

# Improving Federal Government Services

people. practices. impact. culture.

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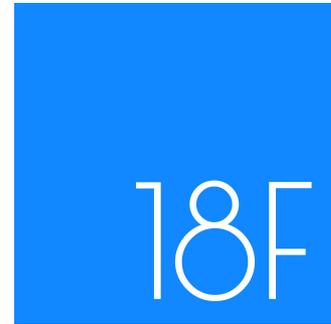
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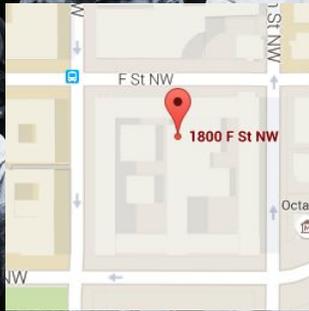
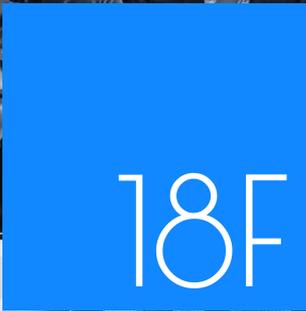
# What is 18F?

A brief history...









## Mission

**18F will transform how the  
U.S. Government builds, buys,  
and shares digital services.**

How?

**Put the needs of the American people first.**

**Design-centric, agile, open, and data-driven.**

**Always be shipping.**

**Delivery is the  
strategy.**

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strategy.**

Just start.  
MVP.  
Iterate.  
Do it again.

**Into the belly of the beast...**

**“Hacking bureaucracy”**

## “Hacking Bureaucracy”

Find innovators inside government who have solved similar problems

Engage stakeholders early and often

Set up a minimum viable product to get started quickly

Give real users the process/solution from the beginning

Learn with each moment and iterate your approach

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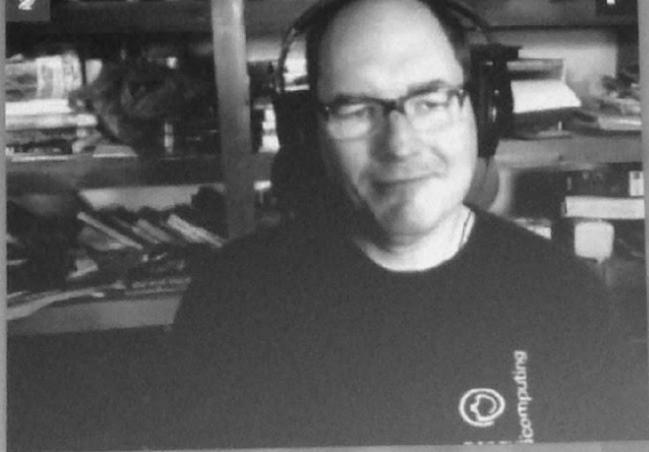
Set up a minimum viable product to get started quickly

Give real users the process/solution from the beginning

Learn with each moment and iterate your approach

**Always stay aligned with the rules of the bureaucracy**

**Formalize the process/solution for reuse**



18F



March 2014

**July 2014**





**September 2014**



**January 2015**



**September 2015**

## Mission

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U.S. Government builds, buys,  
and shares digital services.**

18F will transform how the U.S. Government builds and buys digital services.

# Be the change.

**lead by example**

**instruction**

**hands-on assistance**

18F will transform how the U.S. Government builds and buys digital services.

# Think like a designer.

**human-centered approach**

**user needs drive all decisions**

18F will transform how the U.S. Government builds and buys digital services.

# Data-driven.

**analytics to support user needs**

**measure everything**

**API-first**

18F will transform how the U.S. Government builds and buys digital services.

# Agile practices.

**build, measure, repeat**

**quick feedback loops**

**“fail small”**

18F will transform how the U.S. Government builds and buys digital services.

# Open by default.

**working in the open**

**open source**

**transparency & evangelism**

# The 18F way...



**People**



**Practices**



**Impact**



**Culture**

# Business.

# 18F's services

**Custom Solutions**  
**Products & Platforms**  
**Transformation**  
**Acquisition**  
**Education**

# 18F's growth

**6x staff in one year**

**16x staff in two years**

**More than 100 agreements**

**Over 40 agencies**

# **Example projects**

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HHS/CA Child Welfare System - RFP consulting

Cloud.gov

Agile Delivery Services Marketplace

Analytics.USA.gov

College Scorecard

Every Kid in a Park

Immigration Portal and Identity Management

betaFEC + FEC's first API

# Business.

How 18F operates

## Funding

Unlike most government programs, 18F does not rely on annual appropriations from Congress.

Instead, we're funded from GSA's internal revolving **Acquisition Services Fund ("ASF")**.

# Cost-recovery

18F is required to “have a plan to achieve full cost recovery” and reimburse the ASF.

We recover costs from our client partners (government agencies), **who pay us for services rendered.**

# Agreements

For most engagements, we enter into an **Inter-Agency Agreement (IAA)** with the customer agency.

These are not typical vendor agreements. They reflect 18F's principles and require commitment to our methodologies.

# **18F Inter-Agency Agreements**

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1. Statement of Objectives, not Statement of Work
2. focus on user needs
3. agile, sprint-based iteration
4. partner involvement required
5. developing “in the open” required
6. **30-day out clauses — for either side**

## **Determining fees**

By law, we are only allowed to recover our costs; we can't "turn a profit."

We determine our hourly rates based on our actual costs (pay, benefits, expenses, 18F overhead, GSA overhead).

We reassess our rates biannually.

## How we charge

We charge **hourly rates** for most services.

We've begun experimenting with **fixed fees** for a few types of services.

# Business.

Benefits of the model

We didn't plan it, but...

**Being funded by the ASF, with its requirement to recover costs, turns out to be more blessing than curse.**

# No growth ceiling

Because we're not limited by an annual appropriation, we have no cap on growth to meet demand.

# Skin in the game

The best customers are  
paying customers.

# Theory of change

Culture change happens  
**because we deliver**, not  
through forced command-  
and-control oversight.

# Theory of sustainability

If we recover all our costs,  
and provide quality service  
to agencies, our value is  
clear to stakeholders.

# Market accountability

The requirement of cost recovery keeps us uniquely focused on and accountable to **the needs of our customers.**

# Internal efficiency

The requirement of cost recovery keeps us uniquely focused on and accountable to **our own bottom line.**

Why not 18F.com?

**No vendor arrangement can match:**

**alignment with agency priorities**

**credibility / trust of government employees**

**access to government partners**

**recruiting cache**

# Ask us about...

**Agile Delivery Services Marketplace**

**micropurchase.18F.gov**

**pages.18F.gov**

**“18F in a box”**

**cloud.gov**

**RFP “ghostwriting”**

# Thank you.

[18F.gsa.gov](https://18F.gsa.gov)

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