

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

FOR IMMEDIATE RELEASE

September 21, 2006

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OMB Takes Step to Further Increase Transparency and Oversight of Information Technology Investments

Washington, DC—In an effort to strengthen oversight of information technology (IT) spending by Federal agencies, the Office of Management and Budget (OMB) today announced that it would post on the Internet reports on the ability of each Federal agency to effectively plan, manage, and monitor the results of their IT investments.

The Management Watch List and the High Risk List have been internal tools used by OMB to help agency officials successfully monitor agency IT planning, as well as improve project performance. These lists will now be made publicly available on the Egov.gov website and updated quarterly to ensure that agencies are effectively managing their IT investments and improving the ability of the Federal government to deliver information and services to the public.

"We hold agencies accountable for the performance of their IT programs, and now we're reporting it publicly to further enhance our commitment to transparent government," said OMB Deputy Director Clay Johnson. "These programs should be well - planned, well - managed, and produce results. We need to make sure we're getting a good return on our investment of nearly \$65 billion in IT spending each year. By making these lists available to the public, we will improve transparency and thus, accountability for results."

Under the Clinger-Cohen Act of 1996, agencies are required to submit business plans for IT investments to OMB. If the agency's investment plan contains one or more planning weakness, it is placed on OMB's Management Watch List and targeted for follow-up action to correct possible problems and produce results. Thanks to action taken after being placed on the Watch List in 2006, the number of projects on the list fell from 263 to 86, representing a savings of more than \$5 billion to taxpayers.

In August 2005, OMB established its own High Risk List for IT projects to ensure agencies and programs were meeting their intended goals and producing results. Projects on the High Risk List are not necessarily "at risk," but are those requiring special attention from the highest level of agency management. While these programs may be performing well, they are determined to be high risk due to different factors such as the high cost of the project or the level of importance the project plays in the overall mission of the agency or other organization.

The watch lists will be available at http://www.whitehouse.gov/omb/egov/b-1-information.html. OMB will continue to work with Federal agencies and the House and Senate Committees charged with oversight of these programs, including those chaired by Senator Coburn, to achieve our mutual goals of improving program and Information Technology management.