FEDERAL E-GOVERNMENT INITIATIVES: ARE WE HEADED IN THE RIGHT DIRECTION?

HEARING

BEFORE THE

SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY, INTERGOVERNMENTAL RELATIONS AND THE CENSUS

OF THE

COMMITTEE ON GOVERNMENT REFORM

HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTH CONGRESS

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FEDERAL E-GOVERNMENT INITIATIVES: ARE WE HEADED IN THE RIGHT DIRECTION?

THURSDAY, MARCH 13, 2003

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY,
INTERGOVERNMENTAL RELATIONS AND THE CENSUS,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC.

The subcommittee met, pursuant to notice, at 2 p.m., in room 2154, Rayburn House Office Building, Hon. Adam Putnam (chairman of the subcommittee) presiding.

Present: Representatives Putnam, Clay, and Miller.

Staff present: Bob Dix, staff director; Scott Klein, Lori Martin, and Chip Walker, professional staff members; Ursula Wojciechowski, clerk; John Hambel, counsel; David McMillen, minority professional staff member; and Jean Gosa, minority assistant clerk.

Mr. PUTNAM. This hearing of the Subcommittee on Technology, Information Policy, Intergovernmental Relations and the Census will come to order.

Good afternoon and welcome to the first hearing of the newly reorganized subcommittee. I am honored to have been selected by Chairman Davis to serve as chairman of this subcommittee. Despite of what this might look like, this is not "bring your son to work day." They really do let people this young in Congress. We look forward to an exciting term with this subcommittee. There is a tremendous amount of work to be done. Chairman Davis laid the groundwork and blazed a path, particularly on some of the issues we will be discussing today. He did a tremendous job of beginning the process of bringing the Federal Government into the 21st century. He and I will continue to work together on this issue in the weeks and months to come.

I also look forward to welcoming my good friend and ranking member and fellow sophomore, Mr. Lacy Clay from Missouri. I have no doubt that we will have an outstanding working relationship throughout the term, and both his staff and our staff will continue to work together for the good of the subcommittee.

I will draw your attention later in the hearing to the images on the screens, which are a number of the Web sites that we will be discussing as part of the E-government initiative. I recognize some faces in here this afternoon who were present during the morning hearing. The Web sites we will be showing you this afternoon are not nearly as interesting as the ones the full committee was showing this morning.

Before I talk specifically about today's hearing on the current status of the Federal Government's E-government initiative, though, I would like to speak briefly about my vision for the subcommittee's work during the 108th Congress. We have outlined an aggressive agenda and I am anxious to get the ball rolling. I expect to examine closely the intergovernmental relations in the areas of emergency response, land management, disaster management, as well as Federal grant disbursement.

In the area of the census, the subcommittee will continue to examine the American Community Survey and ensure that the census is an accurate count based on real numbers. The subcommittee will examine data sharing and privacy issues, with an eye toward the sharing of information within and between governments, looking in particular at programs such as the Total Information Awareness Program through the Department of Defense.

We will examine the President's recently submitted cybersecurity proposal and the security of our infrastructure for our financial markets, public utilities and other critical systems. In IT management and E-government, the subcommittee will examine agency and department Web site development, cross-agency coordination, acquisition strategy and performance results.

I hope that these items give a flavor for the direction this subcommittee will take in the coming months. We do have an aggressive agenda, and we intend to provide vigorous oversight of the areas under the subcommittee's jurisdiction.

Today's hearing focuses on the subject of E-government, which is, simply put, the ability of the Federal Government to use technology, particularly Web-based Internet applications, to enhance access to government information and delivery of information services to citizens, business partners, Federal employees and other agencies. At the same time, E-government initiatives seek to make the Federal Government itself more efficient, productive and cost-effective.

I want to thank today's witnesses for adjusting their schedules to accommodate the rescheduling of the original hearing date. Today we have an expert panel on E-government that will provide us with their professional insight. I would like to welcome Mark Forman, the Associate Director of Information Technology and Electronic Government from the Office of Management and Budget; Joel Willemssen, Managing Director of Information Technology with the U.S. General Accounting Office; Patricia McGinnis, president and CEO of the Council for Excellence in Government; and Leonard Pomata, president, webMethods Government.

The expansion of E-government was one of five key elements in the President's management agenda. The goal is to "champion citizen-centered electronic government that will result in a major improvement in the Federal Government's value to the citizen."

The Office of Management and Budget developed a task force known as the Quicksilver Process, and began to gather information and strategize on E-government initiatives in August 2001. In all, the task force identified over 350 potential E-government projects. These projects were then faced into 40 portfolios of related ideas, eliminating duplicates along the way. Eventually, with the final approval of the President's Management Council, 24 initiatives were

selected. OMB's criteria for choosing initiatives included the potential value to customers, potential improvement in agency efficiency, and the likelihood of deployment in 18 to 24 months.

Government Reform Committee Chairman Tom Davis is to be commended for the E-Government Act of 2002, which sought to improve IT investment and required OMB to provide an annual report to Congress on the status of E-government.

Rather than simply identify and report IT investment at each agency, the E-Government Act forces a cultural change in IT procurement from consolidating and integrating IT investments to encouraging performance-based, citizen-centered, cross-agency planning. Under the act, the Office of Management and Budget has been designated as the lead organization for all Federal Government IT purchasing and planning, and all Federal agencies must comply with OMB guidance to ensure implementation of E-government.

Federal Government expenditures on IT will near $60 billion in fiscal year 2004, making the Federal Government the largest purchaser of IT in the world. Simply because the Federal Government spends the most does not mean that it spends that money wisely, gets the most for its investment, or provides technologically advanced and easy to use services to the public. One of our most important missions on this subcommittee is to ensure to the greatest extent possible a technologically advanced government providing fast, efficient and needed services to the American public.

I want to thank each witness for taking the time to participate in this important hearing, and thank you for your valuable contribution. Today's hearing can be viewed live via Web cast by going to http://reform.house.gov and then clicking on the link under "Live Committee Broadcast."

Today, I am also pleased to announce that this subcommittee will be the first subcommittee in the House to use video-to-text technology. In a few days, the public will be able to go to the committee's home page and find a specific piece of video for this hearing by doing a word, phrase or name search. They will then be given a list of choices to choose from, and can view a video clip of 45 seconds in length containing the information they searched for. This is a tremendous advance in the archiving and retrieval of historical records in the House of Representatives. The Library of Congress, in conjunction with FedNet, has been taking the lead in bringing this technology to the House. Chairman Davis is to be commended for bringing emerging technologies to this committee.

As we await the arrival of Mr. Clay and make additional introductions, I just want to take a couple of moments and talk about the opportunities that we have from a technology perspective to redefine the way that the Federal Government interacts with its citizens and its taxpayers. As the youngest Member of Congress, there is a generation of Americans out there who have grown up accustomed to certain technologies and a certain way of doing business based on the newest and latest technologies. It has redefined their relationship in recreation. It has redefined their relationships in commerce and business, and it can redefine their relationship with the government.

As this new generation of voters comes online and becomes productive, tax-paying members of society and leaders in business and leaders in the communities, they expect that the same conveniences and technologies that have been commonplace to them throughout their life will be available from their government as well. Unfortunately, the government has been lagging behind.

So as our taxpayers and as our consumers, our customers, our citizens continue to have higher levels of expectations, the gap between the expectations and what the government is able to provide is a gap that we need to work very hard to close and make sure that those expectations are met and that we redefine that relationship.

As we await the arrival of Mr. Clay, I want to introduce the vice chair of the subcommittee, Candice Miller. I know that she is ready and eager to pull up her sleeves and get down to business. I would like to yield now to her for a few opening remarks.

[The prepared statement of Hon. Adam H. Putnam follows:]

TOM DAVIS, VIRGINIA
CHAIRMAN

HENRY A. WAXMAN, CALIFORNIA
RANKING MINORITY MEMBER

ONE HUNDRED EIGHTH CONGRESS
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STATEMENT OF CHAIRMAN ADAM PUTNAM (R-FL)
Federal E-Government Initiatives:
Are We Headed in the Right Direction?

March 13, 2003

Good afternoon and welcome to the first hearing of the newly reorganized Subcommittee. I am honored to have been selected by Chairman Tom Davis to serve as chairman. As you know, last Congress he sat in this seat and did a tremendous job of beginning the process of bringing the federal government into the 21st Century, and I look forward to working with him on this issue in the weeks and months to come.

I would also like to welcome my good friend and Ranking Member, Mr. Lacy Clay from Missouri. I look forward to working with you, Mr. Clay, as well as all the Members and staff during this Congress to provide bipartisan oversight on these critical areas of our Federal government.

Before I talk specifically about today's hearing on the current status of the federal government's E-government initiative, I would like to speak briefly about my vision for the Subcommittee's work during the 108th Congress. I've outlined an aggressive agenda, and I'm anxious to get the ball rolling.

- I expect to examine closely intergovernmental relations in the areas of emergency response and disaster management, as well as federal grant disbursement;
- In the area of Census, the Subcommittee will continue to examine the American Community Survey, and ensure that the Census is an accurate count based on real numbers;
- The Subcommittee will examine data sharing and privacy issues with an eye towards the sharing of information within and between governments, looking in particular at programs such as the Total Information Awareness program at the Department of Defense;

- We will examine the President's recently-submitted cyber security proposal, and the security of our infrastructure for financial markets, public utilities and other critical systems;

- In IT management and e-government, the Subcommittee will examine agency and department website development, cross agency coordination, acquisition strategy and performance results.

I hope that the items just mentioned give a flavor for the direction this Subcommittee will take in the coming months. We have an aggressive agenda, and I intend to provide vigorous oversight of the areas under the Subcommittee's jurisdiction.

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- Mark Forman, Associate Director, Information Technology and Electronic Government, Office of Management and Budget;

- Joel Willemssen, Managing Director, Information Technology, U.S. General Accounting Office;

- Patricia McGinnis, President and CEO of The Council for Excellence in Government; and

- Leonard Pomata, President, webMethods Government.

The expansion of E-government was one of five key elements of the President's Management Agenda. The goal is to **quote** "champion citizen centered electronic government that will result in a major improvement in the federal government's value to the citizen." **End Quote**

The Office of Management and Budget (OMB) developed a task force known as the Quicksilver process and began to gather information and strategize on E-government initiatives in August of 2001. In all, the task force identified over 350 potential E-government projects. These projects were then placed into 40 "portfolios" of related ideas, eliminating duplicates along the way.

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Ms. MILLER. Thank you, Mr. Chairman. I am certainly pleased to serve here on this subcommittee with you and to be your vice chairperson. I was interested to hear you talk about how we are going to be on the leading edge as a committee to have all this availability on the Internet. I think that is an appropriate role for this subcommittee. I think it is wonderful that we are going to have the opportunity to offer that to the taxpayers across the entire Nation.

I am so excited about hearing from all of you today. I certainly appreciate you all taking the time to come here today. I think E-commerce and E-government is such an interesting area, certainly with the exploding technology and what can happen. It is, I think, very important for us to try to benchmark where we are as a Nation with E-government and where we have been and where we are going. The Internet in many ways is a relatively new phenomena.

I hope to be able to bring my own experiences, perhaps my own perspective, to this committee as well. I was a former Secretary of State in my former life, for the last 8 years in Michigan. I was concerned with all the motor vehicle administrative matters. We actually had a very antiquated department—180 branch offices, 20 million transactions annually, and there was neither a fax machine nor a copy machine in any of our branch offices, if you can imagine. We became the first State agency actually in our State to do E-government, E-commerce. We architected all the data base where we were actually able to take money from people for credit cards and those kinds of things so they could do vehicle registrations, snowmobile, boat registration, what have you, via the Internet or fax or touchtone phone—all of these kinds of things. We also architected a kiosk program that we put out in shopping malls and that kind of thing.

We used that as the foundation for a lot of the other State agencies—recreational kinds of things and all of these—to be able to be a one-stop-shop for E-government in our State. As well—something certainly worth mentioning as we are sitting here talking about politics I suppose as the Chief Elections Officer I was also responsible for something that we called our qualified voter file in Michigan. We had a very decentralized system. In other words, normally in every State it is the local county clerk that maintains the voter registration rolls. In Michigan, it was every local city, municipal clerk. We have about 1,800 various voter registration files floating around there in Michigan. We built a statewide computerized voter registration list, which actually was noted in the Ford-Carter Presidential Commission report on election reform as an outstanding national model on how you can have a Statewide computerized voter registration file when you are doing election reform and these kinds of things.

So I am very, very excited to be able to work with all of you as we go forward here. There are so many things, as the chairman has said, not only the new generation, but certainly those of us that are starting to feel more comfortable about accessing information electronically and using the Internet for so many kinds of services, look to government to be more progressive perhaps than we have been in the past. I think it is for all of us to ensure that all of these

services and all of the different governmental agencies is accessible and easy to use and in that kind of a format.

Additionally, I know not at this hearing, but we will be discussing privacy concerns as well. And of course, all of us in government that have responsibilities for maintaining data bases and what have you, have to be concerned about intervention, sometimes over the line by government into personal privacy as well. Who is going to have the information, how is it going to be utilized, who will have the ability to access it—those kinds of questions as well.

So I am very excited to hear your testimony and again appreciate all of you coming today. Thank you.

Mr. PUTNAM. I thank the gentlelady. I am notified that Congressman Clay will be right with us. He is wrapping up a vote in another committee.

Before we get to the witnesses, I do want to introduce the staff. We were here until 2 a.m. doing budget work, and of course some of the unsung heroes in this process are staff. I want to introduce to you and to the audience, as you all have issues, the folks who make these things happen. I will let Mr. Clay introduce the minority staff. The majority staff, Bob Dix is our staff director. He is a former staff member for the DC Subcommittee; former locally elected official, and former president and CEO of a technology company himself. He brings a broad background of both public and private sector service.

Scott Klein is our professional staff member, IT Government Relations, for both TRW and BDM are in his background, as well as some work for Senator Warner. He is a Virginia Tech guy, handling our tech issues. Lori Martin, another professional staffer, senior research analyst, media assistant for Podesta Matoon. She is a lawyer from Regent University. She handles our privacy and information policy issues. Chip Walker, former deputy staff director for the Subcommittee on Civil Service, Census and Agency Organization; staff director of the Subcommittee on the Census. He got his education at Long Island University and handles all of our census issues. He has forgotten more about the census than most of us will ever know, as well as intergovernmental relations and cybersecurity.

Ursula Wojciechowski—she is the subcommittee clerk. She formerly worked for Subcommittee Chairman Horn on the Subcommittee on Government Efficiency. For those of you who knew how many hearings he had, she is probably the most efficient clerk in the Congress. And John Hambel, on my left, another counsel who formerly was counsel on the Energy and Commerce Committee Subcommittee on Oversight and Investigations, and former counsel to Representative Norm Lent.

With that, at the risk of dumping everything in his lap just as soon as he sits down, I will recognize the ranking member, the distinguished gentleman from Missouri, Mr. Clay.

Mr. CLAY. Thank you very much, Mr. Chairman. I really look forward to this assignment and look forward to working with you and the other members on this committee.

I guess I will start with introducing our staff on the minority staff. That would be, first, David McMillen, the professional staff

member; also Jean Gosa, assistant clerk of the full committee; and then Robert Odom from my office who assists us here.

I am looking forward to working with you, and hopefully we will be able to advance the needs and the causes of this committee forward in a judicious and bipartisan manner.

Thank you.

[The prepared statement of Hon. Wm. Lacy Clay follows:]

STATEMENT OF THE HONORABLE WM. LACY CLAY
SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY, INTERGOVERNMENTAL RELATION, AND THE CENSUS
HEARING ON
"ELECTRONIC GOVERNMENT INITIATIVES"

March 13, 2003

Thank you Mr. Chairman for calling this, the first, hearing of the Subcommittee on Technology, Information Policy, Intergovernmental Relations, and the Census. All of these topics are of interest to my constituents, and I look forward to working with you to improve government activities and performance in these areas.

One of the agencies within our jurisdiction is the National Archives and Records Administration. I am proud to say that a part of the Archives, the National Personnel Records Center, is in my district. The National Personnel Records Center is one of the Archives' largest operations. It is a central repository of personnel-related records, both military and civil service. The Center provides service to Government agencies, military veterans, former civilian Federal employees, family members, as well as researchers and historians.

Across the state, in Independence, Missouri, is the library of President Harry S. Truman. The Truman Library is one of ten presidential libraries run by the National Archives, and lasts week exhibited a rare copy of the Declaration of Independence. That library holds thousands of documents and artifacts from the Truman presidency, and many of those documents are available on the library web site. For example, you can go to the library web site and pull up a special message to Congress from President Truman, written on this day in 1949, laying out plans for reorganizing the State Department. The web site also points out that the Congress acted on the President's recommendation, and had a reorganization bill on his desk for signature by May 26th of that year.

Today's hearing is about making our government operate like the Truman Library. We should have an open government where each agency devotes its energy to making it easier for citizens to access government information, and to making it easy for citizens to interact with the government when that is needed. But that is not necessarily an easy task, and getting multiple agencies to cooperate to a single point of access is even more difficult.

The Administration has set out an ambitious plan for the 24 projects reviewed by the General Accounting Office. If even half of them meet the promises implied by the titles, we will have made a substantial step towards making our government more accessible to its citizens. Unfortunately, the GAO report is not encouraging. I hope today's testimony will show progress since that report was written. I am also curious whether GAO has gotten the updated budget documents necessary to update its work from this report.

I would like to thank our witnesses for taking time out of their busy schedules to appear before us today, and I look forward to hearing the testimony. Mr. Chairman, I ask unanimous consent that my full statement be included in the record.

Mr. PUTNAM. I thank the gentleman.

We will now begin with the witnesses. Each has kindly prepared written testimony which is available for all. As is the routine, we ask that you summarize these in a 5-minute opening statement to give us plenty of time for questions. Before we do, as is the practice of this subcommittee, I would ask our witnesses to stand and raise their right hands and be sworn in.

[Witnesses sworn.]

Mr. PUTNAM. Note for the record that the witnesses have responded in the affirmative. I will introduce our first witness, Mark Forman, Associate Director for Information Technology and E-Government for OMB, a position he has held since June 2001. He is the CIO of the Federal Government and the leading Federal E-government executive responsible for fulfilling the President's E-government initiatives. He has a tremendous background in the public and private sector, and will be invaluable to this subcommittee as we proceed with our work.

With that, Mr. Forman, you are recognized for 5 minutes.

STATEMENTS OF MARK FORMAN, ASSOCIATE DIRECTOR, INFORMATION TECHNOLOGY AND ELECTRONIC GOVERNMENT, OFFICE OF MANAGEMENT AND BUDGET; JOEL C. WILLEMSSEN, MANAGING DIRECTOR, INFORMATION TECHNOLOGY, U.S. GENERAL ACCOUNTING OFFFICE; PATRICIA MCGINNIS, PRESIDENT AND CEO, THE COUNCIL FOR EXCELLENCE IN GOVERNMENT; AND LEONARD M. POMATA, PRESIDENT, WEBMETHODS GOVERNMENT

Mr. FORMAN. Thank you, Mr. Chairman and members of the subcommittee. Thank you for the opportunity and for the gracious rescheduling of the committee.

The answer to the question posed in the title of this hearing, yes, I think we are headed in the right direction. We welcome your leadership and the continued opportunity to work with you and the committee to strengthen IT and E-government.

We find that E-government is increasingly becoming the principal means by which citizens engage with their government. The September 2002 report from the Pew Foundation found that 71 million Americans have used government Web sites, up from 40 million in March 2000. We know the Council for Excellence has been instrumental in documenting key elements of that.

The President sees E-government as part of a larger vision for reforming government. The President's E-government initiative through billions of dollars in Federal spending, reduce government's burden on citizens and businesses, and improve operations to accelerate government's response times, often moving from weeks or months down to minutes or hours. This administration continues to integrate and align E-government with the President's other management initiatives, budget and performance integration, strategic management of human capital, competitive sourcing and improved financial performance.

The potential for substantial improvement is greater if all of these initiatives are pursued concurrently. For the E-government initiative, the strategic question that we face is how to maximize the results from the more than $50 billion we invest in IT. Through

E-government, conducting business with the government becomes easier, more private and more secure. Achieving our vision of three clicks to service requires agencies to integrate and to simplify their operations, while addressing longstanding IT management problems that include redundant buying and IT security.

The administration's E-government strategy is a two-pronged approach to IT reform: First, modernization within agencies around the tenets of E-business, and then consolidating and integrating IT investments across agencies around the needs of citizens. The Federal Government has made significant progress toward becoming a transformed and more productive E-enterprise. The Presidential E-government initiatives consolidate dozens of redundant agency-centered efforts. Twenty-four projects were selected on the basis of the value that they bring the citizens, while generating cost savings and improving the effectiveness of government.

These initiatives reflect the administration's focus on four citizen-centered groups. For individuals, we are creating single-points of easy access to high quality government services. For businesses, we are minimizing redundant data collection and using commercial electronic transaction protocols, while making it easy to find, understand and comply with laws and regulations. For other levels of government, the Federal Government is making it easier for States and localities to meet reporting requirements and collaborate, while promoting performance.

For internal efficiency and effectiveness, the Federal Government is modernizing internal processes to reduce costs, while facilitating the ability of government employees to do their job. Significant progress has already been made on the projects in the past year, including the launch of numerous government portals. A recent achievements and next steps are listed in the written testimony, and the E-Government At A Glance document, which is available at the Egov.gov Web Site. We also provided the committee with copies of Table 22–2 from chapter 22 of the analytical prospectus of the President's 2004 budget. That summarizes the 24 E-government initiatives, the recent accomplishments, the performance metrics, and the coming milestones.

Agency IT investments continue to make the Federal Government the largest buyer, as you noted. Table 22–1 from chapter 22 of that prospective document discussed the agency progress on E-government. Improvements have been attained through IT management within the agency. Additionally, there are specific agency initiatives that are highlighted in my written statement. Three agencies improved their status score on E-government from red to yellow since the baseline evaluations in September 2001. I would recognize the Department of Education, Energy and Veterans Affairs for their progress. The National Science Foundation upgraded their status from yellow to green, and continues to serve as a model for how small agencies can successfully implement E-government. Seventeen agencies also received green for their progress in the first quarter of 2003, as listed in my written statement.

Specific actions need to be taken to address the chronic problems. I listed many on the six chronic problems in my written statement. Agencies must continue to address these longstanding challenges in order to deliver measurable results.

