



Turning **VISION** into **ACTION**®

CHAIRMAN'S NOTE

Dear Friends,

We are two weeks away from the new season and are ready to Spring into Action!

In this ActioNews edition, we discuss the critical need for governance when leveraging Artificial Intelligence (AI). We have established the ActioNet Intelligent Capability Lifecycle™ (ICL) to address the Critical Federal Mission requirements to modernize operations, rapidly analyze enterprise data, and accelerate decision-making.

The companion article in this ActioNews edition presents a case study of how we actively apply ICL within ongoing Federal data modernization programs, demonstrating how principles translate into operational adoption at scale.

Our continued vigilance is critical given everything that is at stake. We all need to stay strong and stay focused.

Wishing you and your families a Happy Spring Season!

Ashley W. Chen
Founder & CEO

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Implementing Artificial Intelligence Through the ActioNet Intelligent Capability Lifecycle™

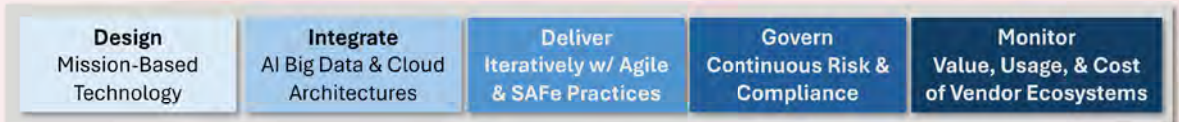
By Eric Chasteen, Senior Solution Architect

Executive Summary

Artificial Intelligence (AI) is rapidly reshaping how Federal and Department of War missions modernize operations, analyze enterprise data, and accelerate decision-making. Agencies are increasingly deploying AI capabilities embedded within enterprise platforms, cloud environments, and large-scale analytics ecosystems to improve efficiency and operational effectiveness.

Artificial Intelligence differs fundamentally from traditional IT systems. Solutions continuously learn, adapt, and evolve through interaction with data and users. Without structured governance, organizations risk fragmented adoption, unmanaged risk, underutilized investments, and uncontrolled costs driven from agentic AI pricing models.

We address this challenge through our **ActioNet AI Intelligent Capability Lifecycle™ (ICL)**, a governed lifecycle framework integrating program management, enterprise architecture, data strategy, Agile delivery, and operational oversight into a unified approach.



Federal Imperative for Governed AI

Agencies must implement AI within an expanding policy landscape emphasizing accountability, transparency, responsible use and compliance with evolving guidelines. Adoption is not simply modernization but governed operational capability.

- Executive Order 14110 — Safe, Secure, & Trustworthy AI: Policy to develop AI systems that are safe, secure, transparent, & aligned with national security & public trust.
- OMB Memorandum M-24-10 — Federal AI Governance: Govern AI use, including risk management, oversight, inventory reporting, & responsible deployment.
- NIST AI Risk Management Framework: Guidance to identify, assess, manage, & monitor risks of design, development, & use of AI systems.
- DoD Responsible AI Strategy: Develop & employ AI capabilities ethically, reliably, & with appropriate human oversight across military operations.
- DoD Data Strategy & JADC2 Principles: Treat data as a strategic asset & enabling secure, interoperable data sharing to support Joint All-Domain Command & Control.
- Zero Trust Architecture Mandates (OMB M-22-09): Implement Zero Trust cybersecurity principles that continuously verify users, devices, & data access.

Lifecycle Framework

We treat AI as a **living mission capability**, combining structured governance with continuous learning and operational improvement. Our approach manages capabilities across a full lifecycle from definition, operations and optimization integrating program management, engineering, governance, and operational disciplines.



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ActioNews Staff

Lead Designer
Karen Tepera

Contributing Authors
Eric Chasteen
Robert Pitts

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“ActioNet’s cloud transformation services are enabling establishment of new secure scalable infrastructure, integrated data platforms, and cloud-native tools.”

Implementing AI continued from page 1

Leveraging Enterprise Cloud Data Models

Our ICL defines desired decision outcomes using the **DIKW model (Data Information Knowledge Wisdom)**. This approach prevents technology-first implementations by ensuring AI solutions are designed to produce measurable decisions.

| ICL Principles | |
|----------------|------------------------------|
| ✓ | Mission outcome alignment |
| ✓ | Human-in-the-loop |
| ✓ | Data as a strategic asset |
| ✓ | Continuous validation |
| ✓ | Responsible & explainable AI |
| ✓ | Measurable operational value |

Data lakes and **enterprise cloud analytics platforms** serve as the environment where transformation occurs. Machine Learning (ML) enables predictive analytics, pattern detection, automated data enrichment, and continuous model improvement transforming large-scale data into actionable operational insight. Initiatives rely on integrating diverse data sources through scalable cloud-native architectures. We enable 1) secure multi-source data ingestion, 2) data lineage and provenance tracking, 3) cross-domain analytics, 4) scalable model training datasets, 5) real-time and batch processing, and 6) secure sharing aligned to Zero Trust principles. Effectiveness depends on **trusted data orchestration**, not algorithm complexity. Capabilities require **enterprise services** that sustain operations beyond initial deployment (Data, Storage, Network, Computing, Security, Compliance, and Training).

