

FY 2019

CONGRESSIONAL BUDGET JUSTIFICATION

DOL IT MODERNIZATION

This page is intentionally left blank.

DOL IT MODERNIZATION

TABLE OF CONTENTS

Appropriation Language	1
Amounts Available for Obligation.....	2
Summary of Changes	3
Summary Budget Authority and FTE by Activity	5
Budget Authority by Object Class	6
Appropriation History	7
Overview	8
Budget Activities	9
Departmental Support Systems.....	9
IT Infrastructure Modernization	13

This page is intentionally left blank.

DOL IT MODERNIZATION

APPROPRIATION LANGUAGE

Note.— Provided that the changes to the Working Capital Fund Statute are enacted, the FY 2019 Budget proposes to eliminate the Information Technology Modernization appropriation and to fund its activities through the Working Capital Fund with the increased transfers from unobligated balances.

A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

DOL IT MODERNIZATION

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2017 Enacted		FY 2018 Full Year C.R.		FY 2019 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$29,722	0	\$18,651	0	\$0
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$29,722</i>	<i>0</i>	<i>\$18,651</i>	<i>0</i>	<i>\$0</i>
B. Gross Budget Authority	0	\$29,722	0	\$18,651	0	\$0
C. Budget Authority Before the Committee	0	\$29,722	0	\$18,651	0	\$0
D. Total Budgetary Resources	0	\$29,722	0	\$18,651	0	\$0
Unobligated Balance Expiring	0	\$0	0	\$0	0	\$0
E. Total, Estimated Obligations	0	\$29,722	0	\$18,651	0	\$0

DOL IT MODERNIZATION

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2018 Full Year C.R.	FY 2019 Request	Net Change
Budget Authority			
General Funds	\$18,651	\$0	-\$18,651
Total	\$18,651	\$0	-\$18,651
 Full Time Equivalents			
General Funds	0	0	0
Total	0	0	0

Explanation of Change	FY 2018 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	0	\$0	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$0	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$0	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$6,846	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$0	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$11,555	0	\$0	0	\$0	0	\$0
Equipment	0	\$250	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	0	+\$18,651	0	\$0	0	\$0	0	\$0
B. Programs:								
Total Increase	0	+\$18,651	0	\$0	0	\$0	0	\$0
Decreases:								
A. Built-Ins:								
To Provide For:								
Built-Ins Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
B. Programs:								

DOL IT MODERNIZATION

Explanation of Change	FY 2019 Change							
	FY 2018 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Realignment of IT Funding to Working Capital Fund	0	\$4,889	0	\$0	0	-\$18,651	0	-\$18,651
Programs Subtotal			0	\$0	0	-\$18,651	0	-\$18,651
Total Decrease	0	\$0	0	\$0	0	-\$18,651	0	-\$18,651
Total Change	0	+\$18,651	0	\$0	0	-\$18,651	0	-\$18,651

DOL IT MODERNIZATION

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2017 Enacted		FY 2018 Full Year C.R.		FY 2019 Request		Diff. FY19 Request / FY18 Full Year C.R	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Departmental Support Systems	0	3,748	0	3,723	0	0	0	-3,723
General Funds	0	3,748	0	3,723	0	0	0	-3,723
IT Infrastructure Modernization	0	15,030	0	14,928	0	0	0	-14,928
General Funds	0	15,030	0	14,928	0	0	0	-14,928
Total	0	18,778	0	18,651	0	0	0	-18,651
General Funds	0	18,778	0	18,651	0	0	0	-18,651

NOTE: 2017 reflects actual FTE.

DOL IT MODERNIZATION

BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2017 Enacted	FY 2018 Full Year C.R.	FY 2019 Request	Diff. FY19 Request / FY18 Full Year C.R.
	Full-Time Equivalent				
	Total	0	0	0	0
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	0	0	0	0
24.0	Printing and reproduction	0	0	0	0
25.1	Advisory and assistance services	10,050	6,846	0	-6,846
25.2	Other services from non-Federal sources	0	0	0	0
25.3	Other goods and services from Federal sources 1/	0	0	0	0
25.4	Operation and maintenance of facilities	0	0	0	0
25.7	Operation and maintenance of equipment	6,175	11,555	0	-11,555
31.0	Equipment	2,553	250	0	-250
	Total	18,778	18,651	0	-18,651
	1/Other goods and services from Federal sources				

DOL IT MODERNIZATION

APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2012					
Base Appropriation	\$25,000			\$19,814	0
2013					
Base Appropriation	\$21,852			\$18,778	0
2014					
Base Appropriation	\$20,587			\$19,778	0
2015					
Base Appropriation	\$30,578			\$15,394	0
2016					
Base Appropriation	\$119,602			\$29,778	0
2017					
Base Appropriation	\$63,162			\$18,778	0
2018					
Base Appropriation...1/	\$29,722	\$20,769			
2019					
Base Appropriation	\$0				

¹ A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared.

