

10x

10x is the Federal Venture
Studio in GSA's Technology
Transformation Services (TTS)



FY19

YEAR IN REVIEW



This annual report reviews projects funded by 10x in fiscal year 2019 (FY19). It covers the initiatives, results, and insights derived from these projects and looks ahead to FY20.

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LETTER FROM THE TEAM

We're excited to welcome you to our FY19 10x Year in Review! There's a lot to capture from the past year; FY19 marks both the second year working on and iterating the 10x investment model as well as the fifth anniversary of the Digital Services Fund (DSF), the source of our funding.

In FY19, we focused on expanding the program's range and maturing its processes. We pushed more projects to later phases, including our first-ever Phase Four projects, and collaborated with other federal agencies to help develop and sustain our products and services. We also increased communications and outreach to external agencies to solicit more ideas from different corners of the government, receiving our highest-ever share of idea submissions from other agencies. Additionally, we built out the back end of 10x by collecting, synthesizing, and analyzing data and establishing baseline metrics.

We intend to reinforce this momentum heading into FY20, continuing to advance and graduate projects from our innovation pipeline and sharing insights from both current

and completed projects. Looking ahead, we intend to further increase our program's transparency and outreach and cultivate a broader 10x community.

We look forward to another great year deepening our impact and extending our reach across the Federal Government. We're excited to continue delivering on our mission by providing a safe environment for federal employees to identify and solve problems on the front lines of the work that they do and see every day. We hope this Year in Review sheds light on the progress we have made and the strides we continue to take to help improve the way the government functions every day.

Regards,

The 10x Team



Nico Papafil



Will Cahoe



Sarah Crane

10x SNAPSHOT

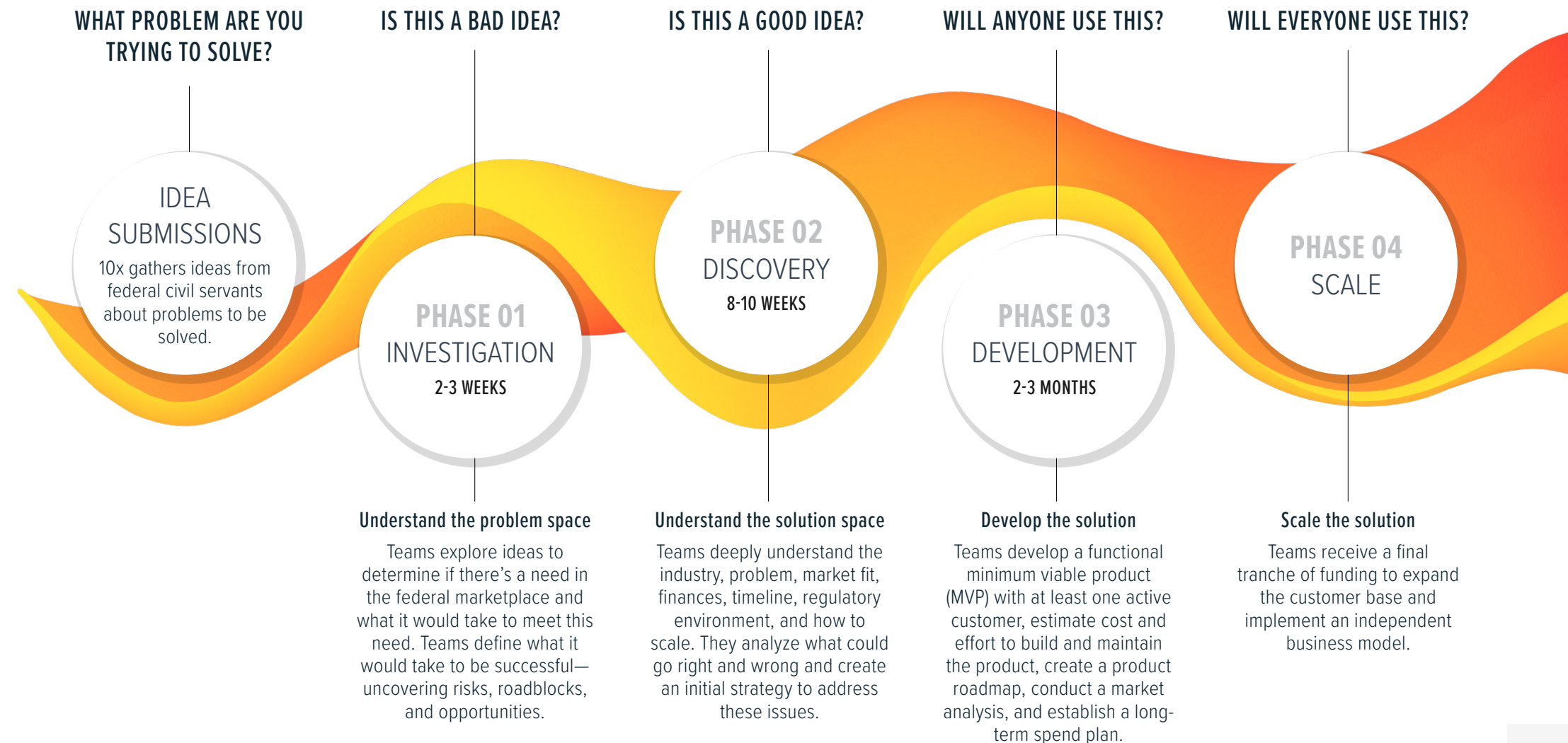
WHAT IS 10x?