Agile and SAFe Delivery

AI systems evolve through iterations leveraging our Agile and Scaled Agile Framework-based delivery to enable incremental capability deployment.



Managing the Expanding AI Vendor Ecosystem

Federal organizations deploy AI across multiple ecosystems including Microsoft, ServiceNow, Salesforce, Google, AWS, Databricks, Snowflake and Palantir platforms. Metered usage is based on compute, data processing, or agent execution. We ensure AI-enabled workflows are deliberately designed to apply AI where it adds measurable value; avoiding unnecessary processing loops, redundant agent invocation, or inefficient patterns that can drive unintended consumption.

| Monitoring Focus | |
|------------------|--------------------------------|
| ☐ | Adoption maturity |
| ☐ | Bias, drift, security exposure |
| ☐ | Mission outcome improvement |
| ☐ | Underuse vs. overuse |
| ☐ | Consumption & Cost |

Monitoring Value, Risk, and AI Consumption

Machine Learning continuously evaluates data quality, operational performance trends, anomaly detection, and predictive forecasting, allowing organizations to proactively manage risk, optimize resource consumption, and improve decision outcomes over time. As your **Trusted Advisor at the Edge of AI Adoption**, we extend value through 1) Applied experimentation and prototypes; 2) Workforce training and certifications; 3) Secure federal architecture integration; 4) Lessons learned; and 5) Alignment

with ITIL, ISO, and CMMI Level 4 practices. These benefits provide trusted advisory grounded in operational reality.

Our lifecycle enables organizations to move beyond experimentation toward scalable, responsible AI adoption that delivers measurable mission advantage while managing risk and cost. ActioNet’s ongoing cloud transformation and AI modernization initiatives highlighted in this ActioNews edition, demonstrate how our ICL is applied in practice to accelerate adoption while maintaining governance, security, and value.



Expanded Data Insights

Improved centralization of data made possible by the cloud is facilitating easier integration and harmonization of datasets which is needed for linking, matching, and modeling to enrich and produce new data products with additional detail. This also supports more robust and accurate imputation of missing variables and improves data quality.

Crucially, transitioning data operations to the cloud is helping data scientists unlock the potential of AI and more easily experiment with, train, and use new models and agents. The cloud is enabling agencies to adopt advanced AI technologies such as foundation models and generative AI to assist in advanced modeling, summarizing reports, identifying patterns in complex datasets, and generating deep insights that support decision-making. Because cloud providers host and maintain these large-scale models, agencies can leverage advanced AI capabilities without the enormous infrastructure investment traditionally required.

Scaled AI & High-Performance Computing

One of the most significant obstacles to AI adoption has been the infrastructure required to train and operate AI models which require massive computational power and specialized processors such as graphics processing units (GPUs). Migration to the cloud helps solve this challenge by offering on-demand access to high-performance computing environments that are capable of provisioning thousands of processing cores in minutes rather than waiting months or years to procure and install physical hardware. This elasticity is allowing teams to scale computing resources dynamically-expanding capacity during compute intensive periods such as for processing data for publication and scaling down when demand subsides. The result is faster model development cycles, accelerated innovation, and reduced dependence on costly on-premises infrastructure.

Operationalizing AI/ML

Fully managed AI/ML services significantly reduce the complexity of building and deploying AI solutions. These services include tools for model development, training, deployment, monitoring, and end-to-end lifecycle management. Robust orchestration tools coordinate containers, models, agents, and dependencies across distributed environments with built-in versioning and CI/CD ensuring deployment consistency and reliability. This approach- often referred to as AI/MLOps- integrates AI development with DevSecOps processes, ensuring that models are secure, reliable, and continuously improving. Agencies can now access AI capabilities through cloud environments without building custom infrastructure enabling cross-agency collaboration, allowing organizations to share data, models, and analytical capabilities securely.

Ensuring Security and Compliance in Sensitive Environments

Security remains a paramount concern for statistical data agencies adopting AI. Sensitive data must be protected against unauthorized disclosure, access, breaches, and cyber threats while meeting stringent regulatory and compliance requirements. Cloud platforms designed for federal use operate under rigorous security frameworks such as FedRAMP and support Zero Trust Architecture principles. These environments provide built-in encryption, identity management, network isolation, and continuous monitoring. By leveraging secure cloud environments, agencies can deploy AI solutions with confidence, knowing that data protection and regulatory compliance are built into the platform.

Summary

Modernization of the IT infrastructure across the federal statistical data community is underway. ActioNet's cloud transformation services are enabling establishment of new secure scalable infrastructure, integrated data platforms, and cloud-native tools empowering these agencies to unlock the full potential of AI to advance data offerings, operate more efficiently, make better decisions, and deliver improved outcomes for the American public.

“Our lifecycle enables organizations to move beyond experimentation toward scalable, responsible AI adoption that delivers measurable mission advantage while managing risk and cost.”





