INFORMATION TECHNOLOGY
OPERATING PLAN

Investments in the Technology Modernization Fund, Federal Citizen Services Fund, Information Technology Oversight and Reform Account, and United States Digital Service

June 2022

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Message from the Federal Chief Information Officer

In the Joint Explanatory Statement accompanying the Consolidated Appropriations Act, 2022, Congress requested OMB provide a plan to "maximize the impact" of funds provided for the Technology Modernization Fund (TMF), the Information Technology Oversight and Reform account (ITOR), the Federal Citizen Services Fund (FCSF), and the United States Digital Service (USDS). In the interest of Federal cooperation and comity, I am pleased to submit the Biden-Harris Administration's Information Technology (IT) Operating Plan on behalf of the Office of Management and Budget (OMB), in coordination with the General Services Administration (GSA).

We recognize the significant investment that Congress has made in securing and modernizing Federal IT and have assembled this plan to explain how we ensure the wise investment of each dollar Congress has entrusted to us towards its highest use – creating the most impact for the American people.

As we commemorate the 20th anniversary of the E-Government Act of 2002, the legislation's instruction – "to enhance citizen access to Government information and services" – has never been more important. Some of Congress's findings in 2002 are still challenges we face today, such as the Federal Government's "uneven success in applying advances in information technology to enhance governmental functions and services, achieve more efficient performance, increase access to Government information, and increase citizen participation in Government." Additionally, we continue to see that "internet-based Government services involving interagency cooperation are especially difficult to develop and promote, in part because of a lack of sufficient funding."[1]

We are at a unique moment in time to drive digital transformation across the Federal enterprise. We can deploy technology that is secure by design, reduces costs for agencies, eliminates administrative burden for both customers and the Federal workforce, delivers Government services that meet modern expectations for the American people, and inspires the next generation to serve our great country.

Clare A. Martorana

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[1] E-Government Act of 2002, Pub. L. No. 107-347.

Executive Summary

Technology powers the Federal Government's ability to deliver on its mission. This Administration is leading a unified IT operating plan that centers on the American people and gives them a Government that understands **who they are**, **what they need**, and **how best to deliver services to them** efficiently, effectively, and equitably, with accessibility and respect.

ITOR, TMF, and FCSF are key to enabling strategic-level execution of IT efforts and investments across Federal agencies. The funds have different and complementary strengths that stem from their inherent purposes and variations in the operating models of the implementing organizations.

Our agency partners are also key to driving transformation. OMB and GSA partner to set policies, create shared solutions, and encourage best practices to empower agencies to invest in the best IT tools and services.

Information Technology Oversight and Reform (ITOR) Account[2]

ITOR enables the Federal Government to achieve efficiency, effectiveness, and security across its IT investments, reduce cybersecurity risk, and implement innovative IT solutions.

Technology Modernization Fund (TMF)

The TMF allows agencies to access capital needed to tackle IT modernization needed to keep up with the fast pace of changing technology.

Federal Citizen Services Fund (FCSF)

The FCSF enables public access and engagement with the Federal Government through an array of both public and agency-facing cross-Government shared services and programs.

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[2] As part of the American Rescue Plan Act of 2021 (ARP) (Public Law 117-2), the United States Digital Service (USDS) received a direct appropriation of $200 million, available through FY 2024. For the purposes of this document, these appropriations are not discussed separately, but rather treated as part of the ITOR account.

Key Priorities

To maximize the impact of these funds, OMB applies the appropriate level of strategic oversight to **prevent duplication of efforts**, **direct the funds to their highest use**, and **ensure coordination among agencies.** OMB calls together key stakeholders, promotes knowledge sharing, and provides strategic analysis of projects and progress.

There are **four key priorities** that the TMF, FCSF, ITOR, and individual agencies are working together to advance:

Key Priority 1:
Cybersecurity

Bolstering cybersecurity by ensuring every Department and Agency is increasing the safety and security of public services, and implementing the requirements contained in the Executive Order on Improving the Nation's Cybersecurity, as well as the Federal Zero Trust Strategy.