10x is an incremental investment program within GSA's Technology Transformation Services (TTS). 10x funds, supports, and develops ideas from federal employees about how technology can improve the public's experience with the government.

THE 10x APPROACH

- 10x uncovers ideas from all corners and levels of government.
- 10x provides an ecosystem of support to help those ideas develop into tangible solutions.
- 10x uses a phased funding approach, based on startup studio and modern venture capital practices, to limit risk and focus investment on the most promising ideas.

THE 10x PROCESS



DSF 5-YEAR ANNIVERSARY



Created in FY15, the Digital Services Fund (DSF) is specifically set aside to support the development of new, good-for-government technology products and services. Over the course of the DSF’s 5-year history, different techniques have been used to surface and fund these new ideas. The latest approach—10x—is the result of accumulated lessons learned from each of these iterations. We’re pleased to share the DSF’s history with you and how it has informed our current approach to investment.

THE GREAT PITCH MAY 2015

A one-time-only pitch competition, The Great Pitch served as an initial prototype for a larger investment strategy to incubate, test, and scale new TTS products and services. Teams of employees from across the government submitted a written description of the problem, proposed solutions, potential customers, any similar ongoing current solutions, and proposed level of funding. The employees/teams then presented the ideas to a selection panel, which chose the final set of ideas for funding.

GREAT PITCH 2.0 DECEMBER 2015-JULY 2016

Great Pitch 2.0 built on the success of The Great Pitch: collecting ideas from employees to help identify new areas for investment. Unlike The Great Pitch, which was a one-time event, Great Pitch 2.0 held monthly mini-pitch competitions (seven total). Project teams provided a one-page written description of the idea for review and selection by a rotating panel of subject matter experts.

TTS INCUBATOR JANUARY 2017-SEPTEMBER 2017

After The Great Pitch and Great Pitch 2.0, the management team added more structure to its investment strategy. In TTS Incubator, the initial funding for each project was standardized into one of two levels, based on the maturity of the idea: a \$15,000 “Investigation” sprint or a \$150,000 “Discovery” sprint. Idea submission timelines shifted to a rolling basis, and requirements changed to a short, several-sentence problem statement rather than a longer business case.

10x SEPTEMBER 2017-PRESENT

10x learned many lessons from previous DSF investment approaches. 10x solicits ideas broadly (much like The Great Pitch), evaluates them twice-yearly (like the regular evaluations of Great Pitch 2.0), and provides a small initial amount of funding to investigate a short problem statement (like TTS Incubator). 10x also established new standards: a single initial starting amount for funding, additional funding phases to ensure projects can scale, and better guidance and support for project teams.