I would like to highlight a few that we are specifically focused on over the next 12 months. First, agencies are required to take a comprehensive approach to reform. They have to look at people, processes and technology, and how that mixes together to deliver significantly better results. As a result of lack of doing so or lack of including adequate security, we put 771 projects, $21 billion worth of requested funding on what we call a list of projects that are at risk. These projects will be monitored throughout fiscal year 2003 and agencies have demonstrated good progress over the last month. OMB will allow investments on this list to move forward only after agencies present successful business cases.

Second, the administration continues to work to ensure that IT investments reflect consolidation around citizens groups in long lines of business; that we reduce duplicative collection of data from citizens, businesses and State and local government; that we leverage enterprise licenses for the Federal Government where appropriate; and that we reduce surplus infrastructure capacity.

Third, a comparison of agency investment requests for 2003 versus what is reported as actual cost provides specific demonstration that too many IT projects have cost and schedule overruns. Not surprising, these same projects fail to successfully make the business case and are on the at-risk list. Over the past year, OMB required that all major acquisitions implement an earned value management standard based on a commercial standard. OMB also directed agencies to have a program management plan and qualified project manager for projects to be approved for spending, beginning with October of fiscal year 2004 and thereafter.

Fourth, to ensure that IT security weaknesses are appropriately addressed, OMB requires agencies to develop, implement and maintain plans of actions and milestones for every program in its system where an IT security weakness is found.

The need for Federal Government enterprise architecture was one of the most significant findings from the E-government strategy effort. I discussed the five interrelated reference models in my written statement. In constructing the 2004 President's IT budget, OMB employed a cross-agency approach. This committee has strongly supported an effective IT management practice, and OMB pledges the administration's full support to employ these practices throughout the government.

There have been many concerns expressed about the funding required to meet the goals and challenges of E-government. The administration has sufficient funding for cross-agency E-government projects if we simply stop funding what is redundant or not working. In some cases, agency cultures and government organization structures make it difficult to finance and manage cross-agency projects. To help overcome this barrier, the President included in his fiscal year 2004 budget a proposed $45 million for the E-government fund. This seed money for new and innovative projects and consolidating redundant information technology investments is important. Indeed, as we are successful in using the E-government fund to integrate redundant systems, we can free up those same agency resources to be spent on more productive ways to achieve the missions that appropriated dollars are intended to serve. Thus,

it remains a key priority for the success of the E-government agenda.

The administration has made major advances in E-government over the last 2 years. The passage of the E-Government Act has strengthened the mandate. Mr. Chairman, we look forward to working with you and your colleagues to achieve these important goals.

[The prepared statement of Mr. Forman follows:]

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OFFICE OF MANAGEMENT AND BUDGET
BEFORE THE
SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY, INTERGOVERNMENTAL RELATIONS, AND THE CENSUS
COMMITTEE ON GOVERNMENT REFORM
UNITED STATES HOUSE OF REPRESENTATIVES

MARCH 13, 2003

Mr. Chairman and Members of the Subcommittee,

Thank you for the opportunity to appear before the Subcommittee to discuss the Administration's views on e-government. To answer the question posed in the title of this hearing, yes –we are headed in the right direction. We welcome your interest and the continued opportunity to work with you to strengthen IT and e-government.

E-government is increasingly becoming the principal means by which citizens engage with their government. A September 2002 report from the Pew Foundation found that 71 million Americans have used government web sites – up from 40 million in March 2000. And based on a poll commissioned by the Council for Excellence in Government, citizens overwhelmingly believe that e-government leads to better government. The President sees e-government as part of a larger vision for reforming government.

Electronic Government, also known as e-government, is one of the key elements in the President's Management Agenda. The Expanding E-Government initiative is bringing more services to the American citizen over the Internet and is using IT to improve management throughout the Executive Branch. Federal investments in IT, through the President's e-government initiatives, can free-up billions of dollars in unnecessary federal IT spending, reduce government's burden on citizens and businesses, and improve government operations to accelerate government response times, often from weeks to minutes. This Administration continues to integrate and align e-government with the President's other management initiatives: budget and performance integration, strategic management of human capital, competitive sourcing, and improved financial performance. The potential for substantial improvement is greater if all these initiatives are pursued concurrently.

The Administration is pleased to have worked with this Committee to pass the E-government Act of 2002, which establishes an Office of E-government in OMB, and codifies several important activities and efforts to further e-government. We will discuss our implementation of the Act later.

E-government and the President's Management Agenda

The President's vision for reforming government emphasizes that "government needs to reform its operations—how it goes about its business and how it treats the people it serves." The vision is guided by three principles:

• **Citizen-centered,** not bureaucracy-centered;

• **Results-oriented;** and

• **Market-based**, actively promoting innovation and entrepreneurship.

For the e-government initiative, the strategic question that we face is how to maximize results from the more than $50 billion we invest annually in IT.

Electronic commerce and Internet technology have made daily tasks easier and quicker; the U.S. government is now working to do the same for U.S. citizens. E-Government will enable agencies to work together to improve services significantly and reduce operating costs.

The e-government initiative requires agencies to use modern, secure technologies to increase productivity, while responding faster and better to the needs of American citizens. E-government promotes the use of e-business tools by agencies in lessening paperwork burdens. The e-government initiative provides tools for all levels of government – local, state, and federal – to work together. As a result of e-government, conducting business with the government becomes easier, more private, and secure.

When using the Internet, it should not take a citizen more than three "clicks" of a mouse to access the government services and information needed. That is our goal. Achieving this vision requires agencies to integrate and to simplify their operations.

The Administration's e-government efforts address the six chronic problems that limit results from Federal IT spending. These chronic problems are:

- Paving Cowpaths – Agencies have automated existing outdated processes, instead of fixing underlying management problems or simplifying agency procedures to take advantage of new e-business and e-government capabilities.
- Redundant Buying—Agencies have made unnecessarily duplicative information technology investments.
- Inadequate Program Management -- Many major IT projects have not met cost, schedule, and performance goals.
- Poor Modernization Blueprints – Few agencies have had plans demonstrating and documenting the linkage between IT capabilities and the business needs of the agency.
- Islands of Automation – Agencies have built individual capabilities that are not interoperable with one another. Few IT investments significantly improve mission performance.
- Poor IT Security -- Major gaps have existed in agency and government-wide information and IT-related security.

Implementing the Strategy

The Administration's E-government Strategy is a two pronged approach to IT reform: modernizing within agencies around the tenets of e-business, and consolidating and integrating IT investments across agencies around groups of citizens. The Federal Government has made significant progress toward becoming a transformed and more productive "E-Enterprise," focusing on how IT is managed at an enterprise level within and across agencies. Since the President proposed 24 E-government initiatives in the 2003 Budget, 19 have already delivered significant capabilities and are showing results.

The E-Government initiatives consolidate dozens of redundant agency centered efforts. The 24 projects were selected on the basis of the value they would bring to citizens, while generating cost savings or improving effectiveness of government. The initiatives reflect the Administration's E-Government Strategy, which focuses on four citizen-centered groups.

- Individuals: Building easy to find one-stop-shops for citizens -- creating single points of easy access to high-quality government services. Citizens should be able to find what they need quickly and easily and access information in minutes or seconds, instead of days or hours. For example, the GovBenefits.gov portal is expanding to provide potential beneficiaries with instant access to information for all government benefit programs and services through a single web site. Federal agencies use IT to enhance delivery of government services, and to engage the public in new and constructive ways in the development and implementation of policies and programs.

- Businesses: The Federal government must use the Internet to reduce the burden it places on businesses. The Administration cannot continue to make businesses report the same data to multiple agencies because the government fails to minimize redundant data collection and use commercial electronic transaction protocols. A citizen centered approach will streamline reporting requirements as well as facilitating a more efficient means for business to do business with the government. For example, the Business Compliance One Stop project reduces government's burden on business owners by making it easy to find, understand, and comply with laws and regulations.

- Intergovernmental: The Federal government must make it easier for states and localities to meet reporting requirements, while promoting performance, especially for grants. State and local governments will see significant administrative savings and will be able to improve program delivery through collaboration tools for e-government. Enhanced and more visible performance reports will help make government at all levels more accountable for results and wise use of resources. Moreover, improving the way that information is shared among levels of government will improve the nation's ability to provide for homeland security. Many of the intergovernmental initiatives are designed to improve homeland security as identified in the President's Budget and in the National Strategy for Homeland Security released in July. For example, one initiative is a secure

portal that will improve the disaster management process by simplifying and unifying the interaction between Federal, state, and local public safety personnel.

- Internal Efficiency and Effectiveness: The Federal government must modernize internal processes to reduce costs for federal government agency administration. Industry best practices in supply-chain management, financial management, and knowledge management improve agency efficiency and effectiveness, eliminates delays in processing, and improves employee satisfaction and retention. A clear model is the E-Training initiative which is consolidating numerous online federal training capabilities into a premier E-training portal (GoLearn.gov), providing enhanced access to high quality training and competency development for federal employees.

The 24 projects achieve results by simplifying and unifying redundant work processes and IT. Agencies have since identified additional opportunities for using e-government to work across boundaries to improve performance and reduce costs.

Significant progress has been made on the projects in the last year, including the launch of numerous government portals, initiative websites and consolidations. Our recent achievements include:

- FirstGov.gov: Provides American citizens with a gateway to the federal government. Named "One of the Top 50 Most Incredibly Useful Web Sites" by *Yahoo! Internet Life*, July 2002 and redesigned to provide government services within "three clicks." The new "three clicks" strategy has increased the number of site visitors by 50 percent. Recently launched within Firstgov is Science.gov, a gateway to science and technology and related R&D information provided by U.S. Government agencies.

- Recreation.gov: Provides citizens with one-stop online access to America's National Parks and public recreation areas. The web site includes links to 1900 federal parks and receives more than 750,000 site visitors per month.

- GovBenefits.gov: Offers citizens one-stop access to information and services of almost 200 government programs representing more than $1.3 trillion in annual benefits. GovBenefits receives more than 500,000 visitors per month and is listed as one of *USA Today*'s "Hot Sites."

- GoLearn.gov: This on-line training initiative is the number one most visited e-training site in the world, with more than 36 million hits for information on many thousands of e-training courses, e-books, and career development resources. GoLearn.gov has already allowed over 30,000 federal employees to receive training at a cost of pennies per course that would not have been possible prior to the launch of this initiative. Traditional training approaches only serve a fraction of this number of people, often at as much as $2,500-$5,000 per class.

- Volunteer.gov: Works in support of the President's USAFreedomCorps initiative by allowing citizens to have access to information about volunteering for more than 100,000 openings at national parks, veteran hospitals, and other federal facilities.

- Integrated Acquisition: Helps federal agencies acquire acquire quality goods and services cost-effectively by providing one-stop access to a catalogue of interagency vendor contacts and a record of vendor past performance.
- E-Payroll: Consolidates government payroll processing from 22 service providers to two service partnerships. $1.2 billion will be saved over the next 10 years by modernizing just two providers, rather than 22.
- IRS Free Filing: Over 78 million Americans can file their taxes online for free beginning in the 2003 tax filing season. In the first 5 weeks for the tax season, 1.3 million Americans have used this service as of February 21st. The number of e-filed returns is up 8.1 percent from the same time last year.
- Regulations.gov: Makes it quicker and easier for citizens and small businesses to find and comment on hundreds of proposed rules. Regulations.gov is estimated to save $94 million by creating a single system that makes the rulemaking process more efficient. Since its launch on January 23rd of this year, the site has had approximately 1.5 million hits.
- E-Clearance: E-Clearance has deployed an integrated database that will enable significant reductions in the security clearance backlog.
- Disability.gov is a one-stop resource for Americans with disabilities, providing them access to disability-related information and programs available across the government. The disability.gov website was launched in October 2002.

We are continuing to focus on improving government responsiveness and reducing the government's burden. Here are some of the initiatives that will have deployments over the next few months:

- Geospatial One Stop Portal will launch in Spring 2003, pulling together all existing and planned federal geospatial assets into one-stop shopping for all customers
- Disasterhelp.gov: Although launched with information for citizens, the need for security limits access to first responders. At the end of April, the initiative will launch a robust set of tools for Federal, state, local, and tribal first responders to work together before, during, and after a disaster.
- Business Compliance One-Stop: One-stop Internet access to help small businesses find the laws and regulations they must comply with to start and/or manage a business.
- E-Grants: The E-Grants website deploys in October, there will be a simple one-stop online place for state and local governments, researchers, faith and community based organizations, citizens and businesses to easily look across 500 grant programs to see what grant may meet their needs.

- Recruitment One-Stop: Will provide one-stop access to government job opportunities and deliver state-of-the-art on-line recruitment services to job seekers including intuitive job searching, on-line resume submission, applicant data mining, and on-line feedback on status and eligibility

We have attached Table 22-2 from Chapter 22 from the Analytical Perspective of the FY 2004 President's Budget, which summarizes the 24 E-government initiatives, recent accomplishments, performance metrics and coming milestones for the Committee's information.

Agency Success

Agency IT investments continue to make the federal government the largest buyer of IT in the world and agencies are deriving better value from IT. Indeed, effective use of IT will improve the government's overall performance. This improvement is occurring within agencies by modernizing to support their mission and improve their infrastructure and across agencies by simplifying and unifying activities around the needs of citizens.

Some improvements have been attained through better IT management within agencies. Additionally, specific initiatives in the federal IT portfolio have started to deliver real successes in citizen services and government operations. For example:

- Departments of Defense and Veterans Affairs Sharing of Information Technology: The Department of Veterans Affairs has incorporated the Department of Defense's eligibility and enrollment system -- providing veterans with seamless services as they leave the military and apply for benefits at the Department of Veterans Affairs. The Departments also are working jointly on computerized patient medical records that will allow instant exchange of patient information between the two health care systems by the end of 2005. These joint efforts escalate the pace of coordination, reducing costs while increasing efficiency and healthcare quality for those who have served our nation.

- Performance Based Data Management Initiative (PBDMI): At the Department of Education, IT is being used to transform how state student academic performance information is collected and managed. Currently states and school districts are bogged down in complicated and redundant reporting that is not effectively shared among Department of Education programs or education partners. This initiative will result in a streamlined data collection process that reduces burden on State governments and eliminates redundancy across the department.

- I-MANAGE: The cornerstone of the Department of Energy's efforts to improve management effectiveness, I-MANAGE will integrate disparate human resources, financial management, procurement, facilities management, budget formulation, financial and cost accounting systems. I-MANAGE replaces a less effective financial management system that was behind schedule. When implemented, I-MANAGE will provide real-time information enabling managers to monitor program performance.

Use of the E-Government Scorecard

We have been tracking each agency's efforts on modernizing their Department's collaborating in the cross-agency e-government initiatives. Each quarter, the e-government score for the President's Management Agenda Scorecard is adjusted for an agency's progress and status. OMB has been working with Department and agency e-government leaders, as well as their CIOs, to provide for success.

Agencies that improved their status score from "red" to "yellow" since the baseline evaluations of September 2001: The Department of Education, the Department of Energy, and the Department of Veterans Affairs. The National Science Foundation upgraded their status from "yellow" to "green" and continues to serve as a model for how small agencies can successfully implement e-government.

Agencies that received "green" for their progress rating in the first quarter of 2003: The Department of Education, the Department of Housing and Urban Development, Department of Interior, Department of Energy, Department of Defense, Department of Justice, Department of Agriculture, Department of Labor, Department of Transportation, Department of Veterans Affairs, the Environmental Protection Agency, National Aeronautics and Space Administration, National Science Foundation, Office of Personnel Management, Social Security Administration, the Small Business Administration and the Smithsonian.

Specific Actions to Address Chronic Problems

Agencies must continue to address these longstanding challenges in order to deliver measurable improvements in the key areas of program performance. Over the past year, the Administration made significant progress in addressing the six chronic problems that were identified in the 2003 Budget as limiting IT effectiveness.

1. **Automation of existing outdated processes, instead of fixing underlying management problems or simplifying agency procedures to take advantage of new E-Business and E-Government capabilities.**

For years IT Investments in the federal government focused on agency hardware and software needs, without addressing underlying management issues in the overall design and scope of the project. Consequently, government agencies traditionally used IT to automate existing processes rather than create more efficient and effective solutions now possible because of IT. This approach, commonly referred to as paving the cowpath, has been documented as a cause of failure in major IT investments. Systems are often evaluated by the percentage of time they are working rather than the results delivered to the programs and citizen they support.

OMB's guidance for the 2004 IT budget process required that agencies take a comprehensive reform approach in identifying people, processes, and technology required to deliver significantly better results. As a result, 771 projects, representing approximately $21 billion, are on the "At Risk List" for failing to address people and process transformation needed to ensure

success, or do not adequately address IT security. These projects will be monitored throughout FY 2003; OMB will allow investments on the list to move forward only after agencies present successful business cases.

2. Duplicative IT investments

OMB policy calls for agencies to make maximum use of shared IT solutions and to stop redundant IT purchases. Best practices in private industry identify several opportunities for savings within an IT portfolio of investments. Three consolidation practices in the private sector also are applicable to the federal government:

- Consolidation of IT around the customer.
- Consolidation of IT within a line of business or function.
- Consolidation of IT infrastructure.

To identify potential opportunities in these areas, OMB analyzed the agency IT investment portfolios and provided feedback and suggestions to the agencies. This consolidation analysis not only identified savings for the agencies, but also served to strengthen the governance processes for IT management by identifying and continually pursuing opportunities in this area. For example, use of enterprise licenses for software can generate hundreds of millions of dollars in reduced costs.

Over the past year, OMB:

- Determined that due to redundant infrastructure investments, the federal government was purchasing excess infrastructure capacity, such as telecommunications, office automation, and mainframe computers.
- Identified redundant IT investments made for the same purpose and supporting the same lines of business across multiple agencies.
- Developed portfolios and deployed initial versions of IT investments consolidated around citizen needs. The four portfolios comprise cross-agency E-Government initiatives for citizens, businesses, other levels of government, and the federal government's internal efficiency and effectiveness.
- Rejected agency requests for duplicative IT investments across the federal government, and rather directed agencies to collaborate together to create one-stop points of service.

In key examples of cross agency consolidations, payroll operations will be standardized and consolidated from approximately 22 separate providers to a few federal payroll providers by September 2004. The current systems employ a variety of paper and electronic processing; records are not easily shared between agencies as federal employees change jobs in the federal system; and records are manually retired upon employees' retirement and resignation. Numerous agencies had targeted their payroll operations for costly modernization efforts. Millions of dollars will be saved through shared resources and processes and by modernizing on a cross-agency, government-wide basis rather than agency-by-agency.

The Administration continues work to ensure that IT investments reflect consolidation around citizen groups and along lines of business; reduce duplicative collection of data from

citizens, businesses, and state and local government; purchase enterprise licensees for the federal government where appropriate; and reduce surplus infrastructure capacity.

3. Few IT investments have significantly improved mission performance.

IT investment results have been limited by significant redundancy in federal business operations. As I will discuss later in my testimony, OMB issued guidance requiring that agency IT investments synchronize with the Federal Enterprise Architecture, which is a tool that enables the government to identify opportunities that leverage technology and alleviate redundancy. This effort identified opportunities to simplify processes and unify IT investments across the federal government.

As a result, OMB now can ensure that IT resources are being allocated optimally across common functions that the government performs. Functions that are performed by multiple agencies are now clearly delineated, and the opportunities for cross-agency collaboration to improve performance are readily apparent. OMB is accomplishing this through the Business Reference Model (BRM), which is the foundational layer of the Federal Enterprise Architecture (FEA). Over the past year, OMB used the BRM to:

- Assist agencies in identifying opportunities for collaborative investments, joint infrastructure projects, and greater use of enterprise licensing across the government -- all of which can help agencies to focus on their mission and avoid unnecessary redundant spending.
- Deny funding to redundant investments, while directing agencies to reuse existing IT or join with other agencies making overlapping investments in the appropriate line of business.

4. Few agencies have plans demonstrating and documenting the linkage between IT capabilities and business needs.

The most important element of enterprise architecture is the identification of how IT can be leveraged best to improve agency performance of core missions. Many agency Enterprise Architectures lack focus on business results. As a result, many agencies, bureaus and operating divisions cannot share information or systems; this shortfall increases operating costs as well as burden on citizens and businesses. Additionally, agencies cannot easily analyze IT security risks and determine investment needs; and agencies make redundant investments in IT because programs cannot predict whether IT requirements will be met without buying their own version of a system. These issues can be addressed through better use of enterprise architectures that comprise a "modernization blueprint".

Although some improvements have been made in recent years, agencies still often base IT investments on business cases that fail to link IT investments to performance improvement. Progress in this area includes:

- Agencies are progressing towards fully implementing their own Enterprise Architecture frameworks, meeting criteria set by OMB that are consistent with effective practices identified by the General Accounting Office; these criteria are used to assess agencies on

their EA performance as part of their E-Government Score. Some agencies, such as Department of Energy and Environmental Protection Agency, are basing IT investments on core modernization initiatives identified using their Enterprise Architecture activities. These agencies use the Enterprise Architecture process as an opportunity to identify performance gaps and ways that technology can be used to help close those gaps and better serve the citizen.

- OMB has begun to coordinate EA efforts, groups, working groups, communities of practices, etc., to ensure that the overall strategy and any guidance for EA is driven by the FEA. In their place will be a structured and well-planned modernization effort guided by the work of the FEA.

- For the 2004 business cases, OMB added specific questions to ensure that agencies began to tie IT investments to the performance goals and measures of the programs they support.

5. Many major IT projects do not meet cost, schedule, and performance goals.

Under the Federal Acquisition Streamlining Act (FASA) and the Clinger Cohen Act, agencies must report and track progress against cost, schedule and performance goals for IT. Under OMB Circular A-11, agencies are expected to achieve on average 90 percent of the cost and schedule goals without reducing the performance capabilities. The greatest problem for the agencies is identifying how a project is performing against planned costs, schedule, and mission improvement goals. Until agencies begin to establish and document baselines, the Administration's ability to assess whether agencies are meeting such goals will be limited.

A comparison of agency investment requests for 2003, versus what is reported as actual costs, provides specific demonstration that too many IT projects have cost and schedule overruns. A sample comparison of projects' identified cost growth ranging from 10 percent to 225 percent! Not surprising, these same projects failed to successfully make the business case for the 2004 budget and have either been rejected or placed on the "At Risk List".