Key Priority 2:
IT Modernization

Adopting modern technologies, employing methods of continuous improvement, and scaling them across Government to make Government run more effectively and improve the delivery of trusted services.

Key Priority 3:
Digital-First Customer Experience

Using design and technology to deliver an exceptional customer experience for the American public that demonstrably meets user needs and is on par with today's customer expectations.

Key Priority 4:
Data as a Strategic Asset

Driving key insights into the decision-making process by harnessing accurate, available, and actionable data to power intelligent Government operations and citizen experiences.

Foundation of What Great Technology Looks Like

The foundation for sustainably **developing**, **maintaining**, and iteratively **advancing** these technical systems requires:

Technical experts within the Government partner with non-technical program personnel throughout program and project execution to ensure technology and the customer are at the center of processes from the start. Technical talent is essential to accomplish the mission and fundamental duties of the Government, while avoiding the risks that come with outsourcing. They also provide essential guidance and feedback to industry partners and contractors to ensure project requirements are met. These experts include software engineers, IT specialists, product managers, designers, user researchers, acquisition specialists, and a host of additional in-house specialists whose expertise is required for building and iterating on technical systems and engaging key stakeholders to gain support for that work.

Shared digital services, products, infrastructure, and channels enable agencies to create streamlined, consistent customer experiences across Government programs and services, and to benefit from economies of scale.

Strong, well-managed relationships with industry ensure the Government takes advantage of industry innovation and does not reinvent the wheel for existing technology. They can bolster existing technical capacity within agencies and provide both generalized and specific support, especially in the areas of widely-used commercial off-the-shelf (COTS) products and operational technology (e.g., human resources systems, financial management systems, and cloud services).

Case Studies

The TMF, FCSF, and ITOR have different strengths that allow them to work together in complementary fashion, bolstering the efforts of the other funds while avoiding duplication. While OMB and GSA can provide the strategy and solutions, agencies must fully leverage the tools available to achieve the right outcomes and efficiencies. The following case studies are examples of how these funds work together harmoniously to strengthen agency programs and enhance customer experience.

Accessible Websites
FCSF + ITOR + Agency Budgets

Agencies frequently struggle to build and maintain high quality websites that meet the needs of all users while conforming to industry best practices, relevant policies, and laws. Acknowledging this challenge, GSA and USDS – using initial funding from FCSF and ITOR – created the U.S. Web Design System[3] (USWDS) in 2015.

USWDS is a toolkit of software, design principles, and guidance that helps agencies quickly build accessible, mobile-friendly Government websites for the public. Today, USWDS powers over 400 Federal websites across 93 agencies, and has helped numerous agencies save time and avoid unnecessary costs.

FCSF funds the core development of USWDS at GSA, but – as an open-source product – USWDS is supported by hundreds of designers and developers across Government and industry. OMB, USDS, and the Federal Web Council continue to work with GSA to grow USWDS to meet emergent agency needs, and with agencies to further drive adoption of USWDS.

Identity Services
ITOR + FCSF + TMF + Agency Budgets

In 2017, GSA and USDS created Login.gov to address a clear need for the U.S. Government to offer the public a single secure user account and identity verification process that could be reused across Government programs. Today, Login.gov is maintained by GSA and has grown to be used by over 40+ million individuals and businesses to access over 250 Government services spanning 31 Federal agencies.

Scaling Login.gov's identity verification process aligns with OMB's Federal Zero Trust Strategy while creating a unique opportunity to reduce Government costs, streamline the user experience, and strengthen user privacy. To meet this opportunity, the TMF invested in Login.gov[4] at GSA in September 2021, enabling multiple agencies to more easily offer Login.gov accounts to their users, thus reducing costs and increasing economies of scale.

More recently, the TMF invested in Veteran Identity Modernization[5] at the Department of Veterans Affairs (VA). The VA – working with USDS – will develop new and innovative identity verification processes for veterans, and OMB expects additional agencies to use their appropriations to do the same for their users.