Present

TOTAL

Total # of Submitted Ideas	103	67	33	369	572
Total # of Unique Agencies	7	5	3	43	47
Total # of Ideas Approved	11	32	20	98	161
Avg. Initial Project Investment (Obligated)	\$270,548*	\$298,386	\$43,000	\$19,034	
Avg. Overall Project Investment (Obligated)	\$270,548	\$375,775	\$59,063	\$93,499	
Total Project Investment (Obligated)	\$2,164,385	\$9,018,608	\$945,000	\$11,687,340	\$23,815,333

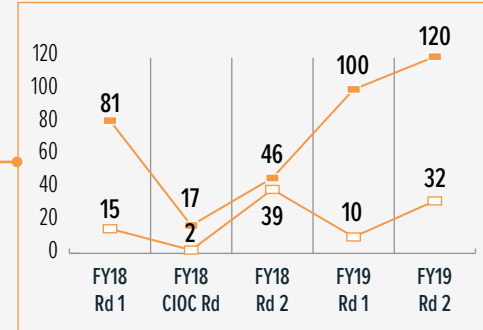
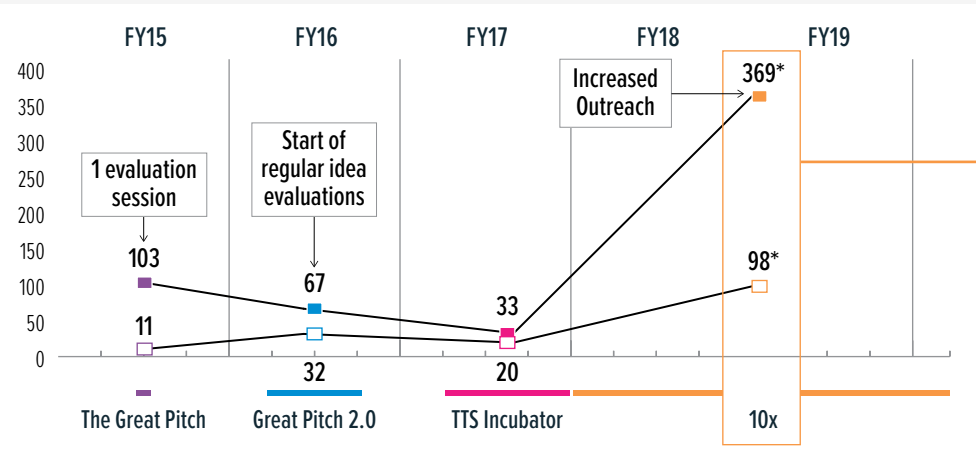
* As a one-time-only event, The Great Pitch provided a single lump-sum investment to each project. Consequently, the “initial project investment” and “overall project investment” amounts are the same for that iteration.

DSF 5-YEAR TRENDS

The charts below illustrate trends in how the team has managed the DSF over its five year lifespan.