There are several strategies to improve the government's capacity to manage its IT portfolio. In response to the President's Management Agenda, and emerging needs such as homeland security, the federal IT workforce needs to become flexible to meet these new cross-agency needs. To address this issue, over the past year, OMB:

- Required that all major acquisitions implement an Earned Value Management System (EVMS), based on the industry developed ANSI/EIA Standard 748. An EVMS supports program management by effectively integrating the work scope of a program with the schedule and cost elements for optimum program planning and control. The system requires thorough planning, combined with the establishment and disciplined maintenance of a baseline for performance measurement.
- Directed that by the end of 2004 all major acquisition programs should have an EVMS in place that will enable agencies to report accurate information on the achievement of the baseline cost, schedule and performance goals during 2005.

- Indicated that for the 2005 budget submissions, OMB will compare what was reported in the 2004 business cases against what agencies report in 2005 to determine whether or not the investments are meeting cost, schedule and performance goals.
- Directed agencies to have a program management plan and a qualified project manager for projects to be approved for spending in 2004 and thereafter.

6. **Major gaps exist in agency and government-wide computer-related security.**

The Government Information Security Reform Act (GISRA) requires federal agencies and Inspector General (IGs) to conduct annual IT security reviews of programs and systems and report the results of those reviews to OMB and the Congress. GISRA was recently revised under the E-Government Act of 2002 and renamed the Federal Information Security Management Act.

Under the first year of GISRA reporting in 2001, the Administration was able to establish a baseline of agencies' IT security performance. While some agencies have demonstrated clear progress over the last year, significant challenges remain for other agencies.

To ensure that IT security weaknesses are appropriately addressed, OMB requires agencies to develop, implement, and maintain plans of action and milestones for every program and system where an IT security weakness was found. These plans are tied directly to the budget request for a system. Agency progress in executing their plans is used in determining the quarterly E-Government score for the President's Management Agenda Scorecard. OMB is also reinforcing longstanding policy that agencies address serious IT security weaknesses in their legacy systems prior to proceeding with new IT investments.

For the first time, the federal government's IT security program now has a basic set of IT security performance measures, a comprehensive and uniform process for collecting data against those measures, and a set of tasks and milestones that enable tracking of federal IT security progress. Additionally, agency reports reveal that further progress has been made against the six common government-wide IT security weaknesses identified in last year's budget:

1. Increasing agency senior management attention to IT security. In addition to conditionally approving or disapproving agency IT security programs, OMB used the President's Management Agenda Scorecard to focus on serious IT security weaknesses. Through the scorecard, OMB and senior agency officials monitor agency progress on a quarterly basis.

2. Development of IT security performance measures. For the 2002 reporting instructions OMB developed high-level management performance measures to assist agencies in evaluating their IT security status and the performance of officials charged with implementing specific IT security requirements. These measures are mandatory and help to ensure that accountability follows authority.

3. Improving security education and awareness. Through GoLearn.gov IT security courses were available to all federal agencies in late 2002. Initial courses are targeted to CIOs and program managers, with additional courses to be added for IT security managers, and the general workforce.

4. Increasing integration of security into capital planning and investment control. OMB continues to aggressively address this issue through the budget process, to ensure that adequate security is incorporated directly into and funded over the life cycle of all systems and programs before funding is approved. Through this process agencies can demonstrate explicitly how much they are spending on security and associate that spending with a given level of performance.

5. Working toward ensuring that contractor services are adequately secure. This issue is currently under review by the Federal Acquisition Regulatory Council to develop, for government-wide use a clause to ensure security is addressed as appropriate in contracts.

6. Improving process of detecting, reporting, and sharing information on vulnerabilities. It is critical that agencies and their components report all incidents in a timely manner and it is also essential that agencies actively install corrective patches for known vulnerabilities.

As agencies conduct more reviews, the number of security weaknesses they will find is likely to increase. Based on agency and IG IT security reports, agencies' plans of action and milestones, and IT budget materials, both progress and weaknesses have been identified. OMB set targeted milestones for improvement for some of the critical IT security weaknesses. These targets include:

- More agencies must establish and maintain an agency-wide process for developing and implementing program and system level plans. Plans of action and milestones must serve as an agency's authoritative management tool, to ensure that program and system level IT security weaknesses, once identified, are tracked and corrected. By the end of 2003, all agencies shall have an adequate process in place.

- Many agencies find themselves faced with the same security weaknesses year after year. They lack system level security plans and certifications. Through the budget process, OMB will continue to assist agencies in prioritizing and reallocating funds to address these problems. By the end of 2003, 80 percent of federal IT systems shall be certified and accredited.

- While agencies have made improvements in integrating security into new IT investments, significant problems remain in ensuring security of new and in particular, legacy systems. By the end of 2003, 80 percent of the federal government's 2004 major IT investments shall appropriately integrate security into the lifecycle of the investment.

Federal Enterprise Architecture

The need for a Federal government enterprise architecture was one of the most significant findings to emerge from the e-government strategy efforts. An enterprise architecture (EA) describes how an organization performs its work using people, business processes, data, and technology. EAs provide modernization blueprints to reform agency operations by aligning

business, information, and technology systems to improve efficiency and effectiveness of an organization.

OMB is leading the development of a Federal Enterprise Architecture (FEA) with the support of the CIO Council. The FEA is a business-focused framework that provides the Office of Management and Budget (OMB) and Federal agencies with a mechanism to monitor, analyze, and control Federal investments in information technology (IT). The FEA will govern and guide IT investment decisions within agencies, and facilitate the identification of opportunities to collaborate on, consolidate, and integrate current and planned initiatives. The FEA will facilitate horizontal (cross Federal) and vertical (Federal, State, and Local governments) collaboration and communication. The FEA framework consists of a set of five interrelated reference models:

- **Business Reference Model (BRM):** The BRM describes the Federal Government's operations independent of the agencies that perform them, and serves as the foundation for the FEA. *Version 1.0* of the model was released to agencies in July 2002 supported the FY 2004 budget formulation process. For example, the BRM was used for identifying potentially redundant IT investments in the Federal government's business lines, which will ultimately result in significant cost savings. These savings will be available to move into other, citizen-centered investments to further improve Government performance and service to citizens. *Version 2.0* of the model is undergoing Agency review and comment.

- **Performance Reference Model (PRM):** The PRM is a standardized measurement framework to characterize performance in a common manner. The PRM is designed to provide a clear "line of sight" from inputs to outcomes, and identify improvement opportunities across organizational boundaries. The model will allow OMB and agencies to identify common measurements and set baselines and targets. Proposed IT investments can then be considered based on their projected contribution to the processes and activities key to achieving customer and business results. OMB plans to release the first version of the PRM for agency review and comment soon..

- **Service Component Reference Model (SRM):** The SRM provides the foundation for the re-use of applications, components, functions and business services across Federal agencies, and potentially across Federal, State and Local Governments. The first version of the model was released for agency review and comment in January.

- **Technical Reference Model (TRM):** The TRM outlines the technical elements that support the adoption of service components. Use of the model will encourage and facilitate both system interoperability and the transition to e-government. This will help to reduce the complexity and isolated nature of many Federal systems, encourage the sharing of infrastructures across agencies, and reduce IT costs. The first version of the model was released for agency review and comment in January.

- **Data and Information Reference Model (DRM):** The DRM will provide a consistent framework to characterize and describe the data that supports Federal business lines. This will promote interoperability, as well as the horizontal and vertical sharing of information. OMB is working collaboratively with a small group of interested Federal agencies to define and validate the model, and a draft will be released soon for agency review and comment soon..

Funding IT and E-Government

The President's Budget is clear about our plans to use capital planning to improve performance, achieve outcomes from investments that match agency strategic priorities, and provide real benefits to the public. As major corporations have adapted to the digital economy, business cases, enterprise architectures, and IT capital planning have become recognized as highly effective practices. In constructing the President's 2004 IT Budget, OMB employed a cross agency approach in the Federal IT capital planning process for leveraging existing IT investments and cross agency partnering. This Committee has strongly supported effective IT management practices, and OMB pledges the Administration's full support to employing these practices throughout the government.

Many have expressed specific concerns about the funding required to meet the goals and changes of e-government. The Administration has sufficient funding for cross agency e-government projects if we simply stop funding what is redundant or not working. The FY 2003 Federal IT Budget portfolio totals approximately $58.2 billion; in FY 2004, we estimate that almost $59 billion will be spent on IT.

As mentioned above, this year we identified opportunities for cross-agency projects and have worked to leverage investments from a number of partnering agencies for specific projects. For FY 2004, we developed a governance process for line of business consolidation, identified through design of the Federal business architecture. OMB gave priority to agencies that have worked collectively to present and support activities in an integrated fashion and used agency budget submissions to identify cross-agency investments. Agency activities should be aligned with those of other agencies where such cooperation can better serve citizens, businesses, governments, and internal Federal operations.

In some cases, agency cultures and government organizational structures make it difficult to finance and manage cross-agency projects. To help overcome this barrier, the President included in his FY 2004 Budget, a proposal for a $45 million E-Government Fund for consolidations and innovative interagency e-government projects. The E-Government Act of codifies the E-government Fund, which will allow for the financing of cross-agency initiatives to improve service to the citizen and reduce operating costs. The Fund leverages cross-agency work in e-government that serves citizens and businesses, and could drastically improve citizens' ability to access federal services and federal information online. The Fund provides for collaborative e-government activities, seed monies for new and innovative projects and consolidating redundant information technology investments. The $5 million appropriated in FY 2002 was invested in tools to integrate agency investments. These tools were new and not redundant with other existing agency expenditures and were integrated into such as GovBenefits, Regulations.gov, E-Authentication and GoLearn. Congress provided $5 million of the $45 million requested for the E-Gov fund in FY 2003 and we will continue to leverage these funds to strengthen E-Gov initiatives.

Our intent for FY 2004 is to fund similar integrations and achieve consolidation of redundant IT investments, under a fund that leverages other investments in a way that is not feasible through other funding sources. Indeed, as we are successful in using the e-government fund to integrate redundant systems, we can free up those same agency resources to be spent on more productive ways to achieve the missions that appropriated dollars are intended to serve. Thus it

remains a key priority for the success of the E-Government agenda to fully fund the President's $45 million request for FY 2004. We look forward to working with this Committee and the Congress in ensuring that this funding is provided.

Implementation of the E-government Act of 2002

The Administration is pleased that Congress passed the E-government Act of 2002. This Act, signed by the President on December 17, 2002, codifies a cross agency, citizen-centered approach to e-government and authorizes new initiatives across the government. The goals of the E-government Act are similar to those of the President's Management Agenda – efficient government operations and effective decision making.

The activities and initiatives of the Act align with several of the initiatives to further e-government, along with authorizing activities proposed in the President's Budget. These provisions include the sections authorizing our work on the government's web portal, FirstGov.gov; the development of a framework to provide for interoperability in using digital signatures for agency programs; authorization for electronic access to agency regulatory dockets; the promotion of open geospatial information standards; strengthening of privacy measures; and access for persons with disabilities.

In implementing the E-government Act, OMB will oversee work to manage cross agency transformation of business processes through e-government in ways that utilize performance measures. OMB will integrate the requirements and provisions of the Act into the President's Management Agenda and the Expanding E-government initiatives. OMB will provide for strong privacy and security measures, as well as setting strategic direction for information policy in general.

Conclusion

The Administration has made major advances in e-government over the last two years. The passage of the E-government Act of 2002 has strengthened the mandate for governmentwide IT reform and e-government. The Act's cross-agency approach to e-government mirrors our intent to improve the delivery of services and access to information for the American people. Mr. Chairman, we look forward to working with you, and your legislative colleagues, to achieve these important goals.

Mr. PUTNAM. Thank you very much, Mr. Forman.

Our next witness is Joel Willemssen, Managing Director of Information Technology for the U.S. General Accounting Office. In that position, Mr. Willemssen has overall responsibility for GAO evaluations of IT across the Federal Government. He has been with GAO for 24 years and has appeared before congressional committees more than 80 times. You do not look any worse for the wear, Mr. Willemssen.

Mr. WILLEMSSEN. Thank you, Mr. Chairman.

Mr. PUTNAM. You are recognized for 5 minutes. Thank you for being here.

Mr. WILLEMSSEN. Thank you, Mr. Chairman, for inviting us to testify today. Ranking Member Clay, Vice Chair Miller, as requested, I will briefly summarize our statement.

As you mentioned earlier, Mr. Chairman, under the project known as Quicksilver, OMB and the President's management council have selected a strategic set of initiatives to follow through on the President's management agenda. According to OMB, the initiatives were selected on the basis of value to citizens, potential improvement in agency efficiency, and the likelihood of deployment within 18 to 24 months. The initiatives focus on a wide variety of services aimed at simplifying and unifying agency work processes, providing one-stop services to citizens, and enabling information to be collected once and re-used.

While several of the projects have achieved tangible results, not all of them are making the same degree of progress. For example, some have had major management changes that have contributed to the delays in project milestones. In addition, updated information that we have received from project managers reveal that about half the initiatives had changes in estimated costs exceeding 30 percent. Fluctuations such as these indicate a need for a strong oversight to ensure that the larger goal of realizing the full potential of E-government is not jeopardized.

When we previously reviewed project planning documentation for each of the initiatives, we found indications that important aspects had not been fully addressed. For example, in reviewing the brief business cases prepared to justify the selections, we determined that while all initiatives included a discussion of expected benefits, and all but one included a discussion of the initiative's objectives, only nine of the business cases discussed how customer needs were to be identified and addressed, and only eight addressed collaboration among agencies.

In addition, in reviewing the initiatives' work plans and funding plans, we determined that four of five best practice elements we identified were addressed in a majority of the project plans. However, only nine identified a strategy for obtaining needed funds. Further, 10 did not identify a final completion date, and 6 were not expected to be completed within the 18 to 24 month timeframe established by OMB.

Given these challenges, we have previously recommended to OMB that it take steps as overseer of the E-government initiatives to reduce the risk that the projects would not meet their objectives. Specifically, we recommended that OMB ensure that the managing partners for the individual initiatives had performed the following

steps: one, to focus on customers by ensuring that input was solicited from them; two, to work with partner agencies to develop and document effective collaboration strategies; and three, to provide OMB with adequate information to monitor cost, schedule and performance.

In following up on our recommendations, we have requested from OMB updated business cases that were submitted as part of the fiscal year 2004 budget process. These updated business cases should provide more recent cost and schedule information, and indications of whether key topics such as collaboration and customer focus are now being addressed for all initiatives. OMB officials told us earlier this week that the business cases still, however, need to be reviewed before they can be released.

Mr. Chairman, that concludes a summary of my statement, and after the panel is finished, I would be pleased to address any questions that you or the ranking member may have.

Thank you.

[The prepared statement of Mr. Willemssen follows:]

United States General Accounting Office

GAO

Testimony

Before the Subcommittee on Technology, Information Policy, Intergovernmental Relations and the Census, Committee on Government Reform, House of Representatives

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ELECTRONIC GOVERNMENT

Success of the Office of Management and Budget's 25 Initiatives Depends on Effective Management and Oversight

Statement of Joel C. Willemssen
Managing Director, Information Technology Issues

GAO-03-495T

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Highlights

Highlights of GAO-03-495T, a testimony before the Subcommittee on Technology, Information Policy, Intergovernmental Relations and the Census, Committee on Government Reform, House of Representatives

Why GAO Did This Study

A key element of the President's Management Agenda is the expansion of electronic government (e-government) to enhance access to information and services, particularly through the Internet. In response, the Office of Management and Budget (OMB) established a task force that selected a strategic set of initiatives to lead this expansion. GAO previously reviewed the completeness of the information used for choosing and overseeing these initiatives, including business cases and funding plans.

What GAO Recommends

GAO is not making new recommendations in this testimony, but a recent report, on which this testimony is based, recommended that the OMB Director ensure that the managers of the e-government initiatives solicit input from the public and conduct user needs assessments, work with partner agencies to develop and document effective collaboration strategies, and provide OMB with adequate cost, schedule, and performance information.

www.gao.gov/cgi-bin/getrpt?GAO-03-495T

To view the full testimony, click on the link above.
For more information, contact Joel Willemssen at (202) 512-6222 or willemssenj@gao.gov.

March 13, 2003

ELECTRONIC GOVERNMENT

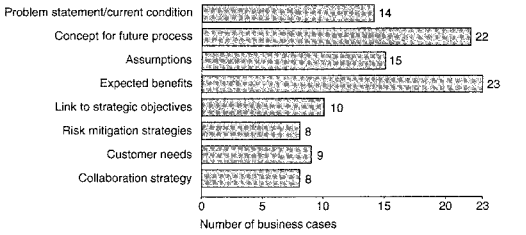
Success of the Office of Management and Budget's 25 Initiatives Depends on Effective Management and Oversight

What GAO Found

E-government offers many opportunities to better serve the public, make government more efficient and effective, and reduce costs. To achieve these goals, the 25 e-government initiatives selected by OMB's Quicksilver task force focus on a wide variety of services, aiming to simplify and unify agency work processes and information flows, provide one-stop services to citizens, and enable information to be collected on line once and reused, rather than being collected many times. For example, Recreation One-Stop is a Web portal for a single point of access to information about parks and other federal, state, and local recreation areas. Other initiatives are being pursued that do not necessarily rely on the Internet, such as the e-Payroll initiative to consolidate federal payroll systems.

GAO's review of the initial planning documents for the initiatives highlights the critical importance of management and oversight to their success. Important aspects—such as collaboration and customer focus—had not been addressed in early program plans for many of the projects, and major uncertainties in funding and milestones were not uncommon. As shown by GAO's comparison of the content of the initiatives' business cases with best practices, all the business cases included key information, but many elements were missing (see figure). In particular, fewer than half addressed collaboration and customer focus, despite the importance of these topics to e-government strategy and goals. Similarly, the accuracy of estimated costs in the funding plans was questionable: between May and September 2002, these estimates for 12 of the initiatives changed significantly—by more than 30 percent. Accurate cost, schedule, and performance information is essential to ensure that projects are on schedule and achieve their goals.

Best Practice Elements Included in 23 Business Cases



Source: GAO, OMB.

Note: GAO analysis of information provided by OMB. At the time of the review, two of the initiatives were considered a single initiative, and a business case was not prepared for one other.

Mr. Chairman and Members of the Subcommittee:

I appreciate the opportunity to participate in the Subcommittee's hearing on e-government progress. Now that the Internet has become such a ubiquitous element of our lives, it is more important than ever that we take full advantage of information technology (IT) to vastly improve the way our government serves its citizens—and to do so much more efficiently and economically.

Generally speaking, electronic government refers to the use of IT, particularly Web-based Internet applications, to enhance the access to and delivery of government information and service to citizens, to business partners, to employees, and among agencies at all levels of government. A variety of actions have been taken in recent years to enhance the government's ability to realize the potential of e-government, culminating in the recent enactment of the E-Government Act of 2002,[1] which includes provisions addressing everything from funding of e-government initiatives to measures for ensuring security and privacy.

The President has embraced e-government as one of five priorities delineated in his management agenda for making the federal government more focused on citizens and results. Under the leadership of the Office of Management and Budget (OMB), a team known as the Quicksilver task force identified a set of high-profile initiatives to lead the federal government's drive toward e-government transformation. These initiatives—now numbering 25[2]—have ambitious goals, including eliminating redundant, nonintegrated business operations and systems; achieving this result, according to OMB, could produce several billions of dollars in savings from improved operational efficiency. To obtain such savings—and significantly improve service to citizens—it will be critically important that these initiatives are well managed as the government undertakes the challenging task of turning good ideas into real-world results.

As requested, in my remarks today, I will summarize the results of a review we recently conducted to assess OMB's process for selecting the e-government initiatives and monitoring their initial progress.[3] I will focus on some of the key aspects of initiatives that must be

[1] P. L. No. 107-347.

[2] Based on analysis by the Quicksilver task force, 23 initiatives were originally selected in September 2001. A 24th, e-Payroll, was then added by the President's Management Council. In 2002, a decision was made to separate the e-Clearance initiative from the Integrated Human Resources initiative, resulting in the current count of 25 projects.

[3] U.S. General Accounting Office, *Electronic Government: Selection and Implementation of the Office of Management and Budget's 24 Initiatives*, GAO-03-229 (Washington, D.C.: Nov. 22, 2002).

closely monitored to ensure that they meet their goals. Specifically, after reviewing the overall scope and objectives of the initiatives, I will discuss issues concerning the completeness of the planning documents prepared for them, including initial business cases as well as work and funding plans developed last spring. To provide additional information, I have included an attachment that details the partner agencies and proposed performance metrics for each project. I have also included, as a second attachment, a list of other pertinent GAO publications on e-government issues.[4]

Background

Government agencies at all levels have already implemented a broad array of e-government applications: through the Internet, government agencies collect and disseminate information and forms; government and businesses order and pay for goods and services; and businesses and the public apply for licenses, grants, and benefits, and submit bids and proposals. Despite this substantial progress, the federal government has not yet taken full advantage of the potential that electronic government offers. As we have previously testified,[5] the government faces significant challenges in this area, including sustaining executive leadership, protecting personal privacy, implementing appropriate security controls, using enterprise architectures[6] effectively, and managing IT human capital.

Recognizing the magnitude of challenges facing the federal government, the Congress has enacted important legislation to guide the development of e-government. In 1998, the Government Paperwork Elimination Act (GPEA) was enacted,[7] establishing a requirement that by October 21, 2003, federal agencies provide the public, when practicable, the option of submitting, maintaining, and disclosing required information electronically. More recently, the Congress passed the E-Government Act of 2002, which includes provisions to promote the use of the Internet and other information

[4] These publications can be obtained through GAO's World Wide Web page at *www.gao.gov*.

[5] U.S. General Accounting Office, *Electronic Government: Challenges Must Be Addressed With Effective Leadership and Management*, GAO-01-959T (Washington, D.C.: July 11, 2001); U.S. General Accounting Office, *Electronic Government: OMB Leadership Critical to Making Needed Enterprise Architecture and E-government Progress*, GAO-02-389T (Washington D.C.: March 21, 2002).

[6] Enterprise architectures are high-level blueprints for transforming how a given entity operates, whether it be a federal agency or a federal function that cuts across agencies. For more information see U.S. General Accounting Office, *Information Technology: Enterprise Architecture Use Across the Federal Government Can Be Improved*, GAO-02-6 (Washington, D.C.: Feb. 19, 2002).

[7] P.L. No. 105-277, Div. C, tit. XVII.

technologies to provide government services electronically; strengthen agency information security; and define how to manage the federal government's growing IT human capital needs. In addition, this act established an Office of Electronic Government within OMB to provide strong central leadership and full-time commitment to promoting and implementing e-government.