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[3] https://designsystem.digital.gov/
[4] https://tmf.cio.gov/projects/#logingov
[5] https://tmf.cio.gov/projects/#veteran-identity-modernization

Information Technology Oversight and Reform

Overview

The ITOR account enables the Federal Government to achieve efficiency, effectiveness, and security across its IT investments. ITOR is used to drive results in the adoption and advancement of modern IT and cybersecurity practices. OMB, through USDS, also uses ITOR funding to bring together the best engineering, design, and Government talent to change the approach to technology by deploying small and responsive teams for critical projects, which is also key to driving adoption and advancement of modern IT across agencies.

USDS also received a direct appropriation of $200 million from ARP to aid its engagement on high impact efforts, such as: establishing the Child Tax Credit website and strategy; modernizing the U.S. Department of Agriculture's Special Supplemental Nutrition Program for Women, Infants and Children; building the website through which every household in America could order free COVID-19 tests; and building an interagency system that decreased processing time for evacuating Afghans.

Strengths

1. **Leadership and direction to agencies:** OFCIO coordinates critical policies across key partner agencies, and works to ensure all agencies have the appropriate leadership, implementation plans, and resource alignment to drive improvements in IT and cybersecurity.
2. **Surging resources during crises:** ITOR provides the flexibility to expand personnel or directly resource agencies, allowing OMB to respond within hours or days to urgent needs, even in complex interagency contexts.
3. **Executive support for risk-taking:** USDS and OFCIO's unique role within EOP allows them to drive execution on key Administration priorities and to support agencies to "think differently" about modernization and take managed risks in trying new approaches.
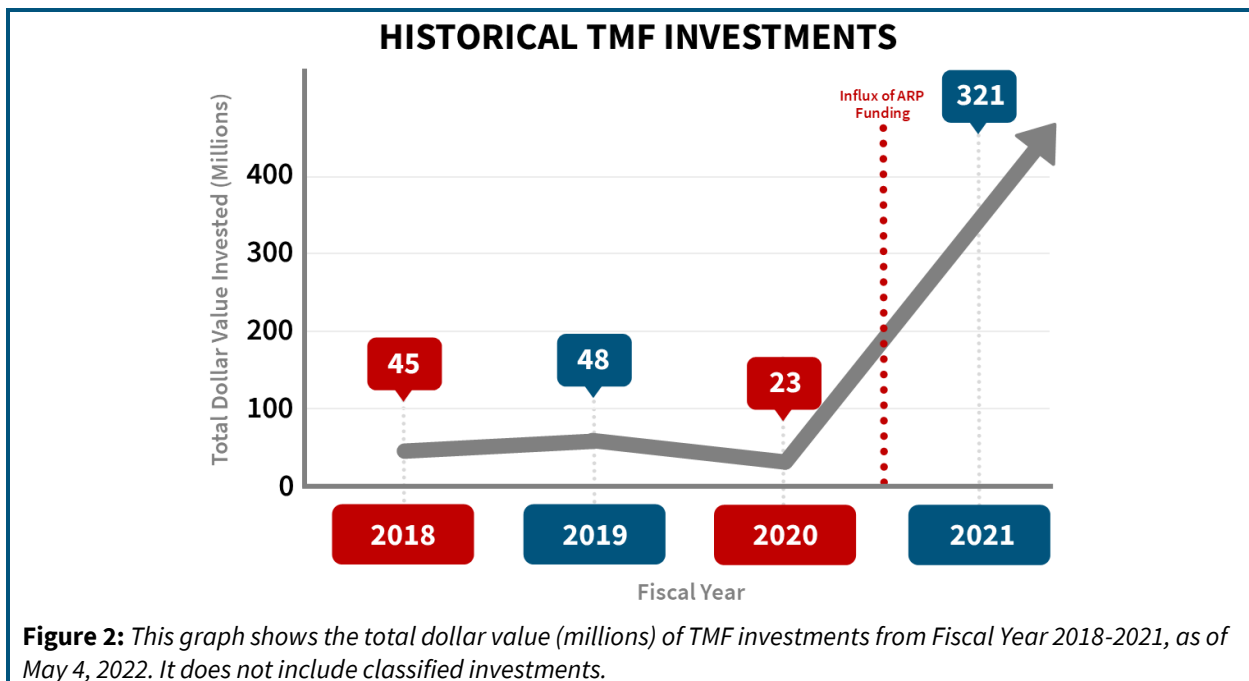
Strategy