Rd = Round □ = Ideas Approved ■ = Ideas Submitted

Total # of Submitted Ideas vs. Total # of Ideas Approved

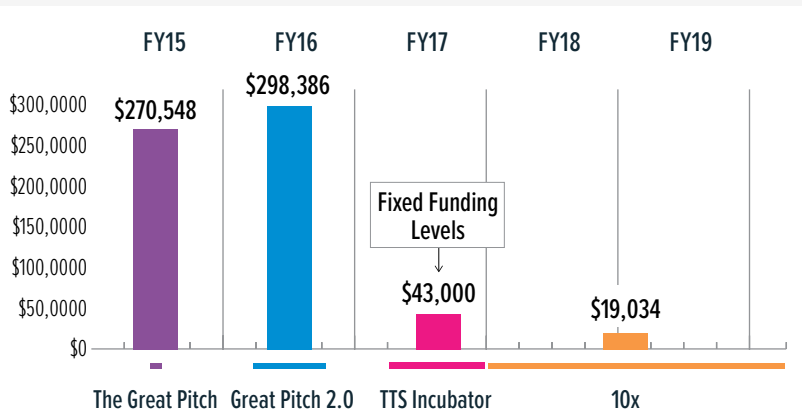


10x IN FOCUS

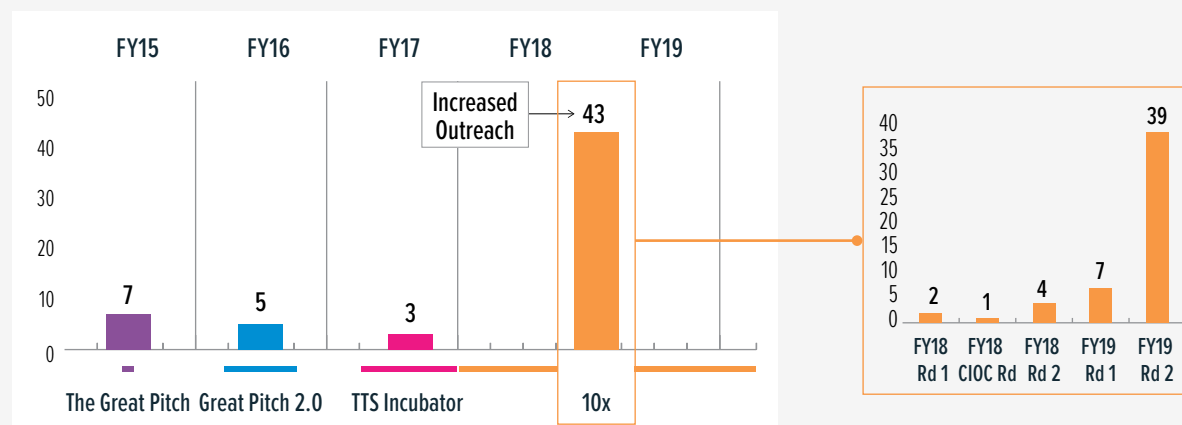
Through the lessons learned from past iterations of the DSF investment strategy, 10x started holding bi-annual evaluation sessions for ideas submitted to the program. On rare occasions, there have been ideas approved during off-cycle periods. These graphs show the breakdown of ideas submitted, where those ideas came from, and how many were approved within the 10x program.

*Includes rare off-cycle round where 5 ideas were submitted and 3 ideas were approved.

Average Initial Project Investment



Total # of Unique Agencies



NOTABLE PROJECTS

THE GREAT PITCH

- Federalist
- eRegulations Notice & Comment
- The U.S. Web Design System

GREAT PITCH 2.0

- Bug Bounty
- U.S. Data Federation
- Code.gov
- Login.gov

TTS INCUBATOR

- Plainlanguage.gov
- Eligibility APIs Initiative

10x

- Guide to Understanding the Paperwork Reduction Act
- Agile Budgeting and Oversight Handbook
- Machine Learning as a Service
- Human-centered Design for IT Centralization Content Series
- The Artificial Intelligence Guide on Getting to Pilot

For more information about these projects visit 10x.gsa.gov/projects

FY19 IN REVIEW

FY19 was a year of tremendous change and development for the 10x program. We've retained our core model of investing in new ideas but spent much of FY19 sharpening our focus in a few key areas.

DEVELOPING MATURE PROJECTS AND PRODUCTS

In FY19, 10x's projects reached new levels of growth and maturation. **We had our first ever projects (three total!) graduate from Phase Three.** Two of these, Eligibility APIs Initiative and U.S. Data Federation, advanced to Phase Four for continued iteration, additional scaling, and deepened impact. The third, the Guide to the Paperwork Reduction Act, completed the work at hand with no need for further funding. We're thrilled to witness each project's impact, from helping people get easier access to assistance programs to making government operations more efficient. Each project is further described in the FY19 Project Showcase section of this report.

PROMOTING AWARENESS OF 10x THROUGH INCREASED OUTREACH

Throughout FY19, 10x also sought to increase awareness of the program and reduce barriers to idea submission. Key outreach activities included the program's first public webinar to provide information about the idea submission process, blog posts describing the process and its outcomes, presentations and booths at conferences and events, and promoting the program. Along the same lines, **this year we received the largest number of submissions from agencies outside of GSA:** 46% of all submitted ideas came from partner agencies.