The executive branch has also acted to enhance and accelerate the development of electronic government. The President made e-government expansion one of five top priorities in his fiscal year 2002 management agenda, which outlines a number of specific electronic government projects. For example, the FirstGov Web portal—which is intended to serve as a single consolidated source for government services to citizens—was targeted for expansion and improvement to offer services better organized according to citizens' needs. Also targeted for enhancement was the FedBizOpps portal, designed to be a single point of entry for information about federal government procurement opportunities. Further, the agenda endorsed the establishment of a federal public key infrastructure to ensure that electronic transactions with and within the federal government would be private and secure.[8]

A major element of the President's management agenda was establishment of the Quicksilver Task Force, which was charged with identifying (1) systematic barriers that had blocked the deployment of e-government advances and (2) electronic government projects that could deliver significant productivity and performance gains across government.

Together, the federal government's e-government initiatives are expected to

- provide high-quality customer services regardless of whether the citizen contacts the agency by phone, in person, or on the Web;
- reduce the expense and difficulty of doing business with the government;
- cut government operating costs;
- provide citizens with readier access to government services;
- increase access for persons with disabilities to agency Web sites and E-government applications; and

[8] A public key infrastructure is a system of computers, software, policies, and people that relies on certain cryptographic techniques to provide a suite of information security assurances that are important in protecting sensitive communications and transactions. For more information, see U.S. General Accounting Office, *Information Security: Advances and Remaining Challenges to Adoption of Public Key Infrastructure Technology*, GAO-01-277 (Washington, D.C.: Feb. 26, 2001).

- make government more transparent and accountable.

The 25 E-Government Initiatives Address a Broad Range of Electronic Services

In its e-government strategy, released in 2002, OMB stated that the 25 e-government initiatives were selected on the basis of (1) value to citizens, (2) potential improvement in agency efficiency, and (3) likelihood of deploying within 18 to 24 months. The selected initiatives would achieve their results by simplifying and unifying agency work processes and information flows, providing one-stop services to citizens, and enabling information to be collected on line once and reused, rather than being collected many times.

The initiatives are aimed at providing a wide variety of services. For example, some are focused on setting up Web sites or portals that channel information more effectively to citizens, businesses, or other government entities. Recreation One-Stop is one such example, a Web portal for a single point of access to information about parks and other recreation venues at the federal, state, and local levels. One-Stop Business Compliance provides an analogous service to businesses, giving them a single Web site to consult regarding the multitude of government regulations that may affect their activities. Other initiatives strive for more ambitious services that may not necessarily rely on the Internet for delivery. SAFECOM, for example, seeks to impose order and standards on wireless communications among emergency responders across all levels of government. The e-Payroll initiative is intended to consolidate the federal government's many incompatible payroll systems into just two that would service all government employees.

As shown in figure 1, OMB has divided these efforts into five broad categories that reflect the different customer groups targeted by each of the initiatives:

(1) government to individual citizens,

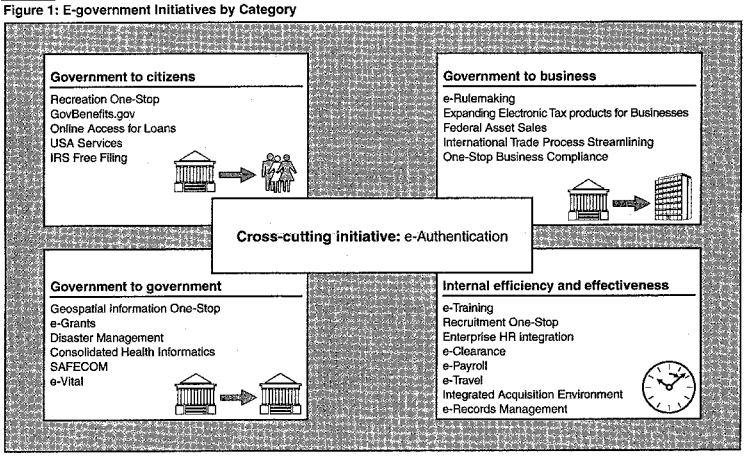
(2) government to business,

(3) government to government,

(4) internal efficiency and effectiveness, and

(5) cross cutting.

Figure 1: E-government Initiatives by Category



Source: GAO, icons by Nova Development Corporation.

Note: GAO analysis of information provided by OMB.

- *Government to individual citizens.* One of the major benefits of on-line and Internet-based services is that they provide opportunities for greater citizen access to and interaction with the federal government. An example is GovBenefits.gov, a Web site designed to assist users in locating and determining potential eligibility for government benefits and services. Other initiatives in this category aim to improve customer service. USA Services, for example, is intended to deploy tools, such as call centers and coordinated E-mail systems linked to the FirstGov Web site, that will enable citizens to ask questions and receive responses from the federal government without having to know in advance which specific departments or bureaus have responsibilities related to their areas of interest.
- *Government to business.* Initiatives in this category seek to reduce the reporting burden on businesses by adopting processes that eliminate redundant data collection, provide one-stop access to information, and enable communication using electronic business

standards, such as the Extensible Markup Language.[9] The Expanding Electronic Tax Products for Businesses initiative, for example, seeks to reduce the number of tax-related forms businesses must file. The Federal Asset Sales initiative aims to create a single electronic interface for businesses to find and buy government assets.

- *Government to government.* The primary goal of these initiatives is to enable federal, state, and local governments to more easily work together to better serve citizens within key lines of business. For example, Geospatial One-Stop seeks to provide a single portal for accessing standardized and coordinated federal, state, and local geospatial data. The Disaster Management initiative seeks to provide federal, state, and local emergency managers on-line access to disaster management information, planning, and response tools.
- *Internal efficiency and effectiveness.* The initiatives in this category seek to improve the performance and reduce the costs of federal government administration by using e-business best practices. For example, the Integrated Acquisition Environment initiative seeks to consolidate business processes and information to facilitate cost-effective acquisition of goods and services across the federal government. Lastly, e-Travel is planned to streamline the administration of government travel by creating a governmentwide Web-based travel management process.
- *Cross-cutting initiative.* The e-Authentication initiative is to develop common interoperable authentication techniques to support all the other initiatives. Authentication refers to the critical process of confirming the identity of the participants in an electronic transaction. Without a means to satisfactorily establish identities, e-government transactions are too risky, and the potential of e-government to transform citizen services remains severely constrained. The initiative plans to provide authentication services through an electronic "gateway," which will offer different assurance levels to meet the varying needs of the other projects.

[9] For additional information about Extensible Markup Language, see U.S. General Accounting Office, *Electronic Government: Challenges to Effective Adoption of the Extensible Markup Language*, GAO-02-327 (Washington, D.C.: Apr. 5, 2002).

Management Issues Highlight the Need for Oversight

While several of the projects have already achieved tangible results, not all of them are making the same degree of progress. For example, some have had major management changes—management of the SAFECOM initiative, for example, was transferred from Treasury to the Federal Emergency Management Agency. Major management changes such as this have led to delays in project milestones and changes in objectives.

We believe that fluctuations such as these indicate a need for oversight to ensure that the larger goal—to realize the full potential of e-government—is not jeopardized. When we reviewed project-planning documentation collected by OMB from each of the initiatives, we found indications that important aspects of some of the initiatives had not been addressed and that, for many of them, funding strategies and milestones were in a state of flux. These findings add urgency to our concern that the initiatives be carefully monitored to ensure that implementation challenges are identified and addressed as quickly as possible. I would like to go through some of the specific results of our analysis now.

Many Initial Business Cases Omitted Critical Elements

As part of OMB's selection process, the Quicksilver task force screened over 350 project ideas during the summer of 2001 and selected 34 potential project proposals for more in-depth consideration. In September 2001, task force members developed brief (or "mini") business cases for each of the 34 proposals. According to OMB officials, these mini business cases were to include all the information necessary to enable sound selection decisions. The task force reviewed the mini business cases and the final selections were made in October.

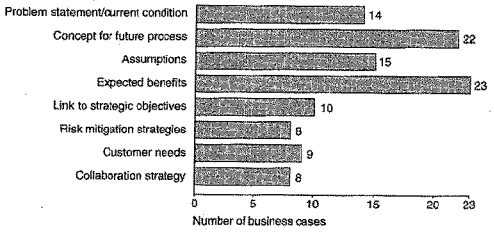
We analyzed the mini business cases, which were prepared for 23 of the 25 initiatives,[10] to determine whether they were complete. To conduct our analysis, we first identified e-government business case "best practices" as cited by federal agencies, private sector and academic researchers, and state and local governments. From these sources, we compiled the most frequently cited elements of a complete business case, such as a description of the proposed concept for improved future processes and a discussion of the

[10] At the time we conducted our review, there were only 24 Quicksilver initiatives, and an initial business case had not been prepared for the e-Payroll initiative.

benefits of implementing it. We also included elements identified by OMB as important to e-government business cases—whether an initiative is driven by identified customer needs and whether it contains a strategy for successful collaboration.

As shown in figure 2, our analysis of the mini business cases showed that although they addressed some of the required elements, the majority of them did not include some key elements identified by OMB and best practice guidance.

Figure 2: Completeness of 23 Initial Business Cases



Source: GAO, OMB.

Note: GAO analysis of information provided by OMB. At the time of the review, Integrated HR and e-Clearance were considered a single initiative, and a business case was not prepared for e-Payroll.

All the business cases we reviewed included a discussion of the expected benefits of the proposed initiative, and all but one included a discussion of the initiatives' objectives and planned future conditions. However, only 9 of the 23 initiatives' business cases discussed how customer needs were to be identified and addressed, and only 8 addressed collaboration among agencies and other government entities, even though OMB considered these elements fundamental to its e-government strategy.

Mr. Chairman, addressing how a proposed project links to the needs of its potential customers is key to the success of that project, and should be discussed in the project's business case. Without a plan to assess users' needs, there is a greater risk that the project will focus too heavily on issues that customers do not consider important or disrupt processes that are already working well and accepted by users. In the case of the e-government initiatives, the result could be that the Internet sites and services created might not be useful to those customers they are intended to serve.

Collaboration across agencies and other organizations is likewise a key component of most of the initiatives, and therefore a discussion of strategies for collaboration is essential to a complete e-government business case. As the government attempts to integrate services across organizations—particularly in cases where federal agencies overlap in providing similar services to customers—the issue of how agencies collaborate can determine an initiative's success or failure. To help mitigate the risk of failure, the business case needs to provide a convincing argument that collaboration can be accomplished and a plan for how collaboration will be carried out.

Let me point out that the initial "mini" business cases that we reviewed are not the latest ones in existence for the 25 initiatives. More extensive business cases were developed for each of the projects in fall 2002, in conjunction with the fiscal year 2004 budget process. We have not yet had an opportunity to review these documents.

Spring 2002 Project Plans Revealed Cost and Schedule Uncertainties

OMB required the managing partners of the e-government initiatives to prepare and submit work plans and funding plans in May 2002. We assessed the completeness of these plans, which provided the most up-to-date cost and schedule information available at the time of our review.[11] To conduct our analysis, we identified best practices from GAO and OMB guidance[12] for the effective oversight and implementation of IT projects and compared those best practice elements to the information contained in the May 2002 plans. In addition, several months later, we obtained updated status information from 23 of the initiatives' project managers.

According to the guidance we reviewed, project implementation documents should include components such as cost estimates, a schedule with milestones, identification of project deliverables, and an overall strategy for obtaining needed funding and staff resources.

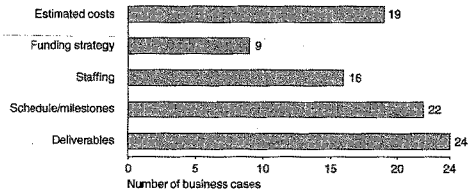
As shown in figure 3, four of the five best practice elements we identified were included in a majority of the project plans. Plans for all but two of the initiatives contained a schedule with milestones,

[11] At the time of our review, there were only 24 e-government initiatives; we reviewed the work and funding plans for each of them.

[12] This guidance included *Information Technology Investment Management: A Framework for Assessing and Improving Process Maturity* (exposure draft) (GAO/AIMD-00-10.1.23); *Executive Guide: Leading Practices in Executive Decision-Making* (GAO/AIMD-99-32); and OMB Circular A-130, *Management of Federal Information Resources*.

and all the plans identified project deliverables. However, other best practice elements were not included in some of the plans. For example, only 9 identified a strategy for obtaining needed funds, and only 16 contained information about how staffing commitments would be obtained.

Figure 3: Completeness of Work and Funding Plans



Source: GAO, OMB.

Note: GAO analysis of information provided by OMB.

In addition to the findings shown in figure 3, our analysis of the plans showed uncertainties about milestones for many of the initiatives. Ten of the 24 did not identify a final completion date for the initiatives, resulting in inadequate information to determine whether they were moving forward in a timely manner. Further, 6 of the initiatives were not planned to be completed within the 18 to 24 month time frame originally established by OMB as a criterion for inclusion in its e-government effort.

Accurate cost information was also generally lacking. The updated information we obtained from project managers in September 2002 on estimated costs revealed significant changes—changes of more than 30 percent—for about half of the initiatives. These changes, occurring within such a short period of time, rendered the funding plans outdated soon after they were developed. This uncertainty about how much the initiatives would cost, combined with the fact that only 9 of the 24 plans identified a strategy for obtaining these needed funds, led us to conclude that OMB was not receiving adequate information to properly oversee the e-government projects and ensure that they would have the resources to meet their objectives efficiently and economically.

Given the challenges we've identified, OMB's oversight role takes on critical importance. Each of the e-government initiatives needs a well-thought-out strategy for directly addressing its biggest

challenges, such as getting relevant government agencies to effectively collaborate. And each also needs detailed and stable project plans, so that they can be held accountable for achieving realistic results within budget and according to schedule. Accordingly, in our report, we recommended that OMB take steps as overseer of the e-government initiatives to reduce the risk that the projects would not meet their objectives. Specifically, we recommended that OMB ensure that the managing partners for all the initiatives

- focus on customers by soliciting input from the public and conducting user needs assessments,
- work with partner agencies to develop and document effective collaboration strategies, and
- provide OMB with adequate information to monitor the cost, schedule, and performance of the e-government initiatives.

In following up on our recommendations, we requested from OMB updated business cases that were submitted as part of the fiscal year 2004 budget process. These updated business cases should provide not only indications of whether key topics such as collaboration and customer focus are now being addressed, but also updated cost and schedule information. As noted in our report, OMB agreed to provide us this information once it was updated after release of the 2004 budget.[13] However, we have not yet received this information. OMB officials (from the Office of General Counsel and the Office of Information and Regulatory Affairs) stated earlier this week that the business cases still needed to be reviewed before they could be released to us.

In summary, e-government offers many opportunities to better serve the public, make government more efficient and effective, and reduce costs. Legislation such as GPEA and the E-Government Act of 2002 have laid a strong foundation for building on these opportunities, and the federal government continues to make strides in taking advantage of them. Overall, few can argue that the 25 e-government projects are not worthy initiatives with commendable objectives. Nevertheless, many critical details remain to be fully addressed before the promise of e-government is fully realized.

[13]GAO-03-229, p. 33.

Because the 25 projects represent such a broad range of activities, it is difficult to gauge their progress collectively. Some of their objectives may be much easier to attain than others. However, our review of the initial planning documents associated with the projects led us to conclude that important aspects—such as collaboration and customer focus—had not been thought out for all the projects, and major uncertainties in funding and milestones were not uncommon. Priority should now be given to ensuring that the agencies managing these initiatives tackle these issues and gain cost and schedule stability so that they can ultimately succeed in achieving their potential. We believe that careful oversight—on the part of OMB as well as the Congress—is crucial to ensuring this success.

Mr. Chairman, this concludes my statement. I would be pleased to answer any questions that you or other members of the subcommittee may have at this time.

Contact and Acknowledgements

If you should have any questions about this testimony, please contact me at (202) 512-6222 or via E-mail at *willemssenj@gao.gov*. Other major contributors to this testimony included Shannin Addison, Barbara Collier, Felipe Colón, Jr., John de Ferrari, Neha Harnal, and Elizabeth Roach.

Attachment I. E-Government Initiatives

Type	Initiative name	Description	Managing partner	Federal partners	OMB-reported performance metrics
G2C	Recreation One-Stop www.recreation.gov www.volunteer.gov/gov	Provides citizens with a single point of access to a Web-based resource, offering information and access to government recreational sites in a user-friendly format.	Interior	Bureau of Land Management, Bureau of Reclamation, Federal Highway Administration, National Oceanic and Atmospheric Administration, National Park Service, Smithsonian Institution, Tennessee Valley Authority, Fish and Wildlife Service, Forest Service, Army Corps of Engineers, Geological Survey	• Number of partners sharing data via Recreation.gov (target: 35 partners added) • Number of facilities listed in Recreation.gov (target: 25% increase) • Number of on-line reservations • Customer satisfaction
G2C	GovBenefits.gov www.govbenefits.gov	Provides a single point of access for citizens to locate and determine potential eligibility for government benefits and services.	Labor	Departments of Agriculture, Education, Energy, Health and Human Services, Housing and Urban Development, Justice, State, and Veterans Affairs; Christopher Columbus Fellowship Foundation; Federal Emergency Management Agency, Railroad Retirement Board, Social Security Administration	• Hits to site per month (target: 350,000) • Number of referrals to partner benefit sites (target: 10% increase) • Average time to find benefits and determine eligibility (target: 20 minutes or less)
G2C	Online Access for Loans	Creates a single point of access for citizens to locate loans.	Education	Departments of Agriculture, Housing and Urban Development, and Veterans Affairs; Small Business Administration	• Number of clicks to access relevant loan information • Improved agency access to risk-mitigation data • Customer satisfaction

Type	Initiative name	Description	Managing partner	Federal partners	OMB-reported performance metrics
G2C	USA Services	Develops and deploys governmentwide citizen customer service using industry best practices that provides citizens with timely, consistent responses about government information and services.	General Services Administration	Departments of Agriculture, Education, Health and Human Services, Housing and Urban Development, Labor, and Veterans Affairs; Federal Emergency Management Agency, Small Business Administration, Social Security Administration	• Average time to respond to inquiries through Firstgov.gov and Federal Citizen Information Center (FCIC) (target: 100% of inquiries responded to within 24 hours) • Average time to resolve inquiries through Firstgov.gov and FCIC • Number of government-wide inquiries that call center and E-mail systems can handle (target: 3.3M calls per year and 150,000 emails peryear) • Customer satisfaction
G2C	IRS Free Filing www.irs.gov	Creates a single point of access to free on-line preparation and electronic tax filing services.	Internal Revenue Service	None	• Percentage of coverage of tax filing public (target: minimum of 60%) • Number of citizens filing electronically (target: 15% increase)
G2B	e-Rulemaking www.regulations.gov	Allows citizens to access and participate in the rulemaking process through a cross-agency front-end Web application.	Environmental Protection Agency	Department of Health and Human Services, Labor, Agriculture, and Transportation; Federal Communications Commission, General Services Administration, National Archives and Records Administration	• Number of electronic comments submitted through regulations.gov • Number of on-line docket systems decommissioned with the associated cost savings and cost avoidance • Number of downloads of rules and regulations • Number of public participants in rulemaking process
G2B	Expanding Electronic Tax Products for Businesses	Reduces the number of tax-related forms that businesses must file, provides timely and accurate tax information to businesses, increases the availability of electronic tax filing, and models simplified federal and state tax employment laws.	Internal Revenue Service	None	• Burden reduction for corporations per return, application filed, or both • Administrative cost to federal government per return filed • Cycle time to grant Employer Identification Number (EIN)—interim EIN granted immediately • Number of electronic tax-related transactions (all forms)

Type	Initiative name	Description	Managing partner	Federal partners	OMB-reported performance metrics
G2B	Federal Asset Sales www.firstgov.gov	Creates a single, one-stop access point for businesses to find and buy government assets.	General Services Administration	Federal Deposit Insurance Corporation, Department of Agriculture	• Cycle time reduction for asset disposition • Dollar cost avoidance for personal property • Return on assets (ROA)
G2B	International Trade Process Streamlining www.export.gov	Makes it easy for small and medium enterprises (SME) to obtain the information and documents needed to conduct business abroad.	Commerce	Departments of Agriculture, Commerce; Small Business Administration, Export-Import Bank, Trade Development Agency, Agency for International Development	• Time to fill out export forms and locate information (target: 10% annual reduction) • Number of unique visitors to Export.gov (target: 15% increase) • Number of trade leads accessed by SMEs through Export.gov (target: 10% increase) • Number of registered businesses on Export.gov
G2B	One-Stop Business Compliance www.businesslaw.gov	Reduces the burden on businesses by making it easy to find, understand, and comply with relevant laws and regulations at all levels of government.	Small Business Administration	Departments of Energy, the Interior, Labor, and Transportation; Environmental Protection Agency, Occupational Safety and Health Administration, General Services Administration, Immigration and Naturalization Service, Internal Revenue Service	• Time savings for business compliance and filing (target: 50% reduction) • Regulatory agency savings through transition to compliance from enforcement through automated processes (target: 25% increase) • Number of days reduced for issuing permits and licenses • Cycle time to issue permits and licenses (target: within 24 hours) • Number of visitors per page views (target: 10–20% increase) • Reduction in redundant information technology investments

Type	Initiative name	Description	Managing partner	Federal partners	OMB-reported performance metrics
G2G	Consolidated Health Informatics	Adopts a portfolio of existing health information interoperability standards enabling all agencies in the federal health enterprise to communicate based on common enterprisewide business and information technology architectures.	Health and Human Services	Departments of Defense, Health and Human Services, and Veterans Affairs; General Services Administration, Social Security Administration	• Number of federal agencies and systems using the standards to store and/or share health information • Number of contracts requiring the standards • Impact on patient service, public health, and research • Increase in common data available to be shared by users
G2G	Geospatial Information One-Stop	Provides federal and state agencies with a single point of access to map-related data, enabling consolidation of redundant data.	Interior	Departments of Agriculture, Commerce, Defense, and Transportation; Environmental Protection Agency, Federal Emergency Management Agency, National Aeronautics and Space Administration	• Number of data sets posted to portal • Number of users • Number of cost-sharing partnerships for data-collection activities • Number of data-set hits
G2G	e-Grants www.fedgrants.gov	Creates a single, on-line portal for all federal grant customers to access and apply for grants.	Health and Human Services	Departments of Agriculture, Commerce, Defense, Education, Housing and Urban Development, Justice, Labor, and Transportation; Federal Emergency Management Agency, National Science Foundation	• Number of grant-making agencies publishing grant opportunities in portal • Number of grant programs available for electronic application • Percentage of reusable information per grant application • Number of applications received electronically

