Collaboration and innovation fuel the future of federal IT modernization

Federal agencies are embracing technologies like cloud computing and AI to drive digital transformation and enhance efficiency and security. With key insights from leaders listed below, this paper explores how agencies are modernizing to better serve the public.



Department of Agriculture | Department of Defense | Veterans Affairs Homeland Security | Department of Labor | USCIS | Bureau of Land Management





As federal agencies across government continue to embrace the digital transformation imperative, the landscape of government operations is undergoing profound shifts. Agencies like the Department of Veterans Affairs (VA), the U.S. Department of Agriculture (USDA) and the Department of Defense (DOD) are spearheading efforts to modernize their systems through cutting-edge technologies such as cloud computing, artificial intelligence (AI) and shared services—all of which require connectivity branching to multiple locations with various bandwidths and security parameters to operate efficiently. These changes are helping transform the ways federal agencies serve the American public, improving efficiency, streamlining operations and enhancing the ability to meet mission-critical goals.

During a recent ATARC roundtable hosted by Verizon, agency leaders came together to discuss strategies for modernizing with emerging technologies. The conversation featured representatives from:

- The Naval Surface Warfare Center, Dahlgren Division
- Defense Advanced Research Projects Agency (DARPA)
- Various offices within the DOD and Department of Homeland Security (DHS)
- Cybersecurity and Infrastructure Security Agency (CISA)

Participants from the VA, USDA, Bureau of Land Management, U.S. Citizenship and Immigration Services (USCIS), U.S. Army and Federal Reserve Board also shared insights into how modernization efforts are reshaping federal operations.

"We're all on a similar data journey, trying to figure out how to best utilize all the cloud services that are out there," said Lamont Copeland, senior director of federal solutions architecture at Verizon. "A key focus is modernizing networks to ensure data can flow seamlessly between cloud and edge environments. It's about examining the full ecosystem and driving proper outcomes through optimized performance and connectivity."

"With the cloud, we're able to turn on those services based on where they excel and for the future, it's really important that we're able to fill those services up."

Sanjay Koyani, Executive Director, Information Technology Operations and Services, Department of Labor



Here are the top takeaways from the discussion:

Leverage shared services for efficiency and cost control

Federal agencies are increasingly turning to shared services models to drive modernization, enhance efficiency and cut costs. By consolidating operations and reducing redundancies, shared services allow agencies to centralize critical functions like IT infrastructure, cloud services, help desks and data management. This approach not only helps streamline workflows but also facilitates economies of scale, optimizing resources and boosting performance.

For example, the Department of Labor employs a cabinet-level shared-service model that centralizes operations, reducing overhead costs while improving efficiency. This strategy includes consolidating data centers, strategically positioning them for better performance and adopting a cloud-first approach, according to Sanjay Koyani, executive director of information technology operations and services for the department. Currently, 30% of the department's workloads are in the cloud, with significant potential to migrate legacy systems, which could unlock further cost savings and operational gains.

Similarly, the <u>USDA's MAX.gov platform</u> highlights the transformative potential of shared services. "USDA OCIO is actually one of the shared services providers within the federal government... providing cloud application development SaaS services across USDA and to customers outside USDA," said Deb Choudhury, director of the USDA OCIO Digital Services Center. The platform simplifies access to cloud services, negotiates favorable vendor contracts and standardizes procurement processes, enabling more effective government-wide collaboration.

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Mike Gorman, Cloud Lead, U.S. Citizenship and Immigration Services

With tools like MAX.gov, USDA fosters seamless coordination across agencies, allowing them to share critical information, align on strategies and maintain consistent communication. By leveraging shared services, federal agencies are building a foundation for efficient, cost-effective and collaborative operations that meet the demands of a rapidly evolving digital landscape.

Prioritize collaboration and communication

Modernization is not just about adopting the latest technologies—it's about fostering seamless collaboration across agencies to achieve shared goals. Clear communication and alignment between technology investments and mission objectives are essential for driving meaningful progress. Federal leaders consistently stress the importance of breaking down silos and creating a unified vision for modernization efforts.

"Modernizing the way we share data at scale—whether for operations on a ship or an airplane—is critical for improving how we exchange information," said Les Benito, cloud lead for the DOD. "We have unique environments, like disconnected ships and aircraft, where the capability has to

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drop in, work offline and then sync back up when reconnected. We're trying to get to the point where our community can consistently make operational decisions based on actionable, connected data."