Looking ahead, OFCIO and USDS aim to:

- ➢ **Improve the Government's base of technical talent** across the interagency through initiatives such as pooled, rigorous hiring certificates for technical talent, and a certification program allowing acquisition professionals to use innovative and flexible approaches to buy IT products and services.
- ➢ **Coordinate across the tech ecosystem** by using OFCIO and USDS's regular interagency engagement to further strategic priorities. For example, OFCIO, USDS, other OMB offices, and GSA, with an array of other agencies, are contributing to implementation of the Executive Order on Transforming Federal Customer Experience and Service Delivery to Rebuild Trust in Government by aligning technology investments to modernize identified life experiences.
- ➢ **Advance cybersecurity** by overseeing and supporting agency implementation of Zero Trust plans and executing the Executive Order on Improving the Nation's Cybersecurity.
- ➢ **Align budget requests** based on cybersecurity risk mitigation and strategic IT priorities. OMB's Resource Management Offices rely on OFCIO's expertise to validate and prioritize IT investments across the Federal Government, and OFCIO expects to elevate data-driven insights to make that process more effective.

Technology Modernization Fund

Overview

The Technology Modernization Fund (TMF) enables agencies to tackle critical IT modernization projects aligned with the fast pace of changing technology and agency needs. Agencies work with GSA's TMF Program Management Office (PMO) to submit proposals to the TMF Board, chaired by the FCIO, for assessment, investment, and review throughout the project lifecycle.

The TMF has seen tremendous demand after the $1 billion appropriation through the ARP. As of May 2022, the TMF Board has received over 130 proposals requesting over $2.5 billion from more than 60 Federal agencies and components.

HISTORICAL TMF INVESTMENTS

Total Dollar Value Invested (Millions)

Influx of ARP Funding

321

45 — 2018
48 — 2019
23 — 2020
— 2021

Fiscal Year

Figure 2: *This graph shows the total dollar value (millions) of TMF investments from Fiscal Year 2018-2021, as of May 4, 2022. It does not include classified investments.*

Strengths

1. **Accountability of agency teams:** The TMF improves the likelihood of project success through an incremental investment approach, tying project funding to delivery of specific milestones and strong technical oversight; this iteration enables teams to adjust course as needed.
2. **Jump-start capital investments:** The TMF can offer rapid infusions of funding in a flexible manner, allowing agencies to commit capital needed for multi-year technology projects.
3. **Systematic project vetting:** The TMF PMO has technical expertise in areas such as cybersecurity and user design and research, enabling it to evaluate every proposal and actively advise agencies on best practices. OMB also reviews proposals and can identify the potential for duplicative investments at agencies.
4. **Trend-spotting across Federal IT:** As the head of the TMF Board, the FCIO has a unique birds-eye view of IT investments across the Federal enterprise – including where demand is shared, concentrated, or trending for modernization needs – and can prioritize investments accordingly.

Strategy

Looking ahead, the TMF aims to:

- ➢ **Gather IT modernization performance data and best practices** to proactively inform the IT modernization efforts of all agencies, whether recipients of TMF funding or not. These "learn once, use many" insights will offer guidance that reflects the lessons learned from TMF.
- ➢ **Identify possibilities for new shared services** based on an enterprise-level view of agency needs – these possibilities could be developed by GSA, or scaled or adopted by individual agencies with support from OFCIO and USDS.
- ➢ **Conduct enhanced readiness assessments to ensure agencies are equipped for success**, including having teams build and test their assumptions through rapid prototypes.
- ➢ **Demonstrate an effective model of technology investment** to raise the bar in establishing new benchmarks for efficient, effective technology modernization.

Federal Citizen Services Fund

Overview

The Federal Citizen Services Fund (FCSF) provides sustainable cross-Government digital shared services that achieve agency cost savings, improve security, and provide taxpayers a better public experience. Key initiatives include FedRAMP, USA.gov, data.gov, digital.gov, search.gov, USWDS, the Digital Analytics Program, vote.gov, challenge.gov, and 10x. Newly created or acquired programs and services include: Public Benefits Studio, the Federal Audit Clearinghouse, the U.S. Digital Corps, the Presidential Innovation Fellows, MAX.gov, and the Open Government Secretariat.