Type	Initiative name	Description	Managing partner	Federal partners	OMB-reported performance metrics
G2G	Disaster Management www.disasterhelp.gov	Provides federal, state, and local emergency managers on-line access to disaster management-related information and planning and response tools.	Federal Emergency Management Agency	Departments of Agriculture, Defense, Energy, Housing and Urban Development, Justice, Commerce, Education, Health and Human Services, the Interior, Labor, State, the Treasury, Transportation, and Veterans Affairs; Appalachian Regional Commission, Environmental Protection Agency, Federal Communications Commission, General Services Administration, Interstate Commerce Commission, Office of Personnel Management, Tennessee Valley Authority, U.S. Postal Service, National Aeronautics and Space Administration, Nuclear Regulatory Commission, Small Business Administration, National Oceanic and Atmospheric Administration, Geological Survey	• Response recovery time (target: reduce by 15%) • Situational awareness planning capability (target: improve by 25%) • Number of first responders using disaster management information system tools (target: increase by 10%)
G2G	SAFECOM	Provides interoperable wireless solutions for federal, state, and local public safety organizations and ensures they can communicate and share information as they respond to emergency incidents.	Federal Emergency Management Agency	Departments of Agriculture, Defense, the Interior, and Justice; Coast Guard, National Guard, National Telecommunications and Information Administration	• Number of agencies that can communicate with one another • Response times for jurisdictions and disciplines to respond to an event • Number of wireless grant programs that include SAFECOM-approved equipment • Voice, data, and video convergence

Type	Initiative name	Description	Managing partner	Federal partners	OMB-reported performance metrics
G2G	e-Vital	Establishes common electronic processes for federal and state agencies to collect, process, analyze, verify and share birth and death record information. Also promotes automating how deaths are registered with the states.	Social Security Administration	Departments of Agriculture, Defense, Health and Human Services, State, and Veterans Affairs; Immigration and Naturalization Service, Office of Personnel Management	• Time for state to report death to Social Security Administration (target: 15 days) • Number of verified death records • Time to verify birth and death entitlement factors (target: 24 hours) • Number of false identity cases
IEE	e-Training www.golearn.gov	Provides a single point of on-line training and strategic human capital development solutions for all federal employees.	Office of Personnel Management	Departments of Defense, Labor, Transportation, and the Treasury; General Services Administration	• Cost avoidance: total tuition/travel cost reductions for participating agencies (target: minimum of $50M in reductions) • Percentage of executive branch agencies receiving their e-training via golearn.gov • E-Training is supplier of choice to fulfill human capital training at all cabinet-level agencies
IEE	Recruitment One-Stop www.usajobs.opm.gov	Outsources delivery of USAJOBS Federal Employment Information System to deliver state-of-the-art on-line recruitment services to job seekers that include intuitive job searching, on-line resume submission, applicant data mining, and on-line feed-back on status and eligibility.	Office of Personnel Management	Departments of Agriculture, Commerce, Defense, Housing and Urban Development, the Interior, Labor, Transportation, and the Treasury; Environmental Protection Agency, National Aeronautics and Space Administration, Social Security Administration	• Cost per hire • Time to fill vacancies • Percentage of federal job applicants using Recruitment One-Stop (target: 80%) • Availability of applicant status (target: real time)

Type	Initiative name	Description	Managing partner	Federal partners	OMB-reported performance metrics
IEE	Enterprise HR Integration	Streamlines and automates the exchange of federal employee human resources information. Replaces official paper employee records.	Office of Personnel Management	Departments of Agriculture, Commerce, Defense, Energy, Housing and Urban Development, the Interior, Justice, Labor, State, Transportation, and the Treasury; Equal Employment Opportunity Commission, Environmental Protection Agency, General Services Administration, National Science Foundation, National Aeronautics and Space Administration, Small Business Administration, Social Security Administration	• Cost/cycle time savings per transaction due to reduction in manual paper processing • Time for interagency transfers • Usage of analytics by all cabinet-level agencies in the human capital planning process
IEE	e-Clearance	Streamlines and improves the quality of the current security clearance process.	Office of Personnel Management	Departments of Commerce, Defense, Energy, Justice, State, and the Treasury; Nuclear Regulatory Commission	• Cost per application • Reciprocation between agencies • Average time to process clearance forms • Average time to complete clearance forms • Time to locate and evaluate previous investigations and clearances
IEE	e-Payroll	Consolidates 22 federal payroll systems to simplify and standardize federal human resources/payroll policies and procedures to better integrate payroll, human resources, and finance functions.	Office of Personnel Management	All executive branch agencies	• Payroll cost per transaction per employee (target: in line with industry averages) • Accuracy of Treasury disbursements, post payroll interfaces, and periodic reporting

Type	Initiative name	Description	Managing partner	Federal partners	OMB-reported performance metrics
IEE	e-Travel	Provides a common governmentwide end-to-end travel service that rationalizes, automates, and consolidates the travel process in a self-service Web-centric environment, covering all aspects of travel planning, from authorization and reservations to expense reporting and reimbursement.	General Services Administration	Departments of Agriculture, Commerce, Defense, Energy, Health and Human Services, Housing and Urban Development, the Interior, Justice, State, Transportation, the Treasury, and Veterans Affairs; Environmental Protection Agency, National Science Foundation, National Aeronautics and Space Administration, Small Business Administration, Social Security Administration	• Administrative cost per trip (target: in line with industry averages) • Number of trips serviced through E-Travel • Number of agencies and users using E-Travel services • Percentage of use of E-Travel services within each agency • Percentage improvement of time for traveler to get reimbursed
IEE	Integrated Acquisition Environment	Creates a secure business environment that will facilitate and support cost-effective acquisition of goods and services by agencies, while eliminating inefficiencies in the current acquisition environment.	General Services Administration	Departments of Agriculture, Commerce, Defense, the Interior, Transportation, and Veterans Affairs; National Aeronautics and Space Administration, Small Business Administration	• Percentage reduction in time for delivery of products and services • Cost per spend • Percentage of intragovernmental transactions going through the Integrated Acquisition Environment • Percentage reduction in procurement transactions errors • Percentage of vendors registered in central database

Type	Initiative name	Description	Managing partner	Federal partners	OMB-reported performance metrics
IEE	e- Records Management	Provides policy guidance to help agencies to better manage their electronic records, so that records information can be effectively used to support timely and informed decision making, enhance service delivery, and ensure accountability.	National Archives and Records Administration	Departments of Agriculture, Defense, Energy, Housing and Urban Development, Justice, Navy, State, Transportation, and the Treasury; Environmental Protection Agency, Executive Office of the President, Federal Communications Commission, Federal Emergency Management Agency, General Accounting Office, General Services Administration, National Institutes of Health, Office of Management and Budget, Office of Personnel Management, National Aeronautics and Space Administration, Nuclear Regulatory Commission, National Science Foundation, Patent and Trademark Office, Geological Survey	• Percentage of eligible data items archived/preserved electronically • Consolidation of information technology investments for correspondence systems • Document search/retrieval burden • Document recovery burden
Cross-cutting	e-Authentication	Minimizes the burden on businesses, public and government when obtaining services on line by providing a secure infrastructure for on-line transactions, eliminating the need for separate processes for the verification of identity and electronic signatures.	General Services Administration	Departments of Agriculture, Commerce, Defense, Health and Human Services, Justice, and the Treasury, National Aeronautics and Space Administration, National Institutes of Health, Social Security Administration	• Cost savings from information technology expenditures on a coordinated and streamlined approach to E-Authentication • Percentage of GPEA burden using transactions that authenticate using the E-Authentication gateway • Number of credentials by customer segment needed to interact with the federal government • Percentage of citizens trusting transactions with the government (from existing surveys) • Time to access e-government applications

Attachment II. Selected GAO Products Related to Electronic Commerce and Electronic Government

Electronic Commerce

Internet Gambling: An Overview of the Issues. GAO-03-89. Washington, D.C.: December 2, 2002.

International Electronic Commerce: Definitions and Policy Implications. GAO-02-404. Washington, D.C.: March 1, 2002.

Electronic Commerce: Small Business Participation in Selected On-line Procurement Programs. GAO-02-1. Washington, D.C.: October 29, 2001.

On-Line Trading: Investor Protections Have Improved but Continued Attention Is Needed. GAO-01-858. Washington, D.C.: July 20, 2001.

Internet Pharmacies: Adding Disclosure Requirements Would Aid State and Federal Oversight. GAO-01-69. Washington, D.C.: October 19, 2000.

Sales Taxes: Electronic Commerce Growth Presents Challenges; Revenue Losses Are Uncertain. GGD/OCE-00-165. Washington, D.C.: June 30, 2000.

Commodity Exchange Act: Issues Related to the Regulation of Electronic Trading Systems. GGD-00-99. Washington, D.C.: May 5, 2000.

Trade with the European Union: Recent Trends and Electronic Commerce Issues. GAO/T-NSIAD-00-46. Washington, D.C.: October 13, 1999.

Electronic Banking: Enhancing Federal Oversight of Internet Banking Activities. GAO/T-GGD-99-152. Washington, D.C.: August 3, 1999.

Electronic Banking: Enhancing Federal Oversight of Internet Banking Activities. GAO/GGD-99-91. Washington, D.C.: July 6, 1999.

Securities Fraud: The Internet Poses Challenges to Regulators and Investors. GAO/T-GGD-99-34. Washington, D.C.: March 22, 1999.

Retail Payments Issues: Experience with Electronic Check Presentment. GAO/GGD-98-145. Washington, D.C.: July 14, 1998.

Identity Fraud: Information on Prevalence, Cost, and Internet Impact is Limited. GAO/GGD-98-100BR. Washington, D.C.: May 1, 1998.

Electronic Banking: Experiences Reported by Banks in Implementing On-line Banking. GAO/GGD-98-34. Washington, D.C.: January 15, 1998.

Electronic Government—Agency-Specific Initiatives

IRS's 2002 Tax Filing Season: Returns and Refunds Processed Smoothly; Quality of Assistance Improved. GAO-03-314. Washington, D.C.: December 20, 2002.

Tax Administration: Electronic Filing's Past and Future Impact on Processing Costs Dependent on Several Factors. GAO-02-205. Washington, D.C.: January 10, 2002.

GSA On-Line Procurement Programs Lack Documentation and Reliability Testing. GAO-02-229R. Washington, D.C.: December 21, 2001.

U.S. Postal Service: Update on E-Commerce Activities and Privacy Protections. GAO-02-79. Washington, D.C.: December 21, 2001.

Computer-Based Patient Records: Better Planning and Oversight By VA, DOD, and IHS Would Enhance Health Data Sharing. GAO-01-459. Washington, D.C.: April 30, 2001.

USDA Electronic Filing: Progress Made, But Central Leadership and Comprehensive Implementation Plan Needed. GAO-01-324. Washington, D.C.: February 28, 2001.

Information Security: IRS Electronic Filing Systems. GAO-01-306. Washington, D.C.: February 16, 2001.

U.S. Postal Service: Postal Activities and Laws Related to Electronic Commerce. GAO/GGD-00-188. Washington, D.C.: September 7, 2000.

U.S. Postal Service: Electronic Commerce Activities and Legal Matters. GAO/T-GGD-00-195. Washington, D.C.: September 7, 2000.

Defense Management: Electronic Commerce Implementation Strategy Can Be Improved. GAO/NSIAD-00-108. Washington, D.C.: July 18, 2000.

Food Stamp Program: Better Use of Electronic Data Could Result in Disqualifying More Recipients Who Traffic Benefits. GAO/RCED-00-61. Washington, D.C.: March 7, 2000.

National Archives: The Challenge of Electronic Records Management. GAO/T-GGD-00-24. Washington, D.C.: October 20, 1999.

National Archives: Preserving Electronic Records in an Era of Rapidly Changing Technology. GAO/GGD-99-94. Washington, D.C.: July 19, 1999.

Labor-Management Reporting and Disclosure: Status of Labor's Efforts to Develop Electronic Reporting and a Publicly Accessible Database. GAO/HEHS-99-63R. Washington, D.C.: March 16, 1999.

Acquisition Reform: NASA's Internet Service Improves Access to Contracting Information. GAO/NSIAD-99-37. Washington, D.C.: February 9, 1999.

Tax Administration: Increasing EFT Usage for Installment Agreements Could Benefit IRS. GAO/GGD-98-112. Washington, D.C.: June 10, 1998.

Electronic Government—General

Electronic Government: Selection and Implementation of the Office of Management and Budget's 24 Initiatives. GAO-03-229. Washington, D.C.: November 22, 2002.

Electronic Government: Proposal Addresses Critical Challenges. GAO-02-1083T. Washington, D.C.: September 18, 2002.

Information Management: Update on Implementation of the 1996 Electronic Freedom of Information Act Amendments. GAO-02-493. Washington, D.C.: August 30, 2002.

Information Technology: OMB Leadership Critical to Making Needed Enterprise Architecture and E-government Progress. GAO-02-389T. Washington, D.C.: March 21, 2002.

Electronic Government: Challenges to Effective Adoption of the Extensible Markup Language. GAO-02-327. Washington, D.C.: April 5, 2002.

Information Resources Management: Comprehensive Strategic Plan Needed to Address Mounting Challenges. GAO-02-292. Washington, D.C.: February 22, 2002.

Elections: Perspectives on Activities and Challenges Across the Nation. GAO-02-3. Washington, D.C.: October 15, 2001.

Electronic Government: Better Information Needed on Agencies' Implementation of the Government Paperwork Elimination Act. GAO-01-1100. Washington, D.C.: September 28, 2001.

Electronic Government: Challenges Must Be Addressed With Effective Leadership and Management. GAO-01-959T. Washington, D.C.: July 11, 2001.

Electronic Government: Selected Agency Plans for Implementing the Government Paperwork Elimination Act. GAO-01-861T. Washington, D.C.: June 21, 2001.

Information Management: Electronic Dissemination of Government Publications. GAO-01-428. Washington, D.C.: March 30, 2001.

Information Management: Progress in Implementing the 1996 Electronic Freedom of Information Act Amendments. GAO-01-378. Washington, D.C.: March 16, 2001.

Regulatory Management: Communication About Technology-Based Innovations Can Be Improved. GAO-01-232. Washington, D.C.: February 12, 2001.

Electronic Government: Opportunities and Challenges Facing the FirstGov Web Gateway. GAO-01-87T. Washington, D.C.: October 2, 2000.

Electronic Government: Government Paperwork Elimination Act Presents Challenges for Agencies. GAO/AIMD-00-282. Washington, D.C.: September 15, 2000.

Internet: Federal Web-based Complaint Handling. GAO/AIMD-00-238R. Washington, D.C.: July 7, 2000.

Federal Rulemaking: Agencies' Use of Information Technology to Facilitate Public Participation. GAO/GGD-00-135R. Washington, D.C.: June 30, 2000.

Electronic Government: Federal Initiatives Are Evolving Rapidly But They Face Significant Challenges. GAO/T-AIMD/GGD-00-179. Washington, D.C.: May 22, 2000.

Information Technology: Comments on Proposed OMB Guidance for Implementing the Government Paperwork Elimination Act. GAO/AIMD-99-228R. Washington, D.C.: July 2, 1999.

Electronic Signatures

Bank Regulators' Evaluation of Electronic Signature Systems. GAO-01-129R. Washington, D.C.: November 8, 2000.

Electronic Signature: Sanction of the Department of State's System. GAO/AIMD-00-227R. Washington, D.C.: July 10, 2000.

Internet

Internet Management: Limited Progress on Privatization Project Makes Outcome Uncertain. GAO-02-805T. Washington, D.C.: June 12, 2002.

Telecommunications: Characteristics and Competitiveness of the Internet Backbone Market. GAO-02-16. Washington, D.C.: October 16, 2001.

Telecommunications: Characteristics and Choices of Internet Users. GAO-01-345. Washington, D.C.: February 16, 2001.

Telecommunications: Technological and Regulatory Factors Affecting Consumer Choice of Internet Providers. GAO-01-93. Washington, D.C.: October 12, 2000.

Department of Commerce: Relationship with the Internet Corporation for Assigned Names and Numbers. GAO/OGC-00-33R. Washington, D.C.: July 7, 2000.

Privacy

Internet Privacy: Implementation of Federal Guidance for Agency Use of "Cookies." GAO-01-424. Washington, D.C.: April 27, 2001.

Record Linkage and Privacy: Issues in Creating New Federal Research and Statistical Information. GAO-01-126SP. Washington, D.C.: April 2001.

Internet Privacy: Federal Agency Use of Cookies. GAO-01-147R. Washington, D.C.: October 20, 2000.

Internet Privacy: Comparison of Federal Agency Practices with FTC's Fair Information Principles. GAO-01-113T, Washington, D.C.: October 11, 2000.

Internet Privacy: Comparison of Federal Agency Practices with FTC's Fair Information Principles. GAO/AIMD-00-296R. Washington, D.C.: September 11, 2000.

Internet Privacy: Agencies' Efforts to Implement OMB's Privacy Policy. GAO/GGD-00-191. Washington, D.C.: September 5, 2000.

Social Security Numbers: Subcommittee Questions Concerning the Use of the Number for Purposes Not Related to Social Security. GAO/HEHS/AIMD-00-253R. Washington, D.C.: July 7, 2000.

Security

Electronic Government: Progress in Promoting Adoption of Smart Card Technology. GAO-03-144. Washington, D.C.: January 3, 2003.

Computer Security: Weaknesses Continue to Place Critical Federal Operations and Assets at Risk. GAO-01-600T. Washington, D.C.: April 5, 2001.

Information Security: Advances and Remaining Challenges to Adoption of Public Key Infrastructure Technology. GAO-01-277. Washington, D.C.: February 26, 2001.

Information Security: Serious and Widespread Weaknesses Persist at Federal Agencies. GAO/AIMD-00-295. Washington, D.C.: September 6, 2000.

Critical Infrastructure Protection: "ILOVEYOU" Computer Virus Highlights Need for Improved Alert and Coordination Capabilities. GAO/T-AIMD-00-181. Washington, D.C.: May 18, 2000.

Information Security: Subcommittee Questions Concerning the Melissa Computer Virus. GAO/AIMD-99-220R. Washington, D.C.: June 18, 1999.

Information Security: The Melissa Computer Virus Demonstrates Urgent Need for Stronger Protection Over Systems and Sensitive Data. GAO/T-AIMD-99-146. Washington, D.C.: April 15, 1999.

(310007)

Mr. PUTNAM. Thank you, sir. I appreciate your being here.

Our next witness is Patricia McGinnis, president and CEO for the Council of Excellence in Government, a nonprofit organization working to improve the performance of government and engage citizens. Promoting E-government is one of its top goals. Ms. McGinnis testified last year before Congressman Davis' Technology and Procurement Policy Subcommittee, back when the name was still manageable, providing valuable insight on this issue just as we were marking up the E-government legislation. Her candid views on the progress and challenges since then I think will be very beneficial to the subcommittee.

We welcome you. Thank you.

Ms. MCGINNIS. Thank you very much, Mr. Chairman and Mr. Clay, and Ms. Miller.

I want to commend you and the entire subcommittee for your leadership in focusing on this now and continuously to turn the potential and promise of E-government into reality. The role of Congress and your oversight function will be absolutely critical in this area, not only to hold OMB and the Federal agencies accountable for results, but also to assess and assure the necessary and flexible investment of funds to make this happen. It is not just the amount, but the flexibility, and we will come back to that.

You gave a nice introduction of the Council, so I will not talk so much about that, but the fact that we chose E-government as a very high priority a few years ago really reflects our belief that this provides a way to leap ahead to better services and to connect citizens to government in a powerful way. So it is a two-way communication, in addition to offering information services and transactions.

The E-Government Act, as far as we are concerned, was terrific—a great framework to move this forward. Certainly not a final step, but a very good first step, reflecting the principles and recommendations that we have made about the importance of accessibility, ease of use, collaboration, innovation, privacy and security, and focusing on leadership in this strategic investment capability, as well as the work force, standards for privacy security and interoperability, and also access to the Internet—because until we have full access, we really cannot realize the potential of E-government.

There is no question that the public is both interested and engaged in this. This is a way of making government truly of, by and for the people. Public use of government online has risen steadily over the past few years, as Mark said, and we well know. We have done a lot of work over the last few years measuring public opinion and attitudes, and trying to understand that, trying to bring that to the attention of decisionmakers. We have a poll underway right now, one of the series that we have done with Bob Teeter and Peter Hart, which we will be releasing in the middle of April. I look forward to giving you those results, because we are focusing on some very timely and interesting issues related to the satisfaction that people have with the quality of existing online information and services; also their concerns about privacy and security, particularly in the context of homeland security; and maybe most important, their sense of future possibilities to organize online inter-

actions with government in a very integrated and user-friendly way that goes beyond what is available now.

There will also be an international dimension to this year's poll. We are doing public surveys in five other countries, so we will be able to show some interesting comparisons there; and also surveying Federal, State and local leaders to get their perspective. So I think this will be very helpful to you and we look forward to sharing it.

The most recent poll that we have made public, I included some points in the testimony. I know you have had a chance to look at it, but basically it says that people are going to government Web sites in much larger numbers. They like what they are seeing. They expect E-government to have a positive effect on the way government operates. They think a high priority should be homeland security, health and safety. They are very positive about investing tax dollars in making government services and information available online. They are concerned about privacy and security, we know, and those concerns have to be taken seriously.

So to paraphrase the slogan that we hear from the popular music video channel—I hear my teenagers listening to it—Americans want their E-gov. So that is clear.

The progress that we have seen in these initiatives, the 24 initiatives that Mark has talked about, I think has been remarkable, despite the issues that have been raised by GAO—and they are all absolutely correct. There is no difference of opinion there. I know I, for one, when these 24 initiatives were announced, felt that maybe they were taking on too much. What I see now is a lot of progress. It is not even. Everything is not where it should be, but these clusters of initiatives around individuals, around businesses and around State and local government, government to government, make a lot of sense to me. Then the infrastructure, looking at the enterprise architecture is absolutely necessary. So I think we are in a good spot.

Not to say that we should be complacent. There are issues to talk about in terms of funding and collaboration and all the issues that Mr. Willemssen raised. But I just want to congratulate Mark and the members of those Quicksilver task forces for being very innovative, very flexible, and bringing this a long way in a short time.

The examples—Mark has included some in his testimony—you can pick out the stars here. Having those successes hopefully will offer a pattern for the others to follow. FirstGov, for example, which has improved dramatically since it was first launched, is now a finalist in the prestigious Innovations in American Government award competition, which we are pleased to partner with Harvard University on. Not that it cannot be a lot better, and we all have ideas about that, but it is really state-of-the-art at this point.

