



## IT Program Assessment

### FEMA- National Flood Insurance Program (NFIP) Information Technology Systems and Services Program (2011)

#### Review:

As a part of an IT Portfolio Review process, the DHS Chief Information Officer conducted a review of the National Flood Insurance Program (NFIP) Information Technology Systems and Services (ITSS) Program on July 9, 2010. The program provides the underlying IT support for the Flood Insurance Program, and is intended to collect data across disciplines relating to insuring flood victims. NFIP requires the IT Systems and Services to issue, centrally monitor and maintain data on insurance policies, and to provide real-time reporting capabilities.

FEMA currently uses a 25-year old legacy system that does not provide the needed capabilities, and between 1999 and 2002 developed a blueprint for modernizing NFIP to develop the NextGen system. In 2003, FEMA began development work on the NextGen system, with the target of retiring the legacy systems in 2008. However, it became clear that despite more than five years of development efforts the new system does not meet the business requirements of the users. As a result, FEMA halted the NextGen development and undertook an extensive analysis to identify a path forward and begin mitigation activities. FEMA must continue funding and relying on the legacy system until a new solution is operable.

#### Assessment:

The FEMA NFIP ITSS program has suffered from a lack of proper adherence to IT program management disciplines and oversight, which has resulted in the development of a system that does not meet the needs of the users. FEMA must take steps to significantly improve the management and oversight of this program. In order to provide the necessary system capabilities for NFIP, FEMA must conduct a thorough analysis of the technical requirements, and evaluate whether the NextGen system is salvageable.

#### Mitigation:

FEMA has taken the wise step of halting all new development and transferring ownership of the NextGen capability development to the FEMA CIO. The following mitigation and improvement efforts are being worked by FEMA, in close consultation with the DHS CIO:

- Hire a new program executive with experience in the insurance industry to guide requirements management, and a new program manager with sufficient experience with programs of a similar size, scope, and complexity
- Complete a requirements document with accurate program operational requirements
- Consult with the insurance industry to identify potential system solutions
- Conduct a technical assessment of the existing system to determine if portions are usable. If so, the program will identify and address capability gaps.

**Score: 1**