The FCSF received a one-time capital investment of $150 million in the ARP to enable reimagining citizens' interactions with the Government. These investments are made leveraging best practices from the 10x program and include development of the U.S. Digital Corps, providing shared services for the Child Tax Credit website, providing surge support to review cloud products for FedRAMP inclusion, and development of a new Public Benefits Studio.

Strengths

1. **Gaining efficiencies through shared services**: The FCSF funds the deployment, improvement, and maintenance of essential shared services and programs (both public and agency-facing) that meet the needs of multiple agencies, reducing duplication and increasing economies of scale.
2. **Maintaining strong, well-managed relationships with industry:** The FCSF funds efforts that help the Government take advantage of industry innovation without reinventing the wheel for existing technology, in addition to encouraging industry partners to engage with the Government to solve problems.
3. **Empowering success of agency technology missions:** The FCSF enables agencies to focus their efforts on mission-specific challenges and opportunities by providing agencies with the ongoing ability to develop and implement shared services (either from ideation or by scaling a new service).
4. **Fostering technical talent:** The FCSF funds services and programs, such as the Technology Transformation Services and U.S. Digital Corps, that provide access to much needed technical talent ranging from senior executives to early career hires.

Strategy

Looking ahead, the FCSF aims to:

➢ **Scale up and modernize existing and essential high-impact Government-wide priority initiatives** to support High Impact Service Providers (HISPs), Federal agencies, and State, local, Tribal, and territorial governments.
➢ **Improve existing shared services** previously funded from other sources or at other agencies, that are transitioning into the FCSF and will benefit from the expertise of GSA, such as the Federal Audit Clearinghouse and the Presidential Innovation Fellows Program.
➢ **Integrate with the TMF and OMB to inform the priorities and direction for FCSF-funded shared services and activities.** For example, OMB'S near-term focus on designated HISP services and long-term focus on designated cross-agency life experiences can provide critical insights into priority programs or services that can be supported through FCSF funding and initiatives.

Looking Ahead: Federal IT Operating Plan
Strategically Aligning Investments to Deliver a Modern Government

Every day, the public experiences well-designed interactions when using consumer products and services. They're easy and intuitive. The public rightfully wants, expects, and deserves the same experience when interacting with Government – and it's possible.

Technology underpins our ability to get there. Data enables an enterprise view, provides better insights to agencies' modernization journeys, and optimizes strategic investment decisions through ITOR, TMF, and FCSF.

> " We have to prove democracy still works, that our Government still works and can **deliver for our people**. "
>
> –**President Joseph R. Biden, Jr.**

Our efforts seek to **rebuild trust in our Government**, **ensure no one is left behind**, and **inspire others to serve** future generations of our great country.

The collective strengths of our organizations allow us to drive change across Government that we know is possible. OMB – through OFCIO – is building an enterprise view of agencies while refreshing IT policy to keep pace with technology, and – through USDS – is rapidly responding to critical technology crises while building agencies' technical talent and practices. GSA is partnering with agencies to develop new models and practices, while sustaining modernization by scaling shared services to carry out the long tail of transformation. We are partners united in delivering to the American people the Government they deserve.

OMB's role in overseeing IT expenditures includes assessing the "costs, benefits, and risks" of "all major capital investments made by an executive agency for information systems" and evaluating the performance and results of agencies' IT investments.[6] We take this responsibility seriously. By uniting behind an IT operating plan – enabled by an enterprise view – we can see what's working, fill tech talent gaps, and help agencies course-correct, while driving innovative ways of working and building modern service delivery into the public's daily interactions with Government.

As we look ahead, OMB will continue to engage agencies to ensure **all IT investments** – not only those made via ITOR, TMF, and FCSF – **are set up for success**.

Great work is underway, and we look forward to sharing updates on our progress. **We can and will drive the change we know is possible across Government.**

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[6] 40 U.S.C. § 11302(c)(2)