The next steps for the 24 E-gov initiatives still hold the key to actual meaningful results. We are not there yet, but the public, businesses and government are clearly benefiting from the early results in the stage we are now. The challenge is to drive the implementation of E-government in a very strategic way down into the agencies where leaders in agencies would embrace and demand these tools for their own decisionmaking and day to day manage-

ment regimen. So it is not just the members of the task forces and the CIOs and the people who have really signed onto this, but it becomes a matter of course in the way agencies are led and run.

The focus has to be on the citizens and businesses who are both the customers and owners of government. I think it is not just customer, it is also owner, and that is really important. Active engagement between government and citizens is essential to getting this right down the road. I would urge this subcommittee to consider holding some of your oversight hearings as public forums around the country, and to use the technology so people can engage in this discussion not only in person, but online. We have also recommended such public forums to OMB and to GSA, so perhaps some joint legislative-executive branch forums would make sense. We would be delighted to help with that.

This phase of E-government has to be focused on breakthrough performance and tangible results. The measures of performance should include measurable, tangible items like improvements in quality and customer satisfaction; improvements in cycle time; cost reductions; and also the reduction on the burden of customers of E-government, which can be quantified. In looking at this and working with the public and private sector, we see four critical success factors for E-government. Sometimes we call them "E-tensions," and they actually are both, and that is why they are so important.

The first is that greater attention needs to be paid to the governance issues. This is certainly not just about technology. We need more collaborative models for identifying, funding and managing cross-agency and intergovernmental initiatives. This is not a natural act, collaboration. Even though we have seen it in these Quicksilver task forces, it needs to be much more widespread, and those models need to be shared.

Mr. PUTNAM. I hate to interrupt. If you could just run through the next three and tell us what they are, then we will get back into that with questions.

Ms. MCGINNIS. The second one is easy because it is very related, and that is the culture of agencies. The third is the human capital challenges. We need the right work force. Maybe it is a smaller work force, but it certainly has to be a work force with the right tools to do this work. Finally, and maybe most important, is the need for flexible investment in E-government and the infrastructure required. In that regard, I would like to suggest that the appropriations process, in addition to the way the funding is managed within the executive branch, does present some impediments here. It would be wonderful if you, who understand E-government so well, could hold some joint hearings or have joint sessions with the Appropriations Committee so that the risk and benefits could be factored into that process as well.

Thank you.

[The prepared statement of Ms. McGinnis follows:]

Excellence

Testimony of
Patricia McGinnis
President and CEO
The Council for Excellence in Government
Before the
Subcommittee on Technology, Information Policy, Intergovernmental Relations, and Census
House Committee on Government Reform and Oversight
March 13, 2003

Thank you, Chairman Putnam and members of the Subcommittee, for inviting me to participate in this important hearing on the progress and impediments to timely implementation of the E-government Act of 2002. I want to commend you and the other members of the Subcommittee for your leadership to help turn the potential and promise of the E-government Act into a very significant reality for the American people, the business community and public servants at the federal, state and local levels.

The Congress's oversight function will be critical in this area, not only to hold OMB and the agencies accountable for results, but also to assess and assure the necessary investment of funds to realize the benefits of the Act.

Throughout its twenty-year history, the Council for Excellence in Government has thought of its ambitious mission in terms of excellent performance and results in government, and also in terms of the American people's understanding, participation, and trust in government. Our strategic priorities are to:

- attract and develop the best and brightest for public service;
- encourage innovation and results oriented performance in government;
- engage citizens in their government; and to,
- promote E-government as a tool to achieve all of the above.

The Council chooses E-government as a priority because we believe that it offers tremendous potential to break down bureaucratic barriers and to leap ahead to a level of service, protection, and connection that the American people want, need, and deserve in every aspect of their interaction and reliance on government.

The E-government Act of 2002 is an important step toward realizing that potential. We are pleased to see many of the principles and recommendations from our blueprint for electronic government--which the Council published in 2001 and entitled, *"E-government: The Next American Revolution"*-- reflected in the Act. We developed this ambitious blueprint in partnership with 350 leaders from government, business, civic groups, and the research community. The principles developed to help frame choices and actions to implement

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E-government include accessibility, ease of use, collaboration, innovation, privacy and security--all of which are critical steps in the evolution of E-government and essential to the long-term success of the E-government revolution. Our recommendations focused on establishing visible, accountable leadership; the creation of a strategic investment fund; ensuring an adequate and well trained e-workforce; standards for privacy, security, and interoperability; as well as access and education.

Americans want their E-Gov

Because E-government offers such a powerful, innovative way to enhance government, of, by and for the people, the Council has organized a series of public opinion polls conducted by bipartisan pollsters of Peter Hart and Bob Teeter over the last few years to help decision-makers understand the views of citizens about online government and its potential. Public use of government online has risen steadily over the past few years and we always gain important--and sometimes surprising--insights from these polls.

This year's poll is underway with the generous support of Accenture and we look forward to presenting the results in mid-April. This new poll will focus on the satisfaction with the quality of existing on-line information and services, concerns about privacy and security in the context of homeland security, and future possibilities for individuals to organize and tailor their interactions with government in an integrated, user-friendly way. There will also be an international dimension in this year's poll to allow comparisons with five other countries. In addition, we are also surveying federal, state and local government leaders to get their perspective on the progress and potential of E-government. I look forward to sharing that information with the subcommittee in the very near future.

The findings of our last poll, in February 2001, tell an interesting story of public and government leaders' views on the direction of electronic, on-line government, which is clearly moving into the mainstream of American life:

- Most Internet users (76%) and over half of all (56%) Americans had visited a government web site;
- Over 78% believed that E-government would improve preparedness for national emergencies, and enhance homeland security by facilitating better coordination and data sharing;
- 64% expected E-government to have a positive effect on the way the government operates;
- Americans put a higher priority on investing tax dollars in making government services and information available over the internet (37% vs. 30% in the previous year), and a large number (81%) expressed the desire that these investments be used to expand systems that help government protect public health and safety;
- Citizens remained concerned about security and privacy, especially identity theft and hackers getting access to information in government systems (65%); yet a large number of Americans (57%) said they were willing to give up some privacy if it strengthened homeland security;

- More than 400 government leaders (federal, state, and local) were also polled. A large majority (78%) believed that E-government was having a positive effect on how government operates. Most (62%) wanted to proceed quickly to expand E-government.

To paraphrase the slogan from a very popular music video channel: Americans want their E-gov.

e-Leadership

The President's Management Agenda has established E-government as a cornerstone for making citizen focused, cross-functional government a reality. Citizen-centric, results-based, and market driven initiatives have been put forward in order to "unify and simplify the federal face of government, eliminate redundant and costly systems, and improve government productivity and service quality". We are seeing important progress—the focus of E-government is shifting from a collection of unrelated websites to a common activity-based, integrated customer service delivery system.

The progress made over the past year alone has been remarkable. The leaders at OMB and agencies across government deserve a lot of credit for stepping up to this challenge with a focus on results, a spirit of innovation and flexible management approaches. The 24 major crosscutting E-government initiatives underway within four separate portfolios are beginning to transform service delivery to citizens, businesses, and government employees. For example, the On-Line Rulemaking, Recreation One-Stop, E-Grants, E-Training, and Govbenefits portal initiatives serve as innovative examples of how citizen and business interaction with government is changing and offering real—and real time—benefits to all who use them. We are very pleased that FirstGov is a finalist in the Innovations in American Government Award Competition.

This E-government revolution is clearly still at an early stage. The next steps for the 24 E-gov initiatives still hold the key, in most cases, to tangible, meaningful results, but the public, businesses and government are clearly benefiting from early results. Strategic leadership and a disciplined focus on adopting effective technology management practices are paramount. OMB has sent strong signals to agency heads. They include the use of the PMA "traffic light" scorecards, the Program Assessment Rating Tool, revised government-wide policy guidance for IT capital planning, enterprise architectures, performance management, security and tougher budget reviews that link funding approvals to demonstrated use of leading practices.

All of this is positive and promising. The challenge now is to drive the implementation of E-government as a strategic management tool down into the agencies, where leaders and agencies must embrace and demand these tools for their own decision-making and day-to-day management regimen.

The Customer is Always Right—and Must be Right in the Center of the E-gov Revolution

In the charge toward E-government transactions and services, it is important to stay sharply focused on the citizens and businesses who are both the customers and owners of government. Public and private sector organizations can often have a tendency to approach service delivery and interaction from the inside looking out. Active engagement between government and citizens is essential to understanding, identifying, and aligning the government's actions with the pace, needs and priorities of the people being served. The customer is still always right and—just as important—must be right in the center of the E-government revolution.

I urge this subcommittee to consider holding some of your oversight hearings as public forums around the country and to use the technology so people can engage in the discussion in person or online. We have also recommended such public forums to OMB and GSA. Perhaps some joint legislative/executive branch sessions could be organized.

The E-government Act calls for a study of internet access and I urge you to explore the barriers to access in your public hearings and to pursue the goal of universal access in the most practical, cost effective way possible.

Today's fiscal challenges in the federal government and the budget crises in state governments are creating tremendous pressure and hopefully greater urgency to critical choices about E-government investments. Cost savings in the short and long term will be a high priority and improvements in service delivery and accountability should also be a driving force for the implementation of E-government.

This phase of E-government should be focused on breakthrough performance, proactive problem solving and tangible outcomes and results. The "gold standard" measures of the performance of E-government initiatives must include:

- Improvements in **quality** – delivering reliable, accurate, and user-friendly information, transactions and services; and the integration of online information, transactions and services across government agencies and levels of government, using commercial best practices. Customer satisfaction can and should be measured on a regular basis.

- Improvements in **cycle time** – delivering information and services in minutes or seconds, not hours, days, weeks or months. These reductions in processing time for transactions, information requests, decisions, and problem resolution can and should be measured as a matter of course.

- **Cost** reductions – efficiencies in average and per unit service delivery costs for government activities and transactions. Reduction of the burden imposed by duplicate data submissions can and should also be measured.

Of course, technology alone is not the final answer. Achieving higher levels of government performance must also involve *motivating people* and *improving processes*. When these work in tandem, the results are likely to be more strategic, successful and timely.

e-Tensions Guide Success

The Council's work with public and private sector leaders involved in E-government and technology management have led us to focus on four critical success factors for E-government implementation. We often refer to these success factors as the four "e-tensions."

First, greater attention needs to be paid to *governance issues*. The fast paced, integrated flow of information and services enabled by the internet and intranets is not compatible with stove-piped organization structures and hierarchical decision processes. Leaders in government need to develop and become comfortable with more collaborative models for identifying, funding and managing cross-agency and intergovernmental initiatives.

The second tension, related to the governance challenge, is the need for change in the *culture* of agencies associated with E-government implementation. Agency managers may see the value of cross-agency initiatives and the need for shared cost but they often are reluctant to give up control over their "brand name" programs or to provide funds for cross government initiatives in broad areas such as grants, loans, training and benefits. While there is always room for improvement in any organization, cultural pushback comes in the form of the "what's in it for me" question that good performing organizations ask when their own customer interfaces and delivery might be lumped together with ones that are not as good. There is clearly a tension between well-established vertical constituencies of government programs and the horizontal, cross-boundary service delivery approaches enabled by E-government. Managing this culture change requires that these issues be addressed openly, honestly and constructively.

The third factor involves the *human capital challenges* associated with E-government. The implementation of E-government may result in a smaller, more efficient government workforce and it most definitely will demand changes in the basic skills of public managers. We already see this in the staffing of the crosscutting E-government initiatives. High performing teams with a mix of skills are essential to the success of these collaborative initiatives.

Government managers will need a new version of the "3 Rs" to succeed and thrive in the E-government era. They need to be: Re-tooled, Re-educated and constantly Re-freshing themselves and their teams in areas such as project management, information analysis and problem solving, and customer relationship management. And our hiring, training and retention strategies for government workers will need the 4th and 5t "R's" . . .Re-thinking and Reform as we move forward.

The final critical success factor is adequate, flexible investment *in the infrastructure* required to make the promise of E-government a reality. In this regard, I would like to challenge you to give serious attention to more flexible appropriation of funds for E-government to encourage collaborative use of the $60 billion that federal agencies spend on IT each year. Joint hearings with the Appropriations Committee to consider the potential benefits, risks, and costs of E-government and to identify new funding models would be a good first step. It would also help to ensure adequate funding for E-government initiatives that offer great leverage toward better performance and cost savings, but for which there is no natural constituency (such as e-authentication and government-wide enterprise architecture standards).

In order to have breakthrough performance, some degree of risk must be accepted. Some high value technology proposals—such as the development of biometrics--involve risks but have huge potential payoff for homeland security and other pressing needs. Forecasting precise, multi-year costs and benefits for technology projects is challenging. More flexible risk and portfolio management approaches should be integrated into congressional budget approval and control processes.

The E-government Act expands the potential use of "share-in-savings" contracting, which allows government and private sector partners to share risks and cost savings. I hope the subcommittee will encourage this approach to implement E-government.

In closing, E-government is not just about electronic government. It must also mean *efficient* government, *effective* government, *energized* government, and *excellent* government. Collaboration, transformation and results are the watchwords for progress going forward. We are seeing the government move toward new ways of doing its business that will require challenging and changing past practices and rewriting the deeply entrenched "genetic code" of many of its existing organizations. At the end of the day, E-government must produce positive results and real benefits to our citizens.

Thank you, Mr. Chairman for the opportunity to join in this discussion today. I look forward to working and collaborating with you and the Subcommittee members to make our shared vision of E-government a reality.

Mr. PUTNAM. Thank you very much, Ms. McGinnis.

Mr. Pomata, we appreciate you being here as well. Leonard Pomata is the president of webMethods Government. He has been a leader in the IT community for over 35 years, and has a tremendous amount of industry experience, particularly in the area of providing complex computer systems and business solutions to our Federal Government, and has a wealth of experience and knowledge in this area.

We welcome you and look forward to your comments. You are recognized for 5 minutes, Mr. Pomata.

Mr. POMATA. Thank you, Mr. Chairman and members of the subcommittee. It is an honor to be here before this committee, which through the work of Chairman Davis and others, and my fellow panelist Mark Forman have really brought the government into the 21st century. Everybody here is due a debt of gratitude from the citizens.

Let me state some principles, and I will summarize, that I feel are important and fundamental to IT programs that are used in the private sector and really apply to E-government initiatives.

First of all, the driving force—and this has been mentioned by the other panelists—is the customer. The customer needs to drive the process and determine what is and when an IT project is necessary and viable. That needs to be kept in mind.

For technology to be successful, well-defined outputs to the customer, whether business or government, is an important first step. All that matters at the end of the day is, has the customer received the results in a timely manner and has the project fulfilled the entire needs of the customer. To translate that into the public sector, agencies should ask if their customers, whether taxpayers directly or indirectly, are gaining benefit from the project. That is at the end of the day what needs to be measured.

In business, customers measure performance of IT projects by return on investment or savings. The savings in government need to be measured in either reduced cost of service or increased service to their customer, whether that is internal to the government and government to government, or to the taxpayer. So we must ask how much value are we adding to their work or to their personal lives.

We need to identify and commit in industry investments to ensure that throughout the intended duration of a project that an IT project will be successful. All too often, shortfalls in this area lead to diminished capacity of the organization to deliver, protracted schedules, and reduced delivery of services. Unfunded mandates lead to undesired results. It is a fundamental principle in business to stop underfunded projects before the investment is wasted.

So the question to government is, we know what authority and direction agencies have been given, but what have they been given in terms of funding? Fundamental to the success of any project is a well thought-out plan, and I think we have talked about it before here, with rigorous milestones and incremental measurable outputs. Modern IT development techniques allow for continuous evolution of capabilities, rather than a single revolutionary delivery. Project teams need to be fully trained and the approaches need to embed measurement points in the process to determine process. Management teams need to be responsible and accountable to re-

view the team's progress and have similar measurement methodologies. Among the widely used industry practices is the CMM, capability maturity model. This is one way for an organization to measure the development and progress of IT projects.

We also believe strongly in a team. That does not mean just to share the glory. For instance, in our company we have one mission, one overall objective, and it is not just an conglomeration of independent operations. Therefore, the question for agencies is also, do employees and officials see their incentives as just advancing their own objectives of one fiefdom, or are they committed to the success of the overall mission?

The function of teams, obviously, is to have individuals and units coordinate, cooperate and communicate as a team across departments and organizations. A team must have a single objective and a single leader. Otherwise, there will be redundancy, confusion, roadblocks and frustration and poor results. It would be a shame if good intentions are defeated by avoidable lapses in basic communication and organizational leadership.

Today's citizens, as we talked about, are not satisfied with faxes and telephones and being on hold. They really want to go to one screen and have results come up in real time and not have to be put on hold on the computer as well, and to come back a week from now to find their results. Therefore, agencies need to ask, when a taxpayer comes to a portal, for instance, can they get instant comprehensive information or are they still put on hold?

Today for the first time, as you know, information services can be delivered to anyone, anywhere on the planet at any time. The Internet and the integration of departments, agencies and information will truly satisfy this global vision. The E-government initiatives will promise to fulfill this vision.

E-government really does not mean just putting a Web front-end or a portal, but to improve the back-end. It also means reevaluating, if necessary, reengineering the back-end so it makes sense to deliver value. It also does not mean abandoning legacy systems that work, but revising these systems and revitalizing them in new ways by inserting new technology.

It also means instead of continuing to operate in a stovepipe mentality, simple mapping of logical and efficient overall business processes can lead to the facilitation and connection of these functions and have a major deliverable result.

In summary, priorities, commitment and leadership remain the most fundamental ingredients to success or failure.

Thank you, Mr. Chairman. I appreciate being able to testify.

[The prepared statement of Mr. Pomata follows:]

Testimony of Leonard M. Pomata
President, webMethods Government
House Government Reform Committee
Subcommittee on Technology and Information Policy
March 13, 2003

Chairman Putnam and Members of the Subcommittee,

Thank you for the opportunity to speak today from the private sector's view about whether we are headed in the right direction in the current set of e-Gov initiatives.

My name is Len Pomata, and I serve as President of webMethods Government, a business unit of webMethods, Inc. webMethods is a prominent software company based in Fairfax, Virginia, with 900 employees that has been a pioneer in connecting computer applications and databases for many of the world's largest companies and many government agencies. Previously I served as Senior Vice President of Oracle; and before that for five years as President of Litton PRC, a billion dollar a year government contractor that was acquired by Northrop Grumman. Altogether I have been in government contracting for more than 30 years.

It is an honor to appear before this committee, which through the work of Chairman Davis and other members, together with my fellow panelist Mark Forman, has so greatly advanced our government into the 21st Century. You are all due a huge debt of gratitude for your tremendous efforts and accomplishment.

Let me state some principles that I think are fundamental in the private sector, which I think can and should be applied in public sector e-government initiatives.

The driving force in all IT initiatives is the customer. The customer needs drive the process to determine what and when an IT project is necessary and viable. In business, the customer buys the product or service. In government, the customer is the recipient of the product or service. Therefore, we think of them first, last, and always. For technology to be successful, well-defined output to the customer, whether business or government, is the most important first step. All that matters is that, at the end of the day, the customer receives the results in a timely manner and the project fully satisfies the identified needs. To translate that to the public sector, agencies should ask if their customers, whether the taxpayer directly or indirectly, will gain benefit from the project.

In business, customers measure performance of IT projects by return on investment. The question they ask is not, how fancy are your systems, but how much did I spend on this implementation and what quantifiable savings or enhanced revenues have I obtained in return? Similarly, government agencies need to measure the value of an IT initiative in terms of measurable savings. These savings in government are measured either in reduced cost of service delivery or enhanced delivery to the customer. The customer for government can be citizens, businesses, and employees. We must ask: How much value are we adding to their work or to personal lives?

In business, the bottom line is making money. It is all well and good to talk about all the things we can and should do in any project. But if we're not funded, we can't carry out our simplest functions. Identified and committed investment must be ensured for the intended duration of any IT project in order to hope for success. All too often, shortfalls in this area lead to diminished capacity of the organization to deliver, protracted schedules, and reduced delivery of service. Unfunded mandates lead to undesired results. It is a fundamental principle in business to stop underfunded projects before the investment is wasted. So the question for government is: We know what authority and direction agencies have been given, but have they been given the funding to do it?

Fundamental to success of any project is a well thought-out plan that requires rigorous milestones and incremental measurement of progress toward those milestones. Modern IT development techniques allow for continuous evolution of capabilities rather than single revolutionary delivery. Project teams need to be fully trained in development approaches and imbed measurement points in the process to determine progress. Management teams need to be responsible and accountable for review of team progress through similar measurement methodologies. Among the widely used industry practices, the Capability Maturity Model is one way of measuring organizational capability to develop and deliver IT project results.

We believe strongly in working as a team. I don't mean just that we share glory and credit, and help each other achieve. I mean that we think of our company's mission as a single, overall objective, not just as a conglomeration of little independent objectives of each bureau and

section. Yes, we have departments and verticals; but in the end we want everyone to ask a more horizontal question, if you will: how do we work in concert with each other to achieve a single focus on the end objective? Therefore, the question to ask of agencies is: Do employees and officials see their incentives as just advancing the objectives of one fiefdom, or are they committed to the success of the overall agency mission?

Of course, to function as a team, individuals and units need to coordinate, cooperate, and communicate as a team, across departments and organizations. A team must have a single objective and a single leader. Otherwise, there will be redundancy, confusion, roadblocks, frustration, and poor results. It would be a shame if good intentions are defeated by avoidable lapses in basic communication, organization, and leadership.

Today citizens and businesses want and need information quickly, and at one time and place. Maybe in the old days people were willing to call around, and wait on hold, and fax, and call again next week. Today, people expect to be able to go to one screen and, in real time, at their fingertips, find out what's happening of interest to them. They also want to be able to act on that information. This has become the customer expectation and need. Therefore, agencies need to ask: When taxpayers come to you, or to one of your portals, can they get instant and comprehensive information--or are they still put on hold and told to call many different offices and come back next week? Today for the first time, information and service can be delivered to anyone, anywhere, at any time on the planet. The Internet and the integration of department, agency, or interagency information now allows us to have

a truly global vision of an enterprise. The e-government initiatives promise to fulfill this vision.

In short, we are a technology company, but we do not believe in technology for its own sake. As a matter of fact, one reason people come to us is because they have spent a fortune on technology but are now wringing their hands that all these gold-plated systems don't actually give them the automated, actionable information they need and thought they were getting. Instead of continuing to operate in a stovepipe mentality, they ask us to map simplified, logical, efficient, overall business processes, and connect and automate functions as much as possible. E-government doesn't mean just putting a web-front end on the same old back end; it also means re-evaluating, and if necessary, re-engineering the back end so it makes sense and delivers value.

