



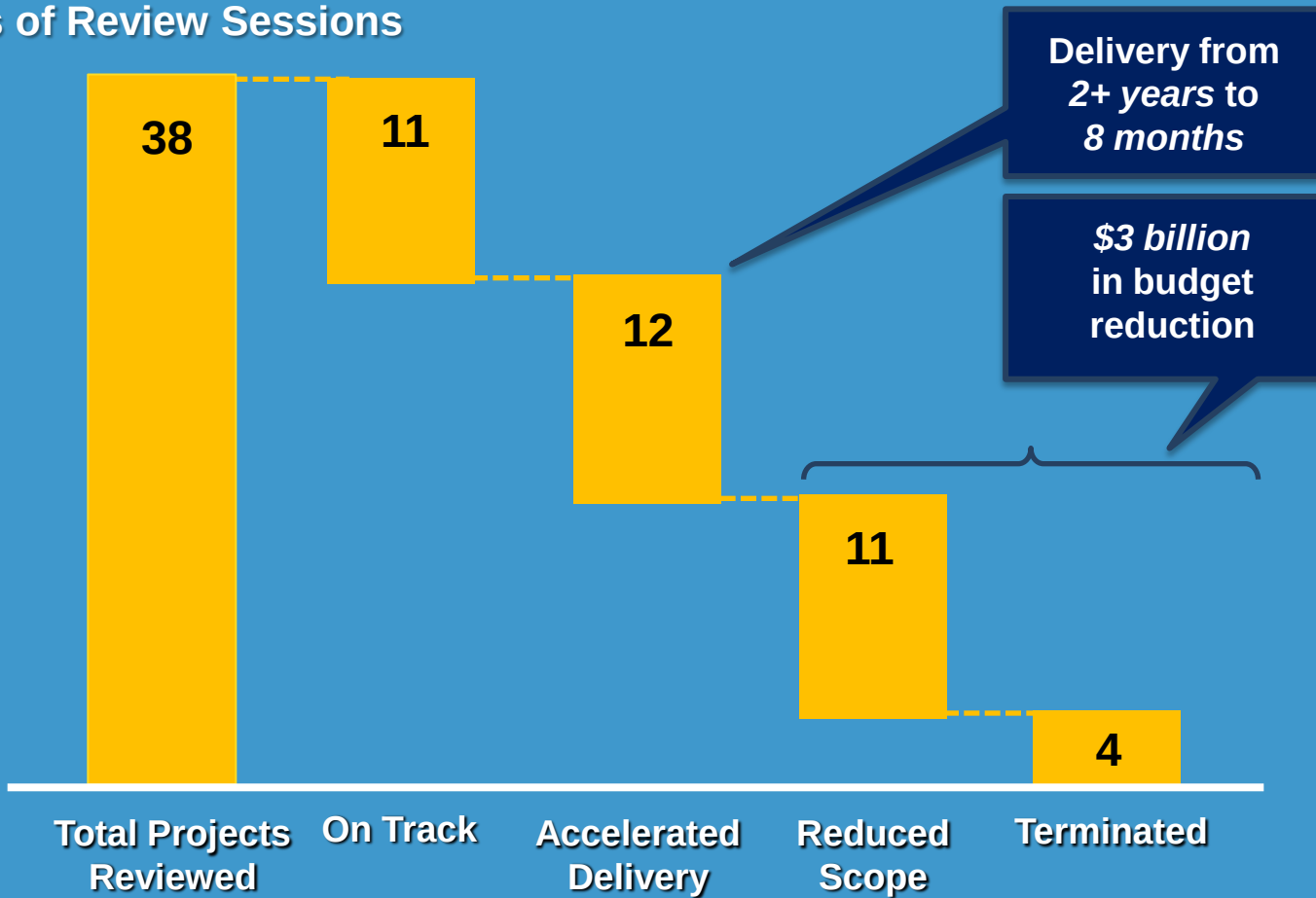
25 Point Implementation Plan to Reform Federal Information Technology Management

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Transforming the IT Portfolio

Results of Review Sessions



As of Dec 2010





IT Reforms

I. Achieving Operational Efficiency

- Adopting light technology and shared services

II. Effectively Managing Large-Scale IT Programs

- Strengthening program management
- Aligning acquisition and budget processes with the technology cycle
- Streamlining governance and increasing accountability
- Increasing engagement with industry





