



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

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M-14-12

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Brian C. Deese
Acting Director

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SUBJECT: Management Agenda Priorities for the FY 2016 Budget

Background

Following up from the discussion of the President's Management Agenda included in M-14-07 (Fiscal Year 2016 Budget Guidance), below is additional guidance and information requests on select Management Agenda CAP goals. For each selected goal, we have identified targeted areas for additional information that agencies should address in their budget submissions. We have also included requests for two other management priorities: suitability and security and infrastructure permitting.

OMB plans to take this information into account as it reviews agency submissions for FY 2016.

The President's Management Agenda

The President's Management Agenda seeks to improve the way that Government works and delivers for citizens. It is guided by four pillars: efficiency, effectiveness, economic growth, and people and culture. The Management Agenda is being executed through eight distinct Management Cross-Agency-Priority Goals that fall under these four pillars. A full description of these goals can be found in Appendix B. All agencies are welcome to provide information on each goal listed below; however, agencies are only required to provide information where the request applies to all agencies, or where the agency is explicitly listed.¹

¹ Agencies are also encouraged to consider Management Agenda priorities in responding to the request for evidence and evaluation updates outlined in the FY 2016 budget guidance. Strategies such as low-cost, rapid experimentation and increased utilization of administrative data for analytics and evaluation could contribute to progress on a number of the Cross-Agency Priority Goals.

Additional Management Agenda Information

Customer Service. The following agencies should address these questions in the budget submission: USDA, ED, HHS, DHS, DOL, State (Consular affairs only), Treasury, VA, OPM, SSA, SBA, GSA, DOI, HUD (FHA only), and DOC.

- Please highlight a limited number of key activities within your agency (between 2-5) designed to improve services directly provided to citizens. We expect that most of these activities are ongoing, but they may also include new activities proposed for 2016. They may include a range of activities from improving transaction timelines to improving training for front-line staff, depending on your agency's mission and customer needs. New activities could also include use of low-cost experimentation and evaluation strategies to learn what customer service strategies have the greatest impact. For each activity identified, your budget submission should include funding levels for the activity in FY 2014, FY 2015 under the President's request, and the proposed level included in your FY 2016 budget submission (please clearly specify amount within your target level and/or amount included as an additional investment as outlined in M-14-07). For each activity, please also identify how the request was informed by citizen feedback, the projected impact on citizen satisfaction with the services provided, and the projected contribution to improving the agency's mission and outcomes.
- Please highlight any new proposals included in your FY 2016 budget submission that are designed to enhance the collection and analysis of feedback from direct users of the agency's services. This may include services provided directly by the agency or through grantees, contractors, or other intermediaries. For each, please describe existing customer feedback mechanisms and the benefits of the proposed enhancement.

Questions on this section should be directed to your customer service point of contact for the CAP Goal (see <https://max.omb.gov/community/x/ZAFIIg>) or Mark Bussow at OMB (mbussow@omb.eop.gov, 202-395-5670).

Shared Services. The following agencies should address these questions in the budget submission: USDA, Treasury, DOI, DOT, DOC, DHS, HUD, and DOL.

- For Shared Service Providers (USDA, Treasury, DOT, and DOI): Please identify how your FY 2016 Budget submission supports the Administration's commitment to enhancing the capabilities or capacity of your financial management shared service offering without overburdening existing customers. Enhancements could include expanded capacity, new service offerings, better integration with other systems, enhanced capacity for data analytics and evaluation, web-services or other more real-time data exchange capabilities. Please describe how any new investments will improve your ability to serve additional cabinet-level departments, reduce your operating or implementation costs, or provide additional needed services to your customers.

- For Customer Agencies who are making or considering a transition (DOC, DHS, HUD, and DOL): Please identify how your FY2016 budget submission supports the Shared Services CAP goal and your Department's transition of financial management systems or services to a federal shared service provider. Please provide a high level business case for any new investments.

Questions on the section should be directed to Thomas Gates at OMB (tgates@omb.eop.gov, 202-395-4434)

Open Data. Consistent with OMB M-13-13 (Open Data Policy – Managing Information as an Asset), all agencies should highlight at least five examples in their budget submissions of how their agency is opening up government data to fuel entrepreneurship, drive innovation, and foster scientific discovery- all of which improve Americans' lives and contribute significantly to job creation.

Questions on the section should be directed to Malissa Levesque at OMB (Malissa_Levesque@omb.eop.gov, 202-395-0376)

Smarter IT Delivery. In conjunction with information required as part of the PortfolioStat 2014 process, all CFO Act agencies:

- Please identify how your 2016 budget submission supports your agency's High Impact List investments, developed in conjunction with PortfolioStat 2014.

Questions on the section should be directed to Malissa Levesque at OMB (Malissa_Levesque@omb.eop.gov, 202-395-0376)

Strategic Sourcing. All CFO Act agencies should address this item in their budget submission.

