ensure any new functionality and objectives are approved by the initiatives' governance boards and are appropriately included in agency budget requests.

## The Keys to Continued Success

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

GOAL for FY 06	RESULTS
<b>Enterprise Architecture:</b> Federal Enterprise Architecture and the agencies' Enterprise Architectures are used to eliminate redundant business functions, processes, and technologies to achieve true cost savings	In March 2006, we completed assessments of 24 Federal agencies' enterprise architectures. Agencies were required to achieve a Level 3 for the "Results" capability area to achieve the "green" criteria. The standard focuses agencies on the achievement of Results, while ensuring they simultaneously maintain or improve their "Completion and Use." 22 out of the 24 agencies (92%) achieved this new, raised target.  <b><i>For FY 07, the goal is for 100% of the agencies to continue to use their EA to eliminate redundant business functions scoring a 4 in the "Completion" section and 3 in both the "Use" and "Results" section.</i></b>
<b>Acceptable Business Cases:</b> 90% of agencies have all acceptable business cases	The vision and outcomes should be clearly defined and aligned with the department's or agency's mission with the benefits far outweighing the costs.  As of September 30, 2006, 81% of the agencies (or 22 of 27) had acceptable FY 2007 business cases which is a drop from last year's 84% (or 21 of 25). There are 84 business cases from 5 agencies remain. For the remaining FY 2007 investments still on the management watch list, OMB will use the appropriate management tools to ensure agencies manage or mitigate risk before beginning or continuing a project.  <b><i>For FY 07, the goal is 90% of agencies with acceptable business cases for all of their systems.</i></b>
<b>Security:</b> 90% of IT systems have been certified and accredited	Federal government information and infrastructure need to be secure. As of September 30, 2006, 88% of agency systems are secured and accredited which is an increase from last year's 85%. 80% of applicable systems have publicly posted privacy impact assessments (PIAs) and 82% of systems with personally identifiable information (PII) contacted in a systems records covered by the Privacy Act to have developed, published, and maintained systems of records notices (SORNs).

GOAL for FY 06	RESULTS
<p><b>Privacy:</b> 90% of applicable systems to have publicly posted privacy impact assessments and 90% of systems with PII covered by the Privacy Act to have SORNs</p>	<p>Although we missed our targets, we continue to strive to improve the security posture of the federal government assets by working with the appropriate Councils such as the CIOs, PCIE, ECIE, and GITEC.</p> <p><i>For FY 07, the goal is 90% of all IT systems properly secured (certified and accredited) including the Inspector General's verification of the effectiveness of the department's or agency's IT security remediation process including 90% of applicable systems to have PIAs posted and 90% of systems with PII covered by the Privacy Act to have SORNs.</i></p>
<p><b>IT Workforce:</b> Gaps in the IT workforce are identified by agency CIOs and 50% of the agencies will have closed the identified gaps</p>	<p>The IT workforce needs to be fully trained and qualified. The CIO Council developed guidelines for assisting department and agency CIOs in identifying skills and competencies gaps in their workforce.</p> <p>As of September 30, 2006, 65% (17 of 26) of agencies have met all gap closures milestones while 58% (15 of 26) agencies have met or are consistently meeting their IT hiring targets. Although we continue to work to close the gaps, the CIO Council is working to complete an updated IT Workforce Assessment Survey which was conducted in the Fall. Therefore, we have not met the goal for closing identified gaps at this time. On the basis of the updated survey information, agencies will prepare a gap analysis report and improvement plan.</p> <p><i>For FY 07, the goal is 50% of the agencies will close the identified gaps.</i></p>
<p><b>Earned Value Management:</b> At least 50% of agencies are managing their IT portfolio in accordance with the standard.</p>	<p>Operational cost and schedule overruns and performance shortfalls should average within 10% for the department's or agency's IT portfolio.</p> <p>As of September 30, 2006, 46% of agencies have fully implemented EVMS (12 out of 26) and on average are achieving at least 90% of their cost, schedule, and performance goals. 42% of agencies are using some level of EVMS (11 out of 25) to track the cost and schedule status of their major investments and do not have cost overruns or schedule delays exceeding 30%. Those agencies are taking the appropriate actions, including developing comprehensive agency policies and incorporating requirements into contracts for using EVMS, to bring the management of all of their major IT development efforts into full compliance with the industry standard for EVMS. Together these two groups of agencies account for over 88% of Federal agencies being able to measure progress toward milestones in an independently verifiable basis, in terms of cost, capability of the investment to meet specified requirements, timeliness, and quality. The remaining three agencies have a plan of action and milestones to incorporate the use of earned value management into their Capital Planning and Investment Control Process.</p> <p><i>For FY 07, the goal is for at least 75% of the agencies managing their IT portfolio in accordance with the standard and averaging 10% of cost, schedule and performance.</i></p>

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

### Focus on Execution

In the coming months, the departments and agencies will continue to implement their E-Gov Implementation plans to increased agency adoption with customer utilization will become the primary measures of success. The E-Government program will continue to identify IT opportunities for collaboration and consolidation using the FEA framework. The future is to ensure the institution of the management practices and the reliability and security of the services.

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

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

This Office will continue to work with the departments and agencies to ensure privacy issues are addressed across boundaries to provide a uniform and systematic process to protect citizen information. We have huge potential and opportunities for growth and want to ensure program success and results. The Federal Government will continue to work in all aspects of the Expanding E-Government initiative to deliver results the American people deserve.

## Presidential Initiatives Links

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

## E-Gov Related Links

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