A Focus on Execution

- Turnaround or terminate at least one-third of underperforming projects within the next 18 months
- Shift to “Cloud First” policy; require each agency to identify 3 “must move” systems within 3 months and move 1 to the cloud within 12 months
- Reduce number of data centers by at least 800 by 2015
- Only approve funding of major programs that:
 - Have a dedicated program manager and a fully staffed integrated program team
 - Use a modular approach with customer-facing functionality delivered every 6 months
 - Use specialized IT acquisition professionals
- Work with Congress to consolidate commodity IT funding under Agency CIOs and develop flexible budget models that align with modular development
- Launch an interactive, online platform for agency-industry pre-RFP collaboration





Adopting “Light” Technology and Shared Services

	Action Item	Owner(s)	Within 6 mos.	6-12 mos.	12-18 mos.
1	Complete detailed implementation plans to consolidate 800 data centers by 2015 - Identify agency data center program managers to lead consolidation efforts - Launch a Data Center Consolidation Task Force to ensure successful execution	OMB, Agencies	•		
2	Create a government-wide marketplace for data center availability	OMB, GSA			•
3	Shift to a “Cloud First” policy	OMB, Agencies	•		
4	Stand-up contract vehicles for secure “Infrastructure as a Service” (IaaS) solutions	GSA	•		
5	Stand-up contract vehicles for “commodity” IT services Email and Financial Systems	GSA		•	
6	Develop a strategy for shared services	Federal CIO		•	



Adopting “Light” Technology and Shared Services

Interior: Consolidated Infrastructure, Automation, Telecomm

Investment to modernize the information technology infrastructure at Interior

Issue: Despite spending billions of dollars, significant inefficiencies exist

	BEFORE	AFTER
Light Technologies	Employees cannot send department-wide emails because of 13 fragmented email systems	Consolidated cloud-based email for 100% of users by Oct 2011 and an estimated savings of \$36M over 5 years
Shared Services	210 data centers and 9,000 servers	Reduce data centers by 55% (210 to 115) by 2015
Governance	• No structure for schedule and cost controls • Low transparency resulting from aggregated reporting; costs not reported monthly by department	• Governance structure with roles and responsibilities clearly defined (iStats) • Standardized and broke out cost accounting to ensure greater accountability

Outcome: Reduce lifecycle budget by \$500M;
Consolidate data centers from 210 to 115



Strengthening Program Management

	Action Item	Owner(s)	Within 6 mos.	6-12 mos.	12-18 mos.
7	Design a formal IT program management career path with direct hire authority	OPM, OMB	•		
8	Scale IT program management career path	OPM, Agencies			•
9	Require Integrated Program Teams	OMB	•		
10	Launch a best practices collaboration platform	Federal CIO Council	•		
11	Launch technology fellows program	Federal CIO		•	
12	Enable IT program manager mobility across government and industry	OMB, CIO Council, OPM			•





Strengthening Program Management

DHS: NFIP Technology Systems & Services NextGen

Investment to upgrade the IT that supports the National Flood Insurance Program (NFIP)

Issue: \$40M spent over 7 years on a system that does not work

	BEFORE	AFTER
Program Management	• No dedicated project manager or project executive • Key officials unaware of decisions made about contractors performance • Weaknesses in internal controls and financial reporting • NextGen system accepted without full testing • Lack of system design, requirements, and testing documentation for NextGen	NextGen project terminated

Outcome: NextGen project terminated; reduced budget by \$23.8M



Aligning the Acquisition Process with the Technology Cycle

	Action Item	Owner(s)	Within 6 mos.	6-12 mos.	12-18 mos.
13	Design and develop cadre of specialized IT acquisition professionals	OMB, Agencies	•		
14	Identify IT acquisition best practices and adopt government-wide	OFPP	•		
15	Issue contracting guidance and templates to support modular development	OFPP		•	
16	Reduce barriers to entry for small innovative technology companies	SBA, OFPP, GSA			•





Aligning the Acquisition Process with the Technology Cycle

VA: Benefits 21st Century Paperless Delivery of Veterans Benefits

Investment to move Veterans' Affairs from a paper-based system to a technology platform