Increasing visibility and awareness of required contractor support across agency programs can lead to early identification of opportunities for reducing duplication of effort (and contracts) - all of which can produce savings. Once potential duplication is identified across programs through the budget office, agencies can start planning to meet the support needs through fewer contracts (often to the same vendor). Efforts are underway across government to do this in a host of categories (information can be found on www.strategicsourcing.gov) and for this request, the focus is on information technology.

To reduce duplication and improve coordination of commonly acquired support for information technology (IT), CFO Act agencies are asked to provide a forecast of the amounts and types of contract support anticipated for each IT program or project supported by a Major IT Business Case, as required by OMB's FY 2016 IT Budget – Capital Planning Guidance. The forecast should be completed using the attached template and needs to address:

- (1) a description of the amount and type of anticipated contractor support; and
- (2) any new agency contracts anticipated that may potentially duplicate the scope of existing Federal Strategic Sourcing Initiative (FSSI) solutions (located at www.strategicsourcing.gov) or efforts underway by the Strategic Sourcing Leadership Council (SSLC) available to your agency SSAO or SSLC member at <https://max.omb.gov/community/x/FIKHJw>.

Questions on the section should be directed to Karen Pica at OMB
(Karen_A._Pica@omb.eop.gov, 202-395-3302)

Benchmarking. Benchmarking core agency operations will allow Federal agencies to measure key areas of administrative spending and identify opportunities to improve performance or achieve cost savings. The following agencies should address these questions in the budget submission:

- *For Real Property* (VA, NRC, State, DOE , USDA, SSA, HHS): Please identify any activities initiated in FY 2014 and planned for FY 2015, as well as any proposed activities included in your FY 2016 Budget submission designed to (1) reduce your overall real property portfolio, and describe how the proposed investment or policy change will improve your ability to meet your agency mission and/or reduce (short or long-term) operating costs and/or (2) assure the quality of your Federal Real Property Profile inventory and benchmarking data, and describe how the data will inform ongoing real property management.

Questions on the section should be directed to Bill Hamele at OMB
(William_F_Hamele@omb.eop.gov, 202-395-7583)

- *For Financial Management* (All CFO Act Agencies): Please identify any operational changes or activities initiated in FY 2014 and planned for FY 2015, as well as any proposed activities in your FY2016 Budget request designed to (1) streamline financial management activities at your agency as a result of the insight captured from the benchmarking data analysis and/or (2) improve the quality of data collected for the benchmarking effort. Agencies should identify any budget request required to implement operational adjustments that will result in a net saving to the agency, and the amount of savings projected and time period when you expect to realize the savings. This request should also include investments that would lead to higher quality benchmarking data and details on how the agency plans to use the data in the future to better manage their financial management functions.

Questions on this section should be directed to Thomas Gates (Thomas.Gates@omb.eop.gov).

Other Management Priorities²

Suitability, Credentialing and Security Clearance Reform. Separate from agency submissions, OMB will collect information from agencies to gain information into agency resources, expenditures and budget projections for FY 2014 - 2016 for Continuous Evaluation (CE) programs and implementation of the revised Federal Investigative Standards (FIS). The purpose of this request is to establish baseline data for agency resources critical to CE and FIS implementation efforts. The following agencies will be asked to provide this information: DoD, ODNI, OPM, CIA, DoJ, FBI, DHS, Treasury, Energy, DoS, IBB, Peace Corps, TVA, USAID, USFIS and Millennium Challenge Corporation.

- The information collection for CE will be focused on your agency FY 2014 -2016 resources, expenditures and budget submissions to improve or enhance internal information technology systems or automation capabilities in support of the development and implementation of a continuous evaluation capability. This will include the collection, sharing and analysis of internal and external data sources to mitigate risks and vulnerabilities.
- The information related to agency efforts to implement the revised FIS will be focused on your agency FY 2014 - 2016 resources, expenditures and budget submissions related to the development or enhancement of information technology capabilities, case management systems, training and other resources required to implement the revised Federal Investigative Standards.

Questions on the section should be directed to Teresa Nankivell at OMB
(Teresa_B_Nankivell@omb.eop.gov, 202-395-8253)

Infrastructure Permitting. OMB will also collect information from the several agencies -- USDA, Commerce (NOAA), DOD, Energy, DHS (Coast Guard & FEMA), HUD, Interior, DOT, EPA, ACHP, and USACE -- to inform the FY 2016 budget process and the Administration's broader infrastructure permitting improvement effort. Specifically, OMB will ask agencies to provide their current budget for permitting and review activities as well as highlight new proposals included in their FY2016 budget submission designed to enhance the permitting and review of major infrastructure projects.

Questions on the section should be directed to your working group member for the CAP Goal (<https://max.omb.gov/community/x/MBIjK>) or Asma Mirza at OMB (amirza@omb.eop.gov).

² Please note that two of the topics in this section are included to give agencies advance notice of forthcoming information requests, and do not require immediate action. The due dates for this information will be in September, after agencies submit their FY 2016 budget submission.