DOL IT MODERNIZATION

OVERVIEW

Introduction

The Information Technology (IT) Modernization appropriation is managed by the Office of the Chief Information Officer (OCIO). The appropriation provides resources for Department-wide investments, including the resources for IT security enhancement modernization efforts, accelerated adoption of cloud-based computing solutions, consolidation of infrastructure and networks, and the modernization of legacy IT systems and applications. The appropriation is one of the funding mechanisms used by the Department to fund IT: the Working Capital Fund (WCF) funds Department-wide IT operations; agencies fund the development and the operational costs for their specific applications; and the Departmental Management account provides policy development and oversight.

The current funding model does not adequately support the Department's IT modernization needs. The Department is committed to (1) creating an enterprise platform, (2) modernizing legacy agency applications, (3) securing and enhancing IT infrastructure, and (4) transforming the customer experience at the Department. Enactment of the Modernizing Government Technology (MGT) Act under the FY 2018 National Defense Authorization Act (NDAA) has provided the Department with a unique opportunity to adopt a funding model that better supports the long-term planning of these modernization initiatives.

The Department is committed to providing OCIO with the resources needed to execute their responsibilities under the Federal Information Technology Acquisition Reform Act (FITARA) and the Federal Information Security Management Act (FISMA). While the Department has made great strides in this area, OCIO's capabilities would be improved with more direct oversight of agency spending on IT. Relying on the current IT Modernization appropriation significantly weakens the Department's ability to plan for, develop, and maintain modern IT systems due to the uncertainty of the appropriations process.

To address these funding and governance constraints on IT modernization, the Budget proposes a package of reforms in the Working Capital Fund (WCF) which will align DOL's IT financing with its IT modernization strategy. These reforms will increase the resources available in the WCF for IT activities and provide additional flexibilities which will enable the Department to more effectively manage IT projects. Provided that these reforms are enacted, the Budget proposes to eliminate the IT Modernization appropriation. The reforms are discussed in the WCF Congressional Budget Justification and detailed in the General Provisions.

The proposed funding model supports long-term success in the area of IT modernization, building on the principles set by Congress in the MGT Act and supporting compliance with FITARA. This change will eliminate fluctuations and uncertainties in IT funding levels from year to year and strengthen CIO authority over IT expenditures across the Department. The change will also provide Departmental leadership with the discretion to eliminate duplicative IT spending and allocate resources where they are needed most. These reforms will align IT financing with its IT modernization strategy, providing both stability and flexibility in DOL's efforts to modernize the Department's IT.

DEPARTMENTAL SUPPORT SYSTEMS

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2017 Enacted	FY 2018 Full Year C.R.	FY 2019 Request	Diff. FY19 Request / FY18 Full Year C.R.
Activity Appropriation	3,748	3,723	0	-3,723
FTE	0	0	0	0

Introduction

The Departmental Support Systems (DSS) activity supports enterprise-wide information technology security enhancement initiatives. These initiatives facilitate a centrally managed IT environment with increased security parameters to protect the integrity of DOL data and network availability. OCIO achieves these efforts through several new and ongoing projects mandated by executive and congressional directives. Activities funded in DSS include Identity and Access Management, Network Consolidation via Unified Communications, Continuous Diagnostics and Mitigation, Cybersecurity Executive Direction, and Enterprise Architecture Development.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2014	\$4,898	0
2015	\$4,898	0
2016	\$4,898	0
2017	\$4,898	0
2018	\$0	0

NOTE: A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared.

FY 2019

Provided that the proposal to reform the WCF statute is enacted, the budget proposes to eliminate the IT Modernization appropriation and shift all DSS activities to the WCF in FY 2019.

FY 2018

A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

DEPARTMENTAL SUPPORT SYSTEMS

FY 2017

In FY 2017, the DSS activities that were completed include the Identity and Access Management program which began to enable single sign-on capabilities across the DOL Enterprise reducing multiple password requirements for DOL's application users. In FY 2017, OCIO was able to connect several DOL applications to the IAM solution. OCIO also implemented DHS' Continuous Diagnostics and Mitigation tools and processes to improve DOL's cybersecurity network monitoring and vulnerability identification and remediation.