Cloud Transformation Accelerates AI Adoption Across U.S. Federal Statistical Data Community

By Robert Pitts, Executive Director, Commerce Programs

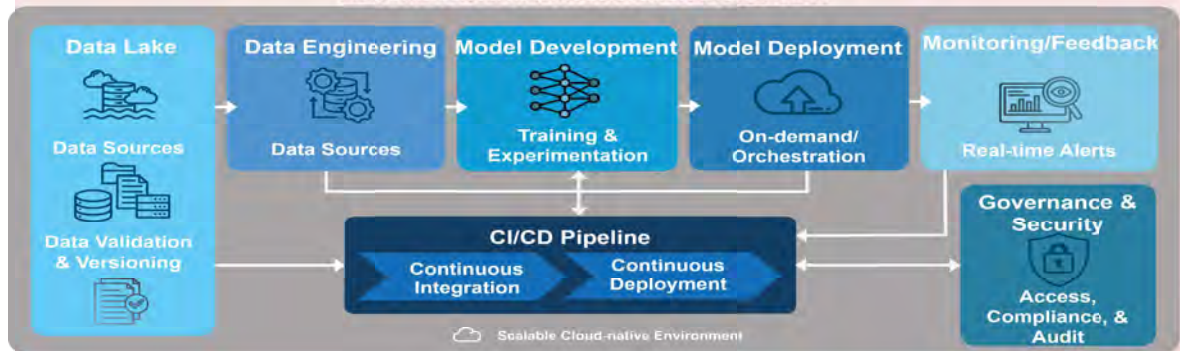
Cloud platforms are emerging as the foundational enabler of AI adoption—providing the scalable computing power, secure environments, and integrated data ecosystems required to develop and operationalize AI at scale. As the federal government continues to transition toward cloud-first strategies, the ability to deploy AI quickly, securely, and efficiently is becoming a reality.

Over the course of more than 28 years, ActioNet has distinguished itself as a trusted leader in helping federal agencies modernize their IT and data infrastructures to support critical national security, health, energy, transportation and other missions. This includes decades of experience supporting the Federal Statistical Data Community - a network of agencies including those within the Department of Commerce (DOC)- responsible for collecting, analyzing, and disseminating official statistics about the nation’s population, economy, health, environment, and society to inform decision-making by government, businesses, researchers, and the public. These agencies oversee the challenging task of producing thousands of data products, analytics, and reports from disparate surveys, censuses, and linked databases that often rely on legacy systems and computing environments.

In 2024, as part of a coordinated initiative to modernize key portions of the nation’s statistical infrastructure, ActioNet through its Joint Venture IgniteAction, was contracted to lead the transformation to a cloud and build a unified application and data environment capable of scaling to meet the growing demand for AI/ML to enhance data operations and insights, improve security posture, and drive cost efficiencies.

Applying ITIL-aligned ITSM, Agile SAFe delivery, and our novel Secure Cloud Environment Transformation Approach (ACCENT), Cloud AI Acceleration Framework, and Intelligent AI Capability Lifecycle™ (ICL), we are transitioning sprawling legacy IT operations consisting of multiple data centers with thousands of legacy applications and databases-to a more secure and centralized architecture offering cloud-native platforms, dynamic data lakes, and high performance computing clusters and accelerating big data workflows and AI adoption for the future.

ActioNet Cloud AI Acceleration Framework



A Unified Data Environment

Federal statistical data agencies require access to vast volumes of structured and unstructured data sources, models, code, and methods for research and production. Migrating operations to the cloud is enabling consolidation of diffuse data through automated ingestion into unified data lakes that improve accessibility, interoperability, and scalability for analysis, processing, and AI.

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- SBA Certified WOSB under NAICS 517111, 517121
- GWAC and IDIQ Contract Vehicles
 - GSA Alliant 2
 - GSA MAS
 - GSA OASIS Pool 1
 - CIO-SP3 SB/WOSB OTSB
 - DHAMHSGSP
 - DISA Encore III
 - ARMY ITES-3S
 - NAVY Seaport-NxG
 - FAA eFast
 - HHS SPARC
 - NRC GLINDA
 - SEC OneIT
- Past Performance on Large Contracts
 - DOE ITSS, \$1.2B
 - DOT COE, \$350M+
 - FAAATO, \$300M+
 - CMS CIGDIM, \$200M+
 - DOS CA DEDM, \$150M+
 - DISA CORENet, \$78M
- CMMI®-DEV V3 ML 4
- CMMI®-SVC V3 ML 4
- CMMI®-DATA V3 ML 4
- CMMI®-SEC V3 ML 4
- HDI Certified Support Center ISO 20000/27001/9001
- Approved Accounting System
- Approved EVM System
- Approved Purchasing System
- Approved Cost Estimating System



ActioNet, Inc.
 2600 Park Tower Drive
 Suite 1000
 Vienna, VA 22180
 PHONE 703-204-0090
 FAX 703-204-4782
info@actionet.com
www.actionet.com