SAVE Award Transition. Since its creation in 2009, the President's SAVE Award (Securing Americans Value and Efficiency) has served as a vehicle for Federal employees to offer their ideas about how to cut waste, save taxpayer dollars, and make government more efficient and effective. Over the past five years, Federal employees have submitted more than 90,000 ideas through the SAVE Award program. Recommendations have ranged from implementing new measures that conserve energy to eliminating paper copies of publications that are available online to using ground shipping instead of next-day service when mailing non-urgent packages. In total, more than 90 SAVE Award ideas have been incorporated into the President's Budgets, saving hundreds of millions of dollars.

Last year, as part of the Administration's effort to institutionalize the SAVE Award process, Federal agencies were invited to identify top ideas from those submitted through the White House SAVE Award website and through their own internal employee savings and efficiency idea programs, if they have one. To further this effort, starting this year, OMB will be transitioning from the centralized collection of SAVE Award ideas to agency-led initiatives. Following the successful employee engagement programs established at the Departments of Justice and Homeland Security, agencies are encouraged to develop or enhance their own internal savings and efficiency idea programs.

Over the coming year, OMB will help identify best practices among Federal agencies and assist agencies as they work to strengthen existing programs and create new internal programs. Agencies are encouraged to recognize employees with agency-selected ideas and include those ideas in their budget and performance plans. Through agency-based programs, we will continue to solicit ideas directly from frontline employees, building a culture of efficiency and effectiveness that can continue into future Administrations.

If you have any questions about this SAVE Award transition, please contact Jamal Brown (JTBrown@omb.eop.gov) in the OMB Communications Office at 202-395-7254.

Appendix A: Management Language in FY16 Budget Guidance

Supporting the President's Management Agenda and Cross-Agency Priorities. The President is committed to creating a Government that will make a significant, tangible, and positive difference in the lives of the American people and the economy and driving lasting change in how Government works. To that end, the FY 2015 Budget included a set of reform priorities focused on four key areas: effectiveness, efficiency, economic growth, and people and culture. Agencies are encouraged to continue to invest in these priorities in their FY 2016 submissions, with a particular focus on customer service, information technology delivery and employee engagement. To the extent relevant to your mission, agencies should also focus on efforts to improve infrastructure permitting, and on implementing insider threat and security clearance reform. To show how these priorities were considered during budget formulation, where appropriate agencies should include with their budget submission a separate section that identifies:

- Any proposed changes to existing funding levels or authorities that will further Management Agenda priorities or impact the achievement of these priorities (for example, smarter IT delivery and cybersecurity initiatives); or
- Any steps an agency is taking as part of the Management Agenda's efficiency efforts to achieve cost savings that enable the agency to redeploy funds to core mission activities (for example, efforts surrounding strategic sourcing, information technology, or shared services).

For the purposes of this guidance, the Management Agenda priorities are reflected through the Cross-Agency Priority Goals published with the FY 2015 Budget and available on Performance.gov. In addition, your OMB contacts will provide guidance as needed to each major agency regarding priorities that should be addressed in your agency's submission. In addition to addressing the Management Agenda priorities, this guidance may also address mission-focused Cross-Agency Priority Goals that are relevant to your agency.

Goal	Goal statement	Goal leaders
1. Effectiveness: Customer Service	Deliver world-class customer services to citizens by making it faster and easier for individuals and businesses to complete transactions and have a positive experience with government.	• Lisa Danzig (OMB) • Carolyn Colvin (SSA)
2. Effectiveness: Smarter IT delivery	Improve outcomes and customer satisfaction with Federal services through smarter IT delivery and stronger agency accountability for success.	• Steve VanRoekel (EGOV) • Todd Park (OSTP) • Sloan Gibson (VA)
3. Efficiency: Strategic Sourcing	Expand the use of high-quality, high-value strategic sourcing solutions in order to improve the government's buying power and reduce contract duplication across government.	• OFPP Administrator, OMB (Lesley Field, Acting) • Frank Kendall (DOD)
4. Efficiency: Shared services	Strategically expand high-quality, high value shared services to improve performance and efficiency throughout government.	• OFFM Controller, OMB • Krysta Harden (USDA)
5. Efficiency: Benchmark and improve mission-support operations	Improve administrative efficiency and increase the adoption of effective management practices by establishing cost and quality benchmarks of mission-support operations and giving agency decision-makers better data to compare options, allocate resources, and improve processes.	• Dan Tangherlini (GSA) • OFFM Controller, OMB
6. Economic Growth: Open data	Fuel entrepreneurship and innovation and improve government efficiency and effectiveness by unlocking the value of government data and adopting management approaches that promote interoperability and openness of this data	• Todd Park (OSTP) • Steve VanRoekel (OMB)
7. Economic Growth: lab-to-market	Increase the economic impact of Federally-funded research and development by accelerating and improving the transfer of new technologies from the laboratory to the commercial marketplace.	• Tom Kalil (OSTP) • Dan Poneman (DOE)
8. People and Culture	Innovate by unlocking the full potential of the workforce we have today and building the workforce we need for tomorrow	• Jonathan McBride (PPO) • Katherine Archuleta (OPM)