Additionally, OCIO continued to review the current common operating environment for improvements to the common operating environment design.

DEPARTMENTAL SUPPORT SYSTEMS

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2017 Enacted	FY 2018 Full Year C.R.	FY 2019 Request	Diff. FY19 Request / FY18 Full Year C.R.
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	0	0	0	0
24.0	Printing and reproduction	0	0	0	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	0	0	0	0
25.3	Other goods and services from Federal sources 1/	0	0	0	0
25.4	Operation and maintenance of facilities	0	0	0	0
25.7	Operation and maintenance of equipment	3,595	3,473	0	-3,473
31.0	Equipment	153	250	0	-250
	Total	3,748	3,723	0	-3,723
	1/Other goods and services from Federal sources				

DEPARTMENTAL SUPPORT SYSTEMS

CHANGES IN FY 2019

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Other goods and services from Federal sources	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Equipment	0

Built-Ins Subtotal **\$0**

Net Program **-\$3,723**

Direct FTE **0**

	Estimate	FTE
Base	\$3,723	0
Program Increase	\$0	0
Program Decrease	-\$3,723	0

IT INFRASTRUCTURE MODERNIZATION

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2017 Enacted	FY 2018 Full Year C.R.	FY 2019 Request	Diff. FY19 Request / FY18 Full Year C.R.
Activity Appropriation	15,030	14,928	0	-14,928
FTE	0	0	0	0

Introduction

IT Infrastructure Modernization (ITIM) has been used to fund initiatives which increase user productivity and allow DOL to provide better services, while also eliminating cost redundant infrastructures and creating a more reliable, secure, and consistent IT infrastructure across the Department. Initiatives support the consolidation of existing DOL agencies' infrastructure to gain economies of scale, eliminate duplication, and implement new capabilities. All of these benefits result in a more agile DOL workforce that is able to provide enhanced services and benefits for the American workforce. Efforts funded in this activity include the Data Center Optimization Initiative and Unified Communications.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2014	\$14,880	0
2015	\$10,496	0
2016	\$24,880	0
2017	\$13,880	0
2018	\$0	0

NOTE: A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared.

FY 2019

Provided that the proposal to reform the WCF statute is enacted, the budget proposes to eliminate the IT Modernization appropriation and shift all ITIM activities to the WCF in FY 2019.

FY 2018

A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017 (P.L. 115-56). The amounts included for 2018 reflect the annualized level provided by the continuing resolution. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

IT INFRASTRUCTURE MODERNIZATION

FY 2017

In FY 2017, the ITIM program continued to work towards network consolidation through its Unified Communications project. OCIO successfully deployed Unified Communications to all the national office and began to provide unified communication resources such as wireless, Virtual Private Network, and Voice over Internet Protocol to regional offices as well. Additionally, as part of the Data Center Consolidation Initiative, OCIO continued to consolidate geographically disparate data centers in the Department's Silver Spring Data Center. Consolidation of data center resources decreases the Department's physical footprint and results in cost avoidance of maintaining and upgrading disparate, aging data center infrastructure.

Lastly, ITIM activities included efforts to begin research on the development of a data analytics platform that will transform the way DOL and the mission agencies leverage data and advanced data analytics for making business decisions and sharing information with the American workforce.

IT INFRASTRUCTURE MODERNIZATION

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2017 Enacted	FY 2018 Full Year C.R.	FY 2019 Request	Diff. FY19 Request / FY18 Full Year C.R.
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	0	0	0	0
24.0	Printing and reproduction	0	0	0	0
25.1	Advisory and assistance services	10,050	6,846	0	-6,846
25.2	Other services from non-Federal sources	0	0	0	0
25.3	Other goods and services from Federal sources 1/	0	0	0	0
25.4	Operation and maintenance of facilities	0	0	0	0
25.7	Operation and maintenance of equipment	2,580	8,082	0	-8,082
31.0	Equipment	2,400	0	0	0
	Total	15,030	14,928	0	-14,928
	1/Other goods and services from Federal sources				

IT INFRASTRUCTURE MODERNIZATION

CHANGES IN FY 2019

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Other goods and services from Federal sources	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Equipment	0

Built-Ins Subtotal **\$0**

Net Program **-\$14,928**

Direct FTE **0**

	Estimate	FTE
Base	\$14,928	0
Program Increase	\$0	0
Program Decrease	-\$14,928	0