INCORPORATING INVESTMENT APPROACHES FROM PEERS

Over the course of the year, we met with a number of other investment programs from the public and private sector, including venture capital firms and startup studios. Increasingly, we are seeking to model our program around some of the best practices employed by others, particularly how to take a more focused, portfolio-based approach to investing. **Starting with our most recent round of idea evaluations, we've begun to group ideas and projects into portfolios based on the TTS Solution Areas:** Omnichannel Experience, Artificial Intelligence, Infrastructure Optimization & Cloud, Accelerators/Innovation, Data & Analytics, and Identity Management. Over the next year, we'll look to further formalize this approach and identify particular dimensions for further investigation in each of these areas.

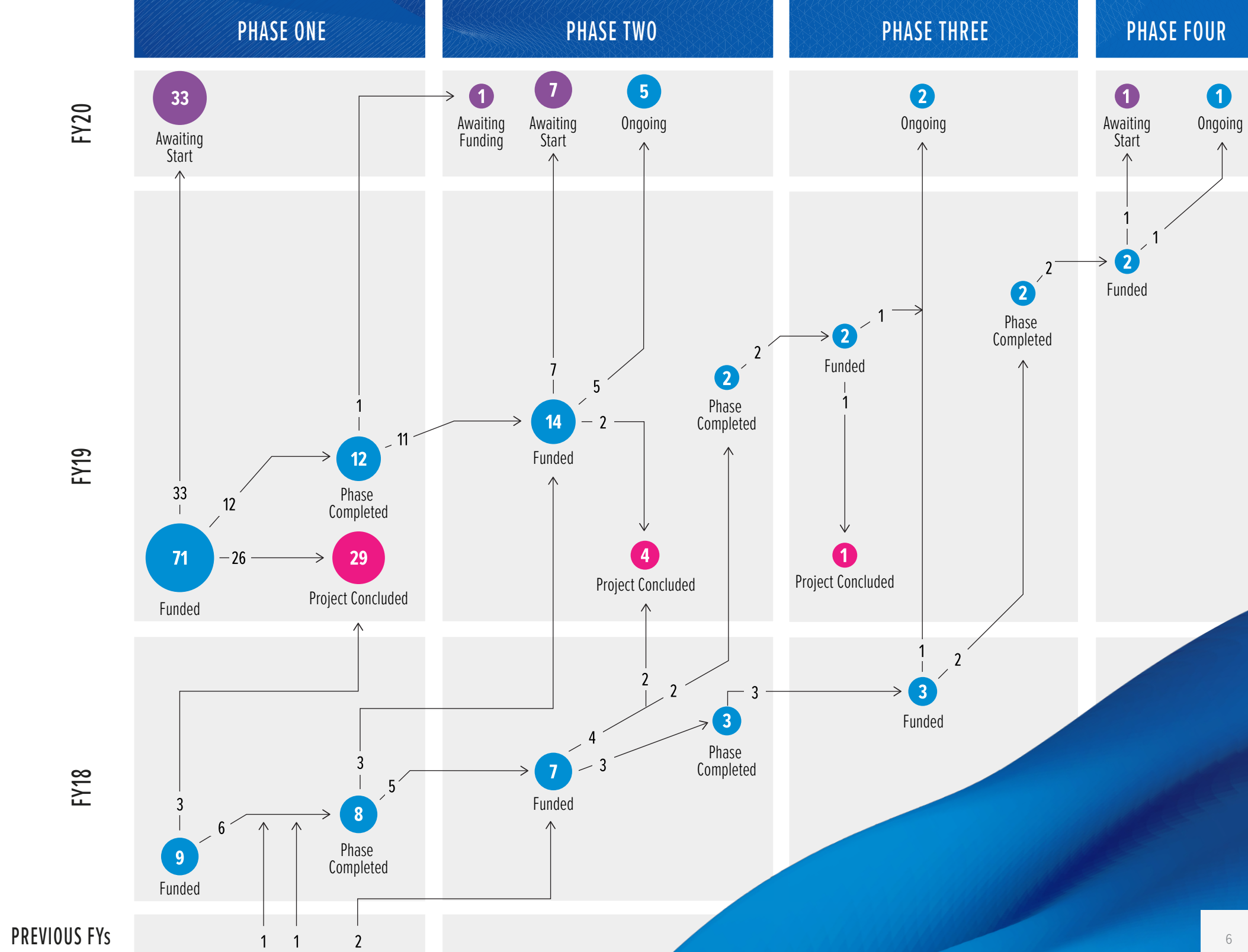
IMPROVED PERFORMANCE TRACKING

As the 10x program has aged and evolved, we realized there was a large amount of data with valuable information about idea submissions and project life cycles. In FY19, we decided to invest time to gather, clean, and track this information. **We consolidated disparate data sources into consistent formats to help us better understand the types of ideas we are receiving, the areas of government we are receiving them from, the alignment they have with TTS' goals, and their progress through the investment process.** We are continuing to gather more metrics in hopes to better support projects and fund valuable ideas.

PROJECT JOURNEY

HOW DID PROJECTS ADVANCE THROUGH THE FUNDING PHASES?

In FY19, 10x both accepted new project proposals and oversaw the continuation of projects that were still ongoing from past fiscal years. The journey of these proposals through the 10x process is illustrated in the chart to the right. A number of FY19 10x projects began in previous fiscal years and/or will continue in future fiscal years. This is largely due to the source of 10x funding; the “no-year” funds of the DSF allow for flexible project start and