Thank you for your invitation, and I would be pleased to answer questions.

Mr. PUTNAM. We appreciate you being here.

As is unfortunately too common in this process, we are going to have to recess the subcommittee. We will go vote. We have two votes, a 15 and a 5, so I presume that we are looking at about a 30 minute recess. With that, the committee stands in recess.

[Recess.]

Mr. PUTNAM. I reconvene the subcommittee hearing. We have completed our votes. We want to thank everyone for their patience and understanding. It is a heck of a way to run a railroad, but I guess nobody has come up with a better way yet.

Without objection, all members of the subcommittee will have 5 days to submit statements for the record. Objection? Seeing none, show it done.

At this time, I would like to recognize our ranking member, Mr. Clay, for 5 minutes of questioning.

Mr. CLAY. Thank you, Mr. Chairman.

I would like to thank all of the witnesses also for being here today, and I would like unanimous consent to enter my full opening statement into the record.

Mr. PUTNAM. Without objection.

Mr. CLAY. Thank you, sir.

Let me ask Ms. McGinnis, according to the Department of Commerce report published last month, almost half of the population still does not use the Internet at all. In addition, for minorities and people of lower income, public institutions like libraries and community centers are the only source of Internet access. This means that the government must operate dual systems—one for those who use the Internet and one for those who do not. In your testimony, you emphasized the need to redesign systems and take full advantage of these new processes. How does maintaining dual systems strain the intellectual and financial resources of agencies?

Ms. MCGINNIS. I am not sure I can answer that question in terms of exactly what the cost would be of meeting the goal of universal access. The E-Government Act did provide for another study of the digital divide. I think that rather than continuing to study this, it would make more sense, and perhaps could be done in the context of that work, to set a goal of universal access, say, within a certain period of time—5 years, whatever—or just say universal access. And then ask for an action plan. What would it take to get us there and how much would it cost?

I think that given what is happening with the technology, the cost is likely to be much less than we envision now, because there are lots of ways to access the Internet. Working through libraries and community centers is one, but we have an explosion of wireless devices. This is all happening in a way that could lead and should lead to universal access.

Mr. CLAY. Along those same lines, there also exists a digital divide between urban and rural communities, not much access to the broad band and Internet use in rural communities. Would you also include in that study how we access to rural residents?

Ms. MCGINNIS. Absolutely. As that goes forward, I would encourage you, and we certainly will, to pay attention to that study and see if it cannot be as practical as possible.

Mr. CLAY. Thank you.

Ms. MCGINNIS. Thank you.

Mr. CLAY. Mr. Forman, the electronic government bill passed by Congress last year created the Office of Electronic Government. On the White House Web site this is identified as the Information, Technology and E-Government Office. There is also an information policy and technology branch within the Office of Information and Regulatory Affairs. How will these separate organizations be staffed, and how will you divide responsibilities between your office and those of the information policy branch within OIRA?

Mr. FORMAN. John Graham and I have a very close working relationship. The question is one that we are grappling with and are working as we work through the organization chart. Largely, my work is staffed by that information technology policy branch. The person who leads that is a remarkable individual, and the members of that team are truly remarkable.

When we look at the organization, there are a number of policy issues. There are a number of technology issues. I have as a political deputy Norm Lorentz, our Chief Technology Officer. What I will probably do in implementing the E-Government Act is maintain that breakout between the IT and information policy, versus the technology era.

The only question, therefore, is whether that IT policy branch gets re-coined and moved up under me, with a dotted line to John, or stays with the dotted line to me, and has a direct report to John, and we are working through that.

Mr. CLAY. Let me also ask you, as this Congress considers reauthorization of the Paperwork Reduction Act, should we clarify the distinct responsibilities of the Office of Information Regulatory Affairs and the Office of Electronic Government?

Mr. FORMAN. There is an element within the Paperwork Reduction Act that does need clarification because quite frankly this job did not exist when that act was written.

Mr. CLAY. OK, thank you.

Mr. PUTNAM. I thank the gentleman.

I want to begin with a couple of questions for Ms. McGinnis. Ms. McGinnis, you mentioned that the E-government Act was the first step, certainly not the final step. At this point in the game, has enough time elapsed for you to evaluate any gaps that may exist in the legislation and opportunities where Congress will need to step in, need to correct some glitches, or add to?

Ms. MCGINNIS. I think the biggest gap at this point is in funding. The E-Government Act authorized much more than the Congress appropriated for fiscal year 2003. I do think that is a gap, because that management fund is the glue money, if you will. This is not to say that our investment in IT overall is inadequate. I am not sure that it is. The problem is that the flexible funding for cross-agency and even intergovernmental initiatives is not readily available. So I would say the biggest problem at this point is that.

I do not think that going back to amend or change the E-government legislation at this point really makes sense. I think it is better to do what you are doing in terms of overseeing the implementation and working to identify gaps over time. But this funding issue I think is significant.

Mr. PUTNAM. Does anyone else on the panel have a comment on the status of the legislation?

Mr. WILLEMSSEN. I would just add, Mr. Chairman, I would concur that to the extent that you can allow some time to pass to see what kind of implementation activities occur as a result of the legislation. I think you in your oversight role are going to be very well-positioned to see how well that act is going to be implemented.

Mr. PUTNAM. Anyone else?

Mr. FORMAN. I would agree.

Mr. PUTNAM. Is there a mechanism in place for evaluating who is visiting and utilizing these government Web sites—FirstGov, Regulation.gov—the range of those that we have been flashing up on the board. Has an analysis been done of who is utilizing that, and conversely then, where the gaps are in terms of reaching out and encouraging customers to use this technology?

Mr. FORMAN. Let me say a couple of things about that. First of all, under the Federal Government's policy, we do not use cookies or anything like that that lasts beyond the session. So for privacy purposes, we do not track who goes to a Federal Web site and we would prefer to keep it that way.

That said, there are a number of organizations that track Internet traffic, and they try to see who is coming to, for example, FirstGov from Yahoo or Google or one of the other search engines. Those are kind of what people call Web analytics that we use to improve the quality of the Web sites.

The third thing that we do is focus groups, so that even though we do not necessarily go out and survey people, there are obviously some Web sites that do that, most of the big initiatives both across agency E-gov initiatives or FirstGov and some agency-specific Web sites have focus groups. They will present to them new initiatives or new suggestions and test them out. Sometimes these focus groups are ongoing and they will meet once a month. Sometimes it is just when there is something significant.

Mr. PUTNAM. Is there a marketing strategy for the Web sites? I am struck by how outstanding the Kids.gov Web site was. Do we market it to educators? Do we let teachers know about it? Do we advertise in Scholastic News or Junior Scholastic or some of the ways to reach these educators?

Mr. FORMAN. Generally in doing the business case, especially when they are citizen-facing Web sites, agencies have to not only say, we will get X amount of users, provide this value to this group, but they have to identify the critical success factors. Oftentimes, that is going to be what is generally in industry called a channel partnership. Well, government is not used to developing delivery channels. Both in working with State and local government or going to rap on the Web, so this is a new thing for a lot of organizations. It is one of the taskings that we gave to the Office of Citizen Services. It underlies a lot of the work at USA Services. But I have to say this is a learning exercise still for most of the agencies.

Mr. PUTNAM. Mr. Willemssen, I understand that GAO sought updated E-government business cases that are being prepared for the fiscal year 2004 budget, and that OMB agreed to provide that information after the release of the President's budget. Have you received that yet?

Mr. WILLEMSSEN. Not yet. We met with OMB officials on Monday, and they indicated that they wanted to review those business cases before providing them. They said they would try to do that quickly. A specific deadline was not provided, but I anticipate that we will be able to get them fairly soon.

Mr. PUTNAM. Mr. Forman.

Mr. FORMAN. There is certain data in the business cases that we require which are a little unique to the government—things like the acquisition strategy. In some initiatives, that is procurement-sensitive information or it is protected under other laws. So that is generally what is being extracted. From our perspective, we told the agencies, the departments, it is your job to figure out what is not appropriate to send, but to communicate the business cases. There are certain things that of course have to be communicated.

Most of the information that GAO highlighted in their report has nothing to do with anything that is proprietary or should be prohibited—things like performance goals, performance measures, cost and schedule estimates and so forth. So those should be forthcoming. If there is a hold up, I need to be held accountable. I will track that down.

Mr. PUTNAM. We will.

Let's get into some of the numbers. Which of the 24 initiatives would you classify as being complete or nearly complete, versus those in progress, versus those that are stagnant or behind schedule? Let's start with Mr. Forman.

Mr. FORMAN. OK. I would first preference with the notion that we started out after the E-government task force, and having at that point 23 and then we added in E-payrolls, the 24th. Then we went to the managing partner and told them it was their job to meet with their partners and put together a business case. Here were the criteria for the business case. The thing that we added in, versus the standard agency business case, was a requirement to look at the value proposition for the citizen that was being created. What we got back was pretty bad.

So we had what we call partnership meetings with the managing partner and the partners. We adopted an iterative approach. The first iteration was to get up a Web site or a Web tool that showed that as a team, they could do something that would help citizens, and it was a visible mark that as a team they could do something successful.

The second iteration was to get involved in the reengineering. Sometimes it was identify standards. Most of that will not show up at a Web site. The third iteration was actually deployment, and the migration to that reengineered, simplified or consolidated solution.

So what is actually there? What is close to that third iteration? There are a few that actually are ahead of schedule. For all practical purposes, you can say they are done, but they have such energy now as a team. Those would be, I would say, the recreation one-stop and the free file.

Mr. PUTNAM. What was the second one you said?

Mr. FORMAN. Recreation one-stop and the IRS free file.

Some have made it through the reengineering or they are heavy-duty into the reengineering. They are grappling with, how do we successfully define a migration plan? But they have not done that.

we will know they are done per se when we have migrated off of the siloed agency approach and we have come together around citizen needs.

Some of the ones that I think are on a decent path right now would be, for example, the E-grants project. E-grants has had some early—they promulgated the regulation, and like all good government entities, when we have a reengineered business process, it is not real until it goes out for comment as a regulation, so that is done. But there are probably 9 to 12 months away from deploying that reengineered process. E-payroll—the payroll consolidation effort—has pretty much got an agreement and they have locked into a path for consolidation. Today, they released an RFP for technology. So they are not only ahead of the game, but they are accelerating continually. It is that kind of snowballing effect that I am looking at. I think those are some of the ones that I would put in there. I think disaster management is back on track.

Which are the ones that I would say are not firing on all of the burners that we would like to see them fire? The online access for the loans, or the E-loans project, took a step back to really flesh out a business case that was going to be viable. So they are behind, but they have one of the higher quality business cases right now, I would say.

The international trade process streamlining, where they have the Web site out there. In fact, they have their tool out there, and you were flashing it up. I have trouble finding that tool. I know it is there just because I know it is there. It is not the quality that we would like to see. Moreover, it does not have the process streamlining that we would like to see. The business compliance one-stop has some pretty neat things there, but that, too, does not have the quality program management plan that we are looking for to get into that next reengineering.

So there are a number of these projects that we have had to take some action, as Mr. Willemssen mentioned—restructure the program, restructure the program office. I think those are known and highlighted.

Mr. PUTNAM. Mr. Willemssen, do you have anything to add?

Mr. WILLEMSSEN. Yes, we have also identified several success stories. I think they map to some degree to what Mr. Forman said. A lot of these ones that have benefits are of an informational nature, where they are providing information to the citizens more quickly, more easily, and in a much more accessible format. GovBenefits.gov I think is one. E-training has gotten a lot of participation; also recreation one-stop, which I think also Mr. Forman talked about.

Now, we should recognize that these informational-type projects are easier to accomplish. You are putting the information on the site and people are finding out everything they need to know in one location. So it is not surprising that maybe some of that low-hanging fruit we are able to capture more quickly.

When you start talking about transactional or transformational projects, they are going to take a little longer. That is going to be a little more difficult. Any kind of transactional project, we are going to obviously have to talk about security and privacy. For transformation, we will have to discuss the kind of issues that

Ranking Member Clay talked about before. You cannot just shut down offices and not provide people with that kind of access, because they may not have Internet access.

So I think there are still some challenges there. I give credit to Mr. Forman for laying out an ambitious goal of saying we are going to try to do these in 18 to 24 months. But in some of these projects, they are probably not going to be able to get 18 or 24 months. An example would be safe.com, which is interoperable wireless transmissions among our public safety officials. That is going to be very difficult to achieve. The current timeline I believe they are looking to do a concept of operations for interoperability later this year. That is just the concept of operations.

So some of these projects are going to take a little longer. It is understandable because they are much more than just supplying information.

Mr. PUTNAM. Any other comments on that?

Ms. MCGINNIS. I think it might be useful to at this point, with the experience, to map out sort of a schedule that some of these would be on a faster track than others, so you could see what to expect. The most important column in their chart to look at all the initiatives is the next steps. Even in GovBenefits, which I think is one of the very best, they have not really achieved the result that they set out to achieve. They have got eligibility information about 200 Federal programs online so that people can find out what they are likely to be eligible for, but the goal is to both include intergovernmental programs, State and local, and also to allow people to actually apply online. So just getting a better sense of what that schedule might look like with this much experience I think would be helpful to you.

Mr. PUTNAM. Mr. Pomata.

Mr. POMATA. I guess I would agree with that. I also agree that all of these projects are not equal in terms of what the payoff may be or the time to do it. Some of the larger projects might even be the ones that are internal savings and efficiencies—things like E-payroll, E-travel. Those are probably greater payoffs in terms of, and I have not seen specifically a business case, quite honestly—but in terms of return on investment, in terms of reduced cost and higher efficiency, internal to the government to provide service. But there are probably larger projects and longer-term and a little bit more complicated that need to be looked at on that basis, but they do have a payoff. The citizen-facing ones might be a little easier, but they are not all low-hanging fruit either, so there is some difficulty there. But I think we need to look at them as not all being equal in the context of how to get these things done.

Mr. PUTNAM. Thank you.

Mr. Clay.

Mr. CLAY. Thank you, Mr. Chairman.

Mr. Willemssen, in your testimony you have listed performance measures for the Quicksilver project that is taken from the President's budget. Can you give us an evaluation of the quality of those measures? For example, many of the projects use an increase in the number of Web site hits as a measure. Is that a good measure of how well a Web site is reaching its target audience, or should we also be looking at the duration of those hits?

Mr. WILLEMSSEN. I think ideally you would want to initially also establish a baseline of where the particular initiative is at for hits, and then what kind of progress you want to make over time. Then, as you mention, try to become a little more outcome-oriented rather than just output oriented. To the extent that there can be information garnered about the quality of the interaction that the citizen had with the site, rather than just "I hit the site."

Now, one method for doing that Mr. Forman touched on was the concept of focus groups. That can be a useful guide. But to the extent that there is a performance measure that is not only just quantitative, but you can get some outcome and quality measures in there too, I think that would be even more ideal.

Mr. CLAY. Although if constituents are not satisfied, we will hear from them, too, won't we.

Let me ask you another question. In some of the work GAO did for the Government Efficiency Subcommittee last year, we discovered that corrections to Social Security records did not always get made to all relevant systems. For example, an investigation of persons receiving benefits from a veterans hospital turned up a number of active recipients who were listed as deceased on the Social Security death index. Subsequent investigation showed that the death index was incorrect and that the errors had been corrected in other Social Security systems, like the benefits file. Will the E-vital performance measure of number of verified death records address this kind of cross-system problem?

Mr. WILLEMSSEN. It can to the extent that the underlying systems and data base structures are addressed. As Mr. Forman pointed out, one of the objectives here is to try to enter data once, and then re-use it, rather than entering data multiple times, because in doing that you then increase the potential for just the kind of issue that you talked about. So to the extent that we can have a more unified data base structure and a unified set of systems and a defined set of users, you will I think get a much better handle at addressing those kind of issues that came up previously.

Mr. CLAY. I think Mr. Forman mentioned travel. One of the Quicksilver projects deals with government travel. In the last Congress, GAO documented serious abuse of government travel cards for this committee. I do not, however, see anything in the performance measures for this project that would address those abuses. Is addressing those abuses missing from this project?

Mr. WILLEMSSEN. The information I have on that work that we have done, is that it has been focused on particular agencies and the need for enhanced oversight and controls with their existing systems. As OMB moves forward with this project, they are going to have to incorporate appropriate controls within it. I do not know at this point the specific details on the controls planned within that particular initiative.

Mr. CLAY. Perhaps Mr. Forman, could you address it?

Mr. FORMAN. Yes. Obviously, as I mentioned, things are iterative here, but clearly one of the things that the E-travel project has to look at and is looking at for future iteration is this concept of some people would call it credit card-less travel. We have contracts for airlines, contracts for cars, and it is not that hard to imagine to a scenario of contracts for the hotel. At that point, you are left with

just per diem. So there are a number of ways that we see some of the largest companies deal with that. They do not literally give a credit card to a person. The credit card is used for making that electronic payment and doing the booking, but then you do not have people doing nefarious things with the credit card.

So there are quite a few restrictions. That is clearly one of the things that fits within the guidance for agencies to look at. So we have asked for the E-travel project management office to look at that as they look at the next iteration of alternatives.

Mr. CLAY. OK.

Thank you, Mr. Chairman.

Mr. PUTNAM. Don't stop now. You are on a roll. [Laughter.]

I want to continue with the line we were on before. In implementing Clinger-Cohen, agencies focused on the development of enterprise technology architectures, which mapped the agency's current IT architecture to a target IT architecture. The E-Government Act defines EA's as modernization blueprints for agency information technology. If you would, please describe how OMB is helping agencies change those enterprise architectures to support the new modern blueprint approach.

Mr. FORMAN. I think maybe the best example of this that I saw when I first came in is we had the Treasury Department brief us—I was maybe on the job for about 8 weeks—on their enterprise architecture. It was a tremendous set of charts of boxes, wiring diagrams and so forth. But I guess I kind of think of the Treasury Department's role real simply—accounts payables and accounts receivables. So given how much they spend on IT, I asked, where can you show me how we are going to improve accounts receivables or accounts payables? Accounts payables obviously reduce error rates. Accounts receivable—we ought to be able to account for everything that we are collecting, and we do not have that accounting yet. They could not tell me. They flat-out could not tell me how all the technology was helping with accounts receivables or accounts payables.

So we are having these discussions now as a result of the E-Government Act and the scorecard with each of the CIOs to focus on every department's two or three chronic management issues, that relates not so much to what computers I am buying, but why am I buying these computers. The modernization blueprint, as a minimum, every department, every CIO, every deputy secretary ought to be able to say, I am making this big of an investment in IT to fix these two or three major problems. And then the folks on the technology side working with the folks on the operations side ought to be able to line up and negotiate out those distinguishing investments.

As GAO highlights, that should show up. They should have a management council, so you know they literally did get the IT folks and the operational folks together, and they adjudicated that discussion. Those are the types of things that we are starting to see—the management frameworks, the documentation, the business cases that back that up. That is what I would be looking for.

Mr. PUTNAM. In creating that scorecard, how do you get accurate information to sufficiently monitor those 24 initiatives?

Mr. FORMAN. Each week, we have portfolio managers that work with each of the projects, and we update status against schedule milestones. We put at a high level the key migration milestones in the budget this year so that those would be more public, in large part because this was something that was highlighted by GAO, but also to get people to focus now that we are fairly far along in these initiatives, that we have got a joint solution. It is a joint solution, and we are going to have to shut off siloed agency approaches and move to the joint solution.

So I am looking for two things. I am looking first of all for that E-gov initiative to clearly refine and make progress on their solution, to get to those milestones. And then as we look at the partner agencies, we are checking the business cases. Literally, we get the business cases and align those or overlay those against these initiatives to make sure that we are not investing in redundant efforts. That is the fastest way that we will be piecemealed is if we allow the agencies to develop competing efforts. So it is a two-part approach—working with the teams to make sure we stay on progress, overseeing the agencies to make sure they are not off the reservation.

Mr. PUTNAM. In bringing these together, you have technological obstacles, logistical hurdles, and then you have the people factor, the cultural hurdles. How well is the culture changing in the Federal Government to make these initiatives work and be successful in the timelines that you have established?

Mr. FORMAN. Gee, I could use some performance measures for culture. [Laughter.]

I will tell you, early last summer I took a look at all the efforts resisting change, and I really think we passed a milestone or we turned a corner last summer. I am not sure why. Maybe somebody tried to get me fired and they were not successful or something. I do not know what the benchmark is. But I could literally place against the textbook, and the textbook I use for this is called Evolve—it was Beth Moss Kanter's, a professor at Harvard Business School. I could look at who was doing what activity to resist change, and it was textbook. So I have applied a lot of the textbook techniques to deal with that resistance to change.

Some key lessons learned here, and I think the witnesses have highlighted many of them. First of all, engaging the President's Management Council via an E-government committee was extremely important to us. It worked two ways. One, they became the focal point for a lot of the issues and the high level of resistance to change, and we could negotiate that out. By the same token, they laid out some things that they wanted OMB to do in adjudication as we went through the 2004 budget process that would overcome the resistance to change. So by them saying, for example, just as GAO had said, you have to have a financing strategy and the table that lays out all of the puts and takes by agency, what to expect their contribution to be in 2003 and 2004 to these E-government initiatives. They had resisted the financing strategy, but once we laid it out, they said that agencies would comport to that. So those were the types of things that we did.

Mr. PUTNAM. Mr. Willemssen do you want to add anything to these?

Mr. WILLEMSSEN. To echo that the organizational, cultural and bureaucratic hurdles that OMB faces in implementing these initiatives should not be underestimated. Every agency ideally likes to have their own system, because they often like to say, well, you do not understand, we have unique needs that only this particular customized system can meet. We hear that all the time. The truth of the matter is, that is not necessarily the case. In some instances, it is. In many, it is not. That is why Mr. Forman and OMB, will be running into a challenge. This is tough work to try to get supporting partners to say, OK, we are going to buy in; we will be a supporting partner, and we will use what the lead comes up with, instead of going ahead with our own stovepipe approach and developing our own system for our own parochial needs.

Again, in some cases those are justified. In many cases, I do not think they are, and that is the biggest hurdle. I do not think the biggest hurdle is technological. I think it is more management and organizational, and to overcome that hurdle at the agencies, you need top executive commitment behind where the executive branch wants to go with these initiatives.

Mr. PUTNAM. Does that exist?

Mr. WILLEMSSEN. In selected cases, it does. I think it is, as Mark pointed out, it is improving. But the key as to whether it is really happening or not is what we see as the year moves on as to whether these agencies are going to continue to get funded for their individual projects and systems, which one logical person may be able to say, why aren't you using this other governmentwide approach.