Furthermore, the State Department's use of cloud integration platforms highlights how technology can bridge communication gaps and overcome data silos. This collaboration enhances global operations and ensures that diplomats have timely access to critical information, said Paula Wagner, director of application design and delivery of diplomatic technology for the Department of State.

Ultimately, modernization efforts that prioritize open communication and collaboration across agencies lead to better-aligned IT strategies, more efficient resource use and mission success. Proactive collaboration ensures that technology investments deliver maximum impact, creating a more cohesive and effective government for the digital age.

Adopt cloud and AI to drive transformation

Cloud computing and AI are at the heart of federal agencies' modernization strategies, enabling scalable operations, enhanced service delivery and data-driven decision-making. Cloud environments offer the flexibility to adapt to evolving demands, while AI automates repetitive tasks, identifies patterns and predicts trends, driving more efficient and impactful government services.

"One thing we've looked at heavily is this growing need for AI services like speech to text, text to speech or generative AI," said Koyani. "With the cloud, we're able to turn on those services based on where they excel and for the future, it's really important that we're able to fill those services up."

Al is also revolutionizing decision-making. The State Department's implementation of "State GPT" and Al-powered search tools has streamlined data accessibility, enabling "Our data is very important, because it's incident data, and we want to be sure we have the security and the speed to get the analytics out of it in a safe manner."

Garfield Jones, Associate Chief, Strategic Technology, Department of Homeland Security

diplomats to make real-time, informed decisions. Similarly, U.S. Citizenship and Immigration Services (USCIS) has adopted Al to automate data processing, significantly reducing immigration and work authorization backlogs.

"Leveraging cloud infrastructure allowed us to close the information gaps for automation and vetting records more seamlessly. For the first time, in the last year or two, we've made strides in reducing the immigration backlog and work authorization backlog by almost 30%," said Mike Gorman, cloud lead for USCIS.

The VA offers another example of transformative Al use, particularly in modernizing its Electronic Health Records (EHR) system.

"We really want that next-gen capability—AI, the features for autonomous talking, listening and note-taking—to give clinicians more face time with users and less time documenting by hand," said James Bates, assistant deputy chief information officer for the VA's Deputy Chief Information Office. By integrating AI-driven tools such as voice recognition and autonomous note-taking, the VA aims to reduce administrative burdens and enhance patient care.

DHS is also leveraging cloud and AI to improve analytics and security.

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Lamont Copeland, Senior Director, Federal Solutions Architecture, Verizon

"I like to think of it in terms of what I need from the cloud to get things to work," said Garfield Jones, associate chief of strategic technology for the DHS. "Our data is very important, because it's incident data and we want to be sure we have the security and the speed to get the analytics out of it in a safe manner."

By adopting cloud and AI, federal agencies are not only driving efficiency and innovation but also ensuring they remain agile and resilient in the face of evolving challenges. These technologies are transforming agency operations, delivering smarter, faster and more effective services to citizens and the workforce.

Plan for resilience and future growth

Modernization is not a one-time effort; it demands ongoing strategic planning to build resilience and scalability, ensuring federal agencies can adapt to evolving priorities and challenges. The ability to scale operations, recover swiftly from disruptions and maintain continuous service delivery is essential to achieving mission success in today's complex landscape.

"Data is gold. It's more useful to us than anything else," said Copeland. "Modernization starts with how we curate and manage the data, then how we pull all that together and start building out the right environment that's efficient, cost-effective and actually meeting what we need from a day-to-day standpoint."

Federal agencies like the VA, USDA, State Department and DOD are already providing blueprints for leveraging digital transformation to improve mission outcomes. These initiatives prioritize streamlining IT architectures, enhancing cross-agency collaboration and adopting cutting-edge technologies such as cloud computing and Al. By tackling bandwidth constraints and planning for long-term resilience, agencies position themselves to meet their missions head-on.

"We're consuming more data, more sensors and more technology than ever before," said Patrick Stingley, data scientist and artificial intelligence researcher for the Bureau of Land Management. "We have to make sure that everything, especially for our federal government, is ready to explore that and lead the way for the nation."

As federal agencies advance their digital transformation journeys, the lessons learned from these efforts will help shape a more efficient, secure and responsive government. By integrating modern technologies, fostering collaboration and maintaining a focus on mission outcomes, agencies can ensure lasting benefits for both public service and internal operations, meeting the growing needs of the digital age.

Learn more about how Verizon is helping transform government operations.

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