Issue: Over a decade spent modernizing a benefits processing system

	BEFORE	AFTER
Contracts	Multi-year, "boil the ocean"	- Contracting Officer is now part of Integrated Project team - New contract is based on agile, modular approach
Delivery	10 years, no fully functioning system	- Customer-facing deliverables every 6 months - Begin deployment of an end to end paperless claims processing system by end of Q3 FY12

Outcome: Delivering functionality faster



Aligning the Budget Process with the Technology Cycle

	Action Item	Owner(s)	Within 6 mos.	6-12 mos.	12-18 mos.
17	Work with Congress to create IT budget models that align with modular development	OMB, Agencies	•		
18	Develop supporting materials and guidance for flexible IT budget models	OMB, CFO Council		•	
19	Work with Congress to scale flexible IT budget models more broadly	OMB, Agencies			•
20	Work with Congress to consolidate Commodity IT spending under Agency CIO	OMB, Agencies	•		





Aligning the Budget Process with the Technology Cycle

Commerce: USPTO Patent File Wrapper Program

Investment to modernize U.S. patent examination tools

Issue: Failed to meet customer needs; halted for 2 years by PTO

	BEFORE	AFTER
Budget	Fee-funded budget model leads to stability and flexibility; ability to make tough decisions without fear of losing funding for future years	
Scope	Patent File Wrapper (PFW) project addressed limited aspects of existing legacy systems	Patent End-to-End (PE2E) project provides an end-to-end IT platform for patent examination
Approach	Waterfall design	Agile design
Usability	• Examiners use 16 interfaces to process a patent • Patents represented as unsearchable TIFF images • 30 seconds to 2 hours to open an application • No search results	• Examiners use one interface to process a patent • Patents represented as searchable, taggable XML text • Near-instantaneous opening of a patent application • Extensive search results

Outcome: Reduced budget by \$99.5M;
enabling faster patent reviews



Streamlining Governance and Increasing Accountability

	Action Item	Owner(s)	Within 6 mos.	6-12 mos.	12-18 mos.
21	Reform and strengthen Investment Review Boards	OMB, Agencies	•		
22	Redefine role of Agency CIOs and Federal CIO Council	Federal CIO, Agency CIOs	•		
23	Rollout “TechStat” model at bureau-level	Agency CIOs			•





Strengthening Governance and Increasing Accountability

HUD: Transformation Initiatives

Investment to modernize multiple IT systems and business processes throughout HUD

Issue: Undertaking multiple business transformation projects simultaneously without sufficient capacity or governance

	BEFORE	AFTER
Governance & Accountability	Ad-hoc and fragmented governance coupled with a lack of performance controls	Collapsed layers of inadequate oversight
Scope	29 projects	7 priority projects
Implementation	Historical record of delays	Accelerate implementation with 6 month deliverables
Budget	\$310M	\$185.7M

Outcome: Reduced Transformation Initiatives IT projects by \$124.3M (FY10 and FY11); delivering functionality faster



Increasing Engagement with Industry

	Action Item	Owner(s)	Within 6 mos.	6-12 mos.	12-18 mos.
24	Launch “myth-busters” education campaign	OFPP	•		
25	Launch an interactive platform for pre-RFP agency-industry collaboration	GSA	•		





Increasing Engagement with Industry

DOJ: FBI IAFIS/Next Generation Identification

*Investment to integrate emerging biometric technologies
to support law enforcement and national security investigations*

Issue: Complex project in need of continued oversight to ensure that it remains on budget, schedule, and the business case is justified

	BEFORE	AFTER
Industry Engagement	Engage with industry to test potential technology modalities prior to high dollar, high risk acquisition of emerging technologies	
Deployment	• Next Generation Identification (NGI) functionality/accomplishments to date are unclear • No documented plan to decommission IAFIS (legacy system)	• NGI functionality for Increment 4 managed in smaller phases (maximum 6-month intervals) beginning Q2FY11 • IAFIS to be decommissioned in 2015

Outcome: Delivering functionality faster



How these Reforms Change the Status Quo

- Using modular approach, drive average size and duration down and success rates up on nearly \$50 billion of IT program spend
- Improve yield on \$24 billion in IT infrastructure spending and shift spending from redundant, underutilized infrastructure to mission-priority programs
- Utilizing “Cloud First” approach, provision solutions on demand at up to 50% lower per unit cost





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