Mr. PUTNAM. Mr. Pomata, what is your private sector take on our cultural challenges?

Mr. POMATA. I think the commonality is that the private sector has cultural challenges, too, as well, when change is involved. I think the common goal approach is important. We institute that in any change process, and that is there needs to be a leader identified. Everybody has to know who the leader is, and the goal has to be common, and it needs to be something in the organizational as well as the individual level to see a line of sight where they can affect the process. Sometimes that gets lost, certainly down an organization. So individuals, the management team, the individual contributors—we try to have a situation where everybody can see their piece of making success of the common goals. That seems to work, and I think it works in industry, and I have been working with the government for 35 years of my life, so I see it from both sides, so to speak, and I think that is something that can be successful as well.

One other comment on a process and uniqueness. I think that happens in industry as well. When we go into an organization as an implementer, we use a cots package. Every organization says we look different, we need to make some changes. I think industry has figured out that changing the process is easier and less costly than modifying, customizing and making something unique. I understand the government has constraints that government does not necessarily have in terms of laws and things, but I think that needs to be looked at. I think to some extent it already is.

Mr. PUTNAM. Along those lines, a lot of work has gone into determining best practices. In review of those, do you note any major

differences in best practices between the public sector and the private sector?

Mr. POMATA. I think over the last few years with the Clinger-Cohen Act and a number things that have happened, I think that they have begun to converge. I think the government has adopted the best practices that they found in industry, and I think there is a cross-pollination, if you will, in looking outside of government for practices that need to be used, and for the most part and to a great extent, I think that they have been adopted and are willing to adopt them. That was the other cultural issue I think we have had for a long time, is the adoption of best practices that were not invented here. I think we have gotten for the most part over that.

Mr. PUTNAM. Let me try to bring this in for a landing. I appreciate everyone's indulgence. On a scale of 1 to 10, with 10 being the highest or the best, where are we today in the evolution of the E-government concept? We will start with you, Mr. Pomata. I feel like we have left you out.

Mr. POMATA. You have put me on the hook immediately.

It depends. I say that not tongue in cheek. Overall, I guess I would rate it in terms of expectations, and this is not to diminish expectations, I would rate it in the nine category in the context of these are major initiatives. They are cultural changes we have talked about. There are some budget issues. There are a lot of things that have to be done to move this ball forward. I think all of us, and certainly speaking for myself, would like to see things further along, but given the magnitude of the problems, the magnitude of the kind of initiatives that we have in place, I think there has been significant progress made and significant things accomplished. Hopefully, the next—to get from 9 to 10—does not take 10 more, as we sometimes find in doing things, in terms of completing projects. I do not think that is the case. So I think we are well along and it is being well managed. Things need to be improved, as they always are.

Mr. PUTNAM. Ms. McGinnis.

Ms. MCGINNIS. I would probably go to the other end of the spectrum, because I think we are just beginning here. So I would probably give it a two or a three. But let me say that when we ask the public to evaluate their experiences online with government, they give very high marks. But I do not think their expectations are as high as the potential, and that is why my marks would be lower.

Mr. WILLEMSSEN. I would assess it in two ways—one, direction, focus; and second, implementation. From my perspective, direction and focus, I rate it very highly. The IT investments chapter, for example, out of the President's 2004 budget I thought was a dramatic improvement, and hit all the right issues. I think within the 24 initiatives there are a lot of good projects that offer a lot of potential, and I think more can be done. I think it is refreshing to hear that OMB is willing to challenge the existing model and willing to say, no, you cannot have that, to certain agencies. So I think overall direction and focus I would rate highly.

Implementation I would have to rate as incomplete. I will be in a better position to give you a rating on that once I see updated information from OMB on where those 24 initiatives are in focus on customers, collaboration strategies, funding strategies, and

whether individual agencies are going to continue to go forward with their stovepipe projects.

Mr. FORMAN. In keeping with the tenets of the management scorecard, I would probably give us a rating on status and a rating on progress. I would probably give us a yellow on status. We have made a lot of progress. There are measurable results. But I would probably give us a green on progress because the plans are clear, they are all known. There is nothing being hidden I think from anybody in the agencies, certainly. We were extremely articulate in the pass-back, the guidance back to the agencies on what they were going to get and what they were not going to get, and the fact that this is a team-based initiative and they have to play with that. That is why they either were or were not going to get funded for certain things. We have the tools in place, the guidance is out there in OMB A–11, and fairly far along on the EGO-VAC implementation.

However, how a yellow and green translate into a 1 to 10, I am not sure.

Mr. PUTNAM. I am not going to let you off that easy. I guess yellow is a five. Is that in the middle?

Mr. FORMAN. Yes, I think that is fair.

Mr. PUTNAM. What does that make a green—a 10?

Mr. FORMAN. I would probably give us a 9 or 10 on progress. I think what we are looking for on progress is that we are covering all the right areas, and we have solid plans and evidence that we are making that progress. I think that is there.

Mr. PUTNAM. What can the taxpayers, the customers hope to accomplish in terms of savings derived from the efficiencies of a fully implemented E-government strategy in 5 years or a decade? Is there a ballpark way of quantifying that, to anyone?

Mr. FORMAN. I think that savings is just one aspect. I think productivity is the real key. The question, if you were to take a look at the discretionary budget or discretionary budget plus some element of the mandatories, and say what portion do we devote to overhead and management, I would probably apply commercial benchmarks to that, and say either how much could we do at the current level in terms of the productivity, the results of those programs, or could we do the same level of performance as we are doing today at an order of magnitude less cost in certain areas.

The reason that we maintain this has to be looked at from the management perspective. There are some real pressures over the timeframe that you are looking at. I would say that probably the most constraining issue that is going to drive us to really get a lot of E-government is the human capital issue. There simply are not going to be enough government workers in the Federal Government 5 or 6 years from now to do business as usual.

Mr. PUTNAM. Anyone else?

Ms. MCGINNIS. I was going to say, rather than giving an overall figure, I think the only way you can think about this now is to take specific examples. If you look at, for example, the difference in cost between even a toll-free telephone call from Social Security and an online interaction, the multiples are enormous. The potential for savings here, I think, is absolutely enormous. It will not all mean less money. It may mean the ability to actually invest in more serv-

ices, better quality services, the kind of work force that you are talking about. But the potential is extraordinary.

Mr. WILLEMSSEN. I would just echo that. I think it is hard to give a ballpark figure, but if you look at some of the detail behind the individual initiatives, I think you can come up with some good data. One example I would offer is E-payroll. I would expect there is going to be tremendous savings from going from 22 different processing centers to 2. In looking at the OMB-reported performance metric on that, I think they are focusing on the right thing—payroll cost per transaction per employee. That is a good measure to see what kind of improvement is going to happen when you go from 22 to 2. The goal is I think to have that done by September of next year. That is an optimistic goal, but to the extent they can do it, they should get all the credit in the world for it.

Mr. PUTNAM. Mr. Pomata. Mr. Clay.

I want to thank our distinguished panel for their insight and for their patience. I want to thank Mr. Clay. I look forward to a number of other productive meetings on this topic. As you know, this is just the first of many that we will hold on maintaining our focus on E-government. I really see one of the key missions of the subcommittee being to give good oversight and ensure that the Federal Government is taking advantage of every technology out there to increase efficiency and improve customer service and transform that relationship between the customer and the government.

Today's hearing certainly made clear we have a lot of work to do, but that we are also on the right track, and have come a long way.

I thank everyone for their hard work, and with that, the meeting stands adjourned.

[Whereupon, at 3:51 p.m., the subcommittee was adjourned, to reconvene at the call of the Chair.]

[Additional information submitted for the hearing record follows:]

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Welcome from President Bush

The Official Government Gateways for:

Citizens
Interacting with Government

Government helping citizens connect to services and more.

Online Services for Citizens

- Free Online Tax Filing
- For Sale!
- DisasterHelp
- Find Government Benefits
- Find a Government Job
- Social Security Online
- Student Loans Online
- Passport Applications
- INS Case Status
- Recreation.gov
- Birth & Marriage Certificates
- Drivers Licenses
- Hold Mail
- Lottery Results
- Today's Weather
- and much more

Business
Interacting with Government

Helping businesses from start to finish with tools and more.

Online Services for Business

- Comment on Federal Regulations
- Business Opportunities
- Business Laws & Regs
- Central Contractor Registration
- Government Auctions & Sales
- E-File Your Taxes
- Employer ID Number
- Wage Reporting
- Small Business Procurement Registry
- Subcontracting Opportunities
- File Patents & Trademarks
- Export Portal
- and much more

Government
Employees

Serving federal, state, local and tribal government employees.

Online Services for Governments

- 2003 Federal Pay Tables
- Grants
- Background Investigation Application
- e-Training Initiative for Federal Workers
- For Sale to Government Buyers
- FirstGov Search for Federal Agencies
- Per Diem Rates
- Employee Directory
- Federal Personnel-Payroll Changes
- and much more

Internet

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ess http://www.irs.gov/app/freeFile/welcome.jsp Go Li

Internal Revenue Service

The Digital Daily

DEPARTMENT OF THE TREASURY

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Search Forms and Publications for: GO

Search Help

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Businesses
Charities & Non-Profits
Government Entities
Tax Professionals
Retirement Plans

resources

e-file
Forms and Publications
Where to File
Contact My Local Office
Frequently Asked Questions
Taxpayer Advocate

Free File

Your Link to Free Online Filing

Whoever said there is no such thing as a free lunch may have been right. But for millions of eligible taxpayers this year, there is Free File. Free File is online tax preparation and electronic filing through a partnership agreement between the IRS and the Free File Alliance, LLC. In other words, you can e-file... free.

Before Getting Started...

There are a few important points you need to understand. For instance, not everyone will qualify for Free File and services are provided by commercial companies, not the IRS. Also included is information on privacy and security concerns.

Steps to Getting Started and Key Definitions

Easy instructions for selecting a company or service and definitions to key terms.

FAQs and Free File Agreement

Frequently Asked Questions (FAQs) and details about the Free File agreement and how taxpayers benefit.

Start Now!

egov
My Government. My Terms.

Internet

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http://www.recreation.gov/

Go

Recreation.Gov

Quick Search

Advanced Searc

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ealthy Lands

eather Warnings/Advisories

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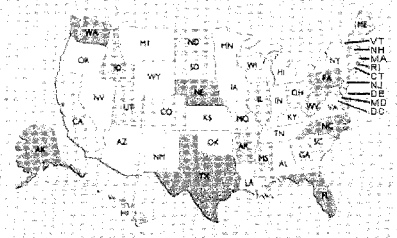
Electronic Government

FIRSTGOV

Search by State



Data Exchange

- Share Recreation Data
- What is RecML?
- XML Web Service Manual

- Volunteers
- State Tourism Sites
- Discover South Carolina
- National Scenic Byways

National Recreation Trails

Search by Activities

Recreation A--Z

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http://www.govbenefits.gov/jsp/GovBenefits.jsp

GOV Benefits.gov

Your Benefits Connection

arching for a Specific nefit Program?

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uently Asked Questions

vBenefits.gov Program List

Other Resources

Partner Room

Press Room

En Español

Site Feedback

Privacy and Security

Disclaimer

perwork Reduction Act Notice

Welcome to GovBenefits.gov, the official government benefits website! This is a free, confidential tool that helps you find government benefits you may be eligible to receive.

1 **Select Categories** Answer Questions Use Benefits List

Last Updated: 1 / 28 / 2003

Select all Categories that apply to you (or the person you are helping)

I am...

- A Child/Youth/Young Adult *(under age 22)*
- A Dependent
- An Education Professional
- A Farmer/Rancher/Farmworker
- A Health Professional
- A Home/Property Owner *(current or future)*
- Injured/Sick
- A Law Enforcement Officer
- A Low-Income Person
- In the Military *(including Reservists)*
- A Parent/Caregiver
- A Person with a Disability
- A Senior Citizen *(over age 54)*
- A Student *(former, current, or prospective)*
- Unemployed/Looking for a Job
- A Veteran
- A Victim *(disaster, violence, abuse, crime)*
- A Widow(er)/Surviving Dependent

Choose the type of Program List you want to see

- **Personalized List** - Answer questions and see benefits you might be eligible to receive.
- **Category List** - Or, skip the questions and see a list of programs associated with selected categories.

Continue

News/Featured Program

Black History Month
February 2003

one

Internet

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ess http://www.fafsa.ed.gov/ Go

FAFSA

FREE APPLICATION FOR FEDERAL STUDENT AID

We Help Put America Through School

Deadlines | Pin Site | Help | Contact Us | FAQs | Site Map

Discover Your Opportunities!

FAFSA opens the door to the federal aid process. Every step you can take gets you closer to achieving your education goals. Find out what you can expect from beginning to end. **More>>**

Get Your PIN

To apply for your PIN online, go to the Department of Education's **PIN Site**. **More>>**

Welcome to FAFSA on the Web, U.S. Department of Education

FAFSA ALERTS:

Deadlines:
Many state financial deadlines expire by March 3. Please review your state's deadline by selecting the following link. **More>>**

Scheduled Maintenance:
FAFSA on the Web will be unavailable on every Sunday from 5 a.m. to 11 a.m. (Eastern Standard Time). We apologize for any inconvenience this may cause. **More>>**

Before Beginning a FAFSA

Get organized!
To simplify filling out the application, gather the required documents and other information.

- ► Determine my eligibility
- ► Gather documents and information
- ► Check deadlines
- ► Register for a PIN
- ► Find my school codes
- ► Worksheets
- ► More Options >>>

Filling Out a FAFSA

Fill out the application!
FAFSA has seven steps that ask about you, your school plans, financial information and more.

- ► Fill out a FAFSA
- ► Llenar una FAFSA en Español
- ► Fill out a Renewal FAFSA
- ► Continue working on saved FAFSA
- ► Provide Electronic Signature
- ► More Options >>>

FAFSA Follow-up

Find your FAFSA online!
You can go back to your FAFSA to check status, make corrections to a processed FAFSA and get other information.

- ► Check status of a submitted FAFSA
- ► Print Student Aid Report (SAR)
- ► Make Corrections to a Processed FAFSA
- ► Student Access
- ► More Options >>>

FSA ELECTRONIC SERVICES | PRIVACY & SECURITY | STUDENT GUIDE

one Internet

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http://www.regulations.gov/

REGULATIONS.GOV

FIND REGULATIONS BY KEYWORD SEARCH: GO

FIND REGULATIONS BY GOVT. AGENCY NAME: Select an Agency... GO

HOME HELP RELATED LINKS CONTACT US

February 26, 2003

Your one stop site to comment on federal regulations.

Regulations.gov is the U.S. Government web site that makes it easier for you to participate in Federal rulemaking - an essential part of the American democratic process.

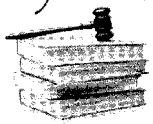
On this site, you can find, review, and submit comments on Federal documents that are open for comment and published in the *Federal Register*, the Government's legal newspaper.

As a member of the public, you can submit comments about these regulations, and have the Government take your views into account.

To find *Federal Register* documents currently open for comment, please use the GO buttons on the top of every page.

Then, you may use the "Submit a Comment on this Regulation" link to express your opinion on a specific document. Alternatively, you may submit a comment directly to the agency through the PDF or HTML version.

Please take a few minutes to read the Privacy & Use and Help statements.



Regulations establish the **rights** and **obligations** of the public and government.

learn more

GPO Access egov FEDERALREGISTER FIRSTGOV PRIVACY & USE ACCESSIBILITY

REGULATIONS.GOV PARTNER AGENCIES: FCC GSA NARA USDA

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Export.gov

U.S. Government Export Portal
1-800-USA-TRADE

search | advanced search

Let us know what you think: Export.Gov FeedBack

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FTA Rules of Origin
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tional Export Strategy
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chives of Export.gov
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trade assistance

Explore Exporting

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Solve Trade Problems: Foreign Markets
U.S. Markets

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export news and press releases

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- Bush Administration Official Highlights U.S. Textile Trends, Products & Initiatives at Heimtextil 2003
- U.S. Hails Outcome of OECD Steel Meetings
- Compilation of Rule Making Website NEW!
- U.S. Presents Views to Help Guide Ongoing Negotiations on Global Trade Rules
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new market reports

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- Export Basics Webcast NEW!
- World Food Day 2002 to Focus on Water's Role in Food Security NEW!
- China Commercial Brief

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trade promotion agencies

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Department of Energy
Export-Import Bank
Foreign Agricultural Service
Agency for International Development
Overseas Private Investment Corporation
Small Business Administration

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BusinessLaw.gov

SBA

Legal and Regulatory Information for America's Small Businesses

February 26, 2003

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Plain English Guides
Use wizards, read mini-tutorials and follow links to gain a basic understanding of the laws that affect each phase of the life of a small business.

State & Local Information
Learn about the laws that apply where you do business.

Federal Regulatory Information
Learn about flexibility, fairness and notice requirements so you can not only comply, but help shape the rules that impact small business.

- **Rule Making**
  Make the voice of small business heard by learning how rules are made and commenting on proposed regulations.
- **Compliance Assistance Directory**
  Locate regulatory assistance by topic from the agencies that make the rules.
- **Enforcement Fairness**
  Every business is entitled to fair treatment. Know your rights and options.

Comments or questions about the site.

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FAQs | Privacy Statement

FIRSTGOV

Getting Legal Help
Finding a Lawyer
Hiring a Lawyer
Going to Court
Alternative Dispute Resolution

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Disaster Assistance
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House Small Business Committee
The Small Business Advocate
Roll Call
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FIRSTGOV.gov
U.S. Government's Official Web Portal

stGov Home About Us Help Site Map For Kids February 26, 2003

Citizen Gateway | Business Gateway | Government Gateway

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ping & Auctions

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Free Subscription
Government Sales

Shopping and Auctions

Buy new, seized and surplus merchandise from the government.

Auctions
Information on a wide variety of merchandise ...

Souvenirs, Books & Gifts
Stamps, artwork, jewelry, books, horses and more ...

Cars & Transportation
Auctions of cars, commercial vehicles, airplanes and boats ...

Supplies & Equipment
Office supplies, furniture and industrial equipment ...

Loans & Investments
T-Bills, Savings Bonds, unclaimed money, loans ...

Government & Non-Profit Buyers
Sales open only to government and Non-profit organizations ...

Real Estate
Houses, commercial buildings and land ...

Sales by Agency
Looking for a particular agency's auction or sale? Look here ...

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Grants.gov

elcome

elcome to Grants.gov, e electronic storefront r Federal grants.

-Grants Initiative

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- Automated Standard Application for Payment
- Federal Assistance Award Data System
- Federal Audit Clearinghouse

elated Links

- OMB Grants Management
- Interagency Electronic Grants Committee
- Federal Business Opps
- Federal Asset Sales

Grant Topics

- Agriculture
- Arts
- Business and Commerce
- Community Development
- Consumer Protection
- Disaster Prevention and Relief
- Education
- Employment, Labor, and Training
- Energy
- Environmental Quality
- Food and Nutrition
- Health
- Housing
- Humanities
- Information and Statistics
- Law, Justice, and Legal Services
- Natural Resources
- Regional Development
- Science and Technology
- Social Services and Income Security
- Transportation

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USA " Working for America "

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First Timers Start Here

Learn how to apply for jobs, build your resume, find an ideal job, or explore exciting Federal career options that match your interest.
First Timers Page

Build Your Resume

The resume builder will help you create and store a resume that is acceptable for applying to Federal jobs.

If you have not previously created a resume on this site, go to the New User page to register.

If you are a return user and wish to edit your resume, go to the Registered User page to edit.

Search Jobs

Explore the 14,722 Jobs in the USAJOBS data base. The data base is updated daily.

OR

Try Quick Search if you know the details of a particular job. How does this work?

GO >

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U.S. Department of State

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http://www.golearn.gov/

Go

Gov Online Learning Center

User Name: Your email here Password: GO

Forgot your password? Click here.

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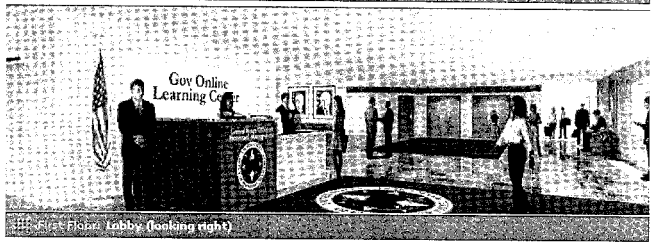

First Floor: Lobby (looking right)

CHECK OUT WHAT'S NEW ..... Thousands of e-Training Cou

WELCOME TO THE GOV ONLINE LEARNING CENTER - a Governmentwide resource that supports development of the Federal workforce through simplified and one-stop access to high quality e-Training products and services. The creation of this Center supports the President's Management Agenda e-Training Initiative and the Gov Online Learning Center will continue to grow with the addition of products and services that meet the common needs of the workforce.

This site is designed as a virtual campus that houses free training courses and knowledge resources in each of its rooms. Explore the Center by visiting or clicking on the doors of the various rooms, which act as gateways to training and information. In front of you is the Registration Desk. To your left are the Elevator, Competency Management Center, Help Desk, Search and Select, and the Learning Management Office; to your right are the Virtual Classroom, e-Books, Resource Center and the Federal Law Enforcement Training Center

Message from the OPM Director

Kay Coles James

Welcome to the Gov Online Learning Center! It is critical for agencies to use available learning technology tools, such as the Gov Online Learning Center, to develop a world class workforce to provide world class service to the public

Internet

Government to Individual

- Recreation One-Stop (Interior)
- GovBenefits/Eligibility Assistance Online (Labor)
- Online Access for Loans (Education)
- USA Services (GSA) -- FirstGov
- EZ Tax Filing (IRS)

Government to Business

- E-Rulemaking (EPA)
- Expanding Electronic Tax Products for Businesses (IRS)
- Federal Asset Sales (GSA)
- International Trade Process Streamlining (Commerce)
- One-Stop Business Compliance Information (SBA)
- Consolidated Health Informatics (HHS)

Government to Government

- Geospacial Information One-Stop (Interior)
- E-Grants (HHS)
- Disaster Management (FEMA)
- Project SAFECOM (FEMA)
- E-Vital (SSA)

Internal Efficiency and Effectiveness

- E-Training (OPM)
- Recruitment One-Stop (OPM)
- Enterprise HR Integration: Integrated HR and E-Clearance (OPM)
- E-Payroll (OPM)
- E-Travel (GSA)
- Integrated Acquisition Environment (GSA)
- Electronic Records Management (NARA)