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OMB Reports Progress of Agencies’ Management of IT Investments

Washington, DC - Today, a report by the Office of Management and Budget (OMB) shows Federal agencies are making progress in the management and oversight of their information technology (IT) investments. Both the Management Watch List and High Risk List demonstrate increased oversight by agencies on how they plan, manage, and monitor their IT investments. These lists can be found at: http://www.whitehouse.gov/omb/egov/b-1-information.html.

"Agencies have made great strides in holding themselves accountable for results and strengthening their ability to manage these important investments,” said Karen Evans, Administrator E-Government and Information Technology. “We have more to do, and we will continue to work with agencies to ensure projects on the list are meeting their goals on time and on budget.”

Status of Management Watch List

As of March 31, 2007, there were 183 business cases remaining on the Management Watch List, compared to 346 in December 31, 2006. Agencies were able to adequate address deficiencies and weaknesses identified in these 163 investments by providing and completing additional documentation and/or planning activities. The 183 projects remaining on the Management Watch List represent $9.7 billion in projected IT investment for FY 2008.

Status of High Risk List

The High Risk List includes 549 projects that were determined to be high risk due to different factors, such as the complexity or the level of importance, compared to the 477 projects previously reported with release of the President’s FY08 Budget in February. The increase on the High Risk List is attributable to increased management oversight being reported by agencies. The 549 projects on this list represent at least $12.9 billion in IT spending for FY08.

Background on the Two Lists

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 weaknesses, it is placed on OMB’s Management Watch List and targeted for follow-up action to correct potential problems prior to execution. 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 those requiring special attention from the highest level of agency management, but aren't necessarily "at risk" of failure.