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$37.5 Million Return on Investment for Government from Centralized FedRAMP Cloud Security Certification and Accreditation

MeriTalk Reveals Real FedRAMP RoI with "FedRAMP OnRAMP"

Data Center Brainstorm, Washington, D.C., March 13, 2014 – MeriTalk, a public-private partnership focused on improving the outcomes of government IT, today publicly announced new details on its initiative, the FedRAMP OnRAMP. MeriTalk, in collaboration with GSA, government agencies, and industry partners, has calculated the RoI for FedRAMP at $37.5 million and climbing. This online portal is designed to accelerate government transition to cloud computing and demonstrate the value of investing in a centralized security certification program. You can access the FedRAMP OnRAMP for free at www.meritalk.com.

Savings

Given the mounting pressure for agencies to transition to the cloud, it is important that these methods are cost effective. The portal demonstrates savings realized and return on investment from the FedRAMP certification process – and the results are compelling.

MeriTalk projects FedRAMP government-wide savings conservatively at $52.5 million to date. Leveraging real cost numbers, provided by five of the 13 commercial cloud service providers that have successfully navigated the FedRAMP certification process, MeriTalk estimates the average cost for the government to perform a FedRAMP cloud security certification at $250,000. Additionally, MeriTalk utilized government customer installation data, from six commercial cloud service providers (CSPs) that have achieved a FedRAMP certification, to calculate the cost savings the government has realized by embracing the centralized FedRAMP security certification process.

Investment

According to a 2010 Full-Time Equivalent (FTE) rate chart, the average cost of an FTE is $125 per hour. Assuming a 40 hour work week for 50 weeks of the year, each FTE will clock 2,000 hours a year – making the cost of each FTE $250,000 annually.

GSA confirmed that from 2010-2012 there were 15 FTEs assigned to the FedRAMP certification program. To support the growth of the FedRAMP program, GSA increased the number of FTEs to 24 from 2013 to present.

The FedRAMP program was introduced in 2010, and has been functioning for a little over three years. Provided that 15 FTEs worked at a rate of $250,000 for 2 years, and 24 FTEs worked at a rate $250,000 for 1.25 years, the Federal government has invested $15 million of tax-payer money in the FedRAMP certification process.

RoI

Through these calculations, MeriTalk proves the hard-metrics benefits of the FedRAMP certification process. The Federal government has saved $37.5 million, a rate of 3.5:1 and positive return on its FedRAMP investment. This return will only continue to grow as the number of certified CSPs increases.

In addition to showing the RoI calculations, the FedRAMP OnRAMP website provides a pipeline showing exactly where CSPs stand in the certification process. There are three paths to certification – Joint Authorization Board (JAB), Agency ATO with a FedRAMP approved 3PAO, and Agency ATO. MeriTalk maintains three pipelines to allow you to understand what types of ATOs are available and further pinpoint where each of the pending CSPs are in the FedRAMP certification process and how trustworthy their certification. The FedRAMP OnRAMP empowers agencies to track their vendors of choice through the FedRAMP process.

Today, there are 14 FedRAMP compliant cloud solutions, 13 industry provider and one government provider, including: AINS, Inc., Akamai, Amazon, AT&T, Autonomic Resources, CGI, Concurrent Technologies, HP, IBM, Lockheed Martin, Microsoft, Oracle, and the U.S. Department of Agriculture. There are 15 new cloud services currently in the FedRAMP approval process from vendors, including: Acquia, Inc., CA Technologies, CenturyLink Technology Solutions, Clear Government Solutions (CGS), Economic Systems, Fiberlink, HP, Layered Tech Government Solutions, Microsoft, Oracle, Salesforce.com, SecureKey Technologies Inc., Verizon Terremark, Virtustream, and VMware.

"Efficient government innovating and operating like a successful business – that's music to tax payers' ears," said Steve O'Keeffe, founder, MeriTalk. "The centralized FedRAMP security certification process is accelerating Uncle Sam's jump to the cloud. So far, we're realized $37.5 million in savings. We're not just talking cost avoidance. We have the investment numbers to map against the cost avoidance. $3.50 return for every $1.00 invested. As agencies use these secure cloud offerings, that number will continue to grow over time. Hats off to GSA and other agencies that are changing the economics of government IT."

"This tool offers clarity through an intuitive portal, allowing agencies to effectively evaluate approved Cloud Service Providers," said John Keese, President and CEO, Autonomic Resources. "FedRAMP OnRAMP is the connector between agencies and their optimum cloud services, and it will soon prove invaluable for the 'Cloud First' initiative."

"As government computing efforts continue to become more 'cloud focused' it's important that Federal IT staffs have a convenient way to know which of their vendors are FedRAMP compliant," explained Tom Ruff, Vice President, Public Sector, Akamai Technologies. "Participating in the OnRAMP program is designed to give our federal customers confidence that Akamai cloud services can be part of 'end-to-end' FedRAMP compliant solutions."

About the Government IT Market and FedRAMP

The U.S. Federal government spends more than $80 billion each year on IT. The Office of Management and Budget (OMB) and the Hill have directed Federal agencies to embrace cloud computing and shared services to increase the efficiency of Federal IT and reduce costs. According to OMB's FedRAMP mandate, all commercial cloud services acquired by U.S. agencies must have a FedRAMP Authorization to Operate (ATO) by June 2014. State and local government agencies also use FedRAMP. The state and local government market is bigger than the Federal IT market – and ripe for cloud conversion.

For more information and to access the FedRAMP OnRAMP, please visit www.meritalk.com. Thank you to Autonomic Resources for underwriting the program. To continue the cloud discussion, be a part of the Cloud Computing Exchange at www.meritalk.com/ccx.

About MeriTalk

The voice of tomorrow's government today, MeriTalk is a public-private partnership focused on improving the outcomes of government IT. Focusing on government's hot-button issues, MeriTalk hosts Big Data Exchange, Cloud Computing Exchange, Cyber Security Exchange, and Data Center Exchange – platforms dedicated to supporting public-private dialogue and collaboration. MeriTalk connects with an audience of 85,000 government community contacts. For more information, visit www.meritalk.com or follow us on Twitter, @meritalk.

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