end dates. Projects did not continue through the investment pipeline for a variety of reasons. Some project leaders chose not to pursue additional funding when they completed a phase, and other projects proposed additional funding at future phases and were rejected by 10x. A project does not have to advance to additional rounds of funding to succeed. Many projects can solve their problem without needing additional funds, and 10x considers preventing bad ideas a success—ensuring that funding is provided only to those ideas that truly require it.



FY19 BY THE NUMBERS

At the onset of FY19, the total amount of funding available in the DSF, including the year's appropriation and the budget carryforward from prior years, was **\$13,775,505**.

Over the course of FY19, **\$11,302,685** of DSF funds were obligated, resulting in **\$2,472,820** of FY19 funds remaining at the end of the year.

10x works with a "no-year" budget, which means the total amount available to use per year is the combination of the funding appropriated for that fiscal year plus unspent funds carried over from the previous fiscal year. This allows 10x-backed projects to cross over fiscal years without any disruption.

Total FY19 carryforward <i>(includes funds for login.gov)</i>	\$7,151,505*
+ Total FY19 appropriation	\$6,624,000
Total FY19 funding	\$13,775,505*
- FY19 amount obligated	\$11,302,685
Amount remaining	\$2,472,820*

**This number does not include a \$4.5M set aside for Agency IT Modernization with spend under discretionary control of the Administrator*

WHY THE REMAINDER?

10x typically aims to keep about \$2M of funds available at the end of each Fiscal Year so that money can be used to fund projects in the event of a Continuing Resolution.

10x PROJECTS

PHASE	# OF PLANNED PROJECTS	TOTAL \$
Phase One	71	\$1,375,000
Phase Two	15	\$2,325,000
Phase Three	2	\$2,200,000
Phase Four	2	\$1,280,000
TOTAL		\$7,180,000

OTHER DSF OBLIGATIONS

ITEM	TOTAL \$
Login.gov	\$3,000,000
10x Admin Support	\$459,000
OAI ATO Reform	\$350,000
10x Site Support	\$229,573
TOTAL	\$4,122,685

FY19 PROJECT SHOWCASE

	<p>PHASE FOUR - ONGOING</p> <p>U.S. Data Federation</p> <p><i>Supporting shared resources for federal data management</i></p>	<p>PHASE FOUR - ONGOING</p> <p>Eligibility APIs Initiative</p> <p><i>Improving the efficiency of benefits program modernization and administration</i></p>	<p>PHASE THREE - GRADUATED</p> <p>Guide to the Paperwork Reduction Act (PRA)</p> <p><i>A guide that gives employees confidence navigating the PRA</i></p>
PROBLEM:	Despite a growing appreciation for the strategic importance of data and addressing common challenges as federal agencies collect, combine, and exchange data in government, agencies are still improvising solutions for data processes. The need to improvise arises from a need to keep pace with mission-focused activities, and as a result, knowledge isn't being shared across efforts or agencies.	Federal agencies establish criteria for eligibility programs like food assistance programs, but the process of translating these criteria into a consumable format for state systems can be slow, duplicative, error-prone, and costly, which can cause delays in the receipt of benefits.	Adopting the PRA has been a longstanding challenge for federal employees that stems from confusion on how to comply with it, as well as delays and cycles as they work in partnership with OIRA.
SOLUTION:	The U.S. Data Federation makes it easier to manage federated data efforts by supporting the development of shared resources like reusable tools and repeatable processes. It developed a Reusable Validation and Aggregation Library (ReVAL) as a proof point.	Transform the current federal eligibility programs process with a centralized web service—an eligibility API—to directly deliver federal policy to state systems in a format they can easily consume and implement.	The Guide to the PRA enables federal employees to understand the elements of PRA and how to follow the processes and protocols, including a table to help agencies schedule the right activities at the right times and remain compliant with the PRA.
IMPACT:	ReVAL was piloted with the USDA Food and Nutrition Service (FNS). By centralizing data validation, FNS saves state and local employees time, reduces duplication of effort, and improves the quality of data gathered as part of the National School Lunch and Breakfast Program. ReVAL is continuing to be scaled, with additional use cases at the Census Bureau and Department of Transportation and additional plans for pilots at other agencies.	In Phase Three, the team partnered with the Disaster Supplemental Nutrition Assistance Program (D-SNAP) to explore the challenges of integrating federal systems with state eligibility systems. Phase Four continues to scale this effort by working with Head Start and additional programs.	In addition to giving federal employees the reassurance that they are following the PRA, a primary source of delay—ongoing delays and review cycles with OIRA—is reduced through a greater understanding of the process. As a result, this lowers the barriers to effectively (and compliantly) engage and work with the public.

LOOK AHEAD TO FY20

In FY20, the 10x team intends to get smarter on how we analyze our investments, drill deeper in managing our portfolio, and create a mentor community.

OUTCOME ANALYSIS

Over the course of FY20, the 10x team will work to improve how they track the investment outcomes to ensure they have the desired impact. Unlike the investments of our private sector peers, many of our investments do not have an easily-articulated Return on Investment (ROI). **We are increasingly seeking to define and track a set of impact measures for each of our investments, helping us better quantify the value of our projects.**

MORE JUICE, FEWER LEMONS

After several years of managing investments, we now have a clearer understanding of the actual costs associated with each phase of work. As we increase the number of service providers for our projects, we are calibrating our phase-ceiling dollar amounts to align with the service provider's cost of labor. **Breaking free from a set dollar amount across the board, and instead focusing on labor hours per phase,** will give each project a more uniform timeline, allow us more financial flexibility, and help us be better stewards of government funds. Similarly, we are lowering the Phase Three dollar amount for all service providers in recognition of the actual work needed during that phase.

CULTIVATING A COMMUNITY

Increasingly, we are finding that our project teams can benefit from a more robust community. In FY20, **we aspire to create a mentor community, tentatively called the “The Halo Network,”** where leading experts from industry, Federal Government, and academia can mentor project teams by providing best practices, tips, and tools for success. Mentors would help with broad concepts like project management skills or offer expertise in a specific technical skill set. On a broader, more programmatic level, we plan to continue reaching out to others in the world of technology investment—including venture capital firms, startup studios, and accelerators—to share more about our work and learn from their efforts.

PORTFOLIO MANAGEMENT

Building off our work in FY19, **we will refine our investment portfolios to understand the connections to the six TTS Solution Areas and identify priority areas for additional investment.** We're interested in developing a deeper, more nuanced understanding of the problems inherent in each area to provide insight into common pain points and potential solutions. This will also help us make smarter decisions on future investments and how best to distribute our funds.

FY20 FINANCIAL PROJECTIONS

PHASE	# OF PLANNED PROJECTS	TOTAL \$
PHASE ONE	48	\$780,000
PHASE TWO	17	\$2,195,000
PHASE THREE	7	\$2,550,000
PHASE FOUR	2	\$960,000
TOTAL		\$6,485,000

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