

GAO Highlights

Highlights of [GAO-18-234T](#), a testimony before the Subcommittees on Government Operations and Information Technology, Committee on Oversight and Government Reform, House of Representatives

Why GAO Did This Study

The federal government plans to invest almost \$96 billion on IT in fiscal year 2018. Historically, these investments have too often failed, incurred cost overruns and schedule slippages, or contributed little to mission-related outcomes. Accordingly, in December 2014, Congress enacted FITARA, aimed at improving agencies' acquisitions of IT. Further, in February 2015, GAO added improving the management of IT acquisitions and operations to its high-risk list.

This statement summarizes agencies' progress in improving the management of IT acquisitions and operations. It is based on GAO's prior and recently published reports on (1) data center consolidation, (2) risk levels of major investments as reported on OMB's IT Dashboard, (3) implementation of incremental development practices, and (4) management of software licenses.

What GAO Recommends

From fiscal years 2010 through 2015, GAO made about 800 recommendations to OMB and federal agencies to address shortcomings in IT acquisitions and operations, and included recommendations to improve the oversight and execution of the data center consolidation initiative, the accuracy and reliability of the Dashboard, incremental development policies, and software license management. Most agencies agreed with GAO's recommendations and had taken some actions or had no comments. In addition, from fiscal year 2016 to present, GAO has made more than 200 new recommendations in this area. GAO will continue to monitor agencies' implementation of these recommendations.

View [GAO-18-234T](#). For more information, contact David A. Powner at (202) 512-9286 or pownerd@gao.gov.

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INFORMATION TECHNOLOGY

Further Implementation of FITARA Related Recommendations Is Needed to Better Manage Acquisitions and Operations

What GAO Found

The Office of Management and Budget (OMB) and federal agencies have taken steps to improve the management of information technology (IT) acquisitions and operations through a series of initiatives, and as of November 2017, had fully implemented about 56 percent of the approximately 800 related GAO recommendations made between fiscal years 2010 through 2015. However, important additional actions are needed.

- **Consolidating data centers.** OMB launched an initiative in 2010 to reduce data centers, which was reinforced by the Federal Information Technology Acquisition Reform Act (FITARA) in 2014. However, in a series of reports that GAO issued over the past 6 years, it noted that, while data center consolidation could potentially save the federal government billions of dollars, weaknesses existed in several areas, including agencies' data center consolidation plans, data center optimization, and OMB's tracking and reporting on related cost savings. These reports contained a matter for Congressional consideration, and a total of 160 recommendations to OMB and 24 agencies, to improve the execution and oversight of the initiative. Most agencies and OMB agreed with the recommendations or had no comments. As of November 2017, 84 of the recommendations remained open.
- **Enhancing transparency.** OMB's IT Dashboard provides information on major investments at federal agencies, including ratings from Chief Information Officers that should reflect the level of risk facing an investment. Over the past 6 years, GAO has issued a series of reports about the Dashboard that noted both significant steps OMB has taken to enhance the oversight, transparency, and accountability of federal IT investments by creating its Dashboard, as well as concerns about the accuracy and reliability of the data. In total, GAO has made 47 recommendations to OMB and federal agencies to help improve the accuracy and reliability of the information on the Dashboard and to increase its availability. Most agencies agreed with the recommendations or had no comments. As of November 2017, 25 of these recommendations remained open.
- **Implementing incremental development.** OMB has emphasized the need for agencies to deliver investments in smaller parts, or increments, in order to reduce risk and deliver capabilities more quickly. Since 2012, OMB has required investments to deliver functionality every 6 months. Further, GAO has issued reports highlighting additional actions needed by OMB and agencies to improve their implementation of incremental development. In these reports, GAO made 42 recommendations. Most agencies agreed or did not comment on the recommendations. As of November 2017, 34 of the recommendations remained open.
- **Managing software licenses.** Effective management of software licenses can help avoid purchasing too many licenses that result in unused software. In May 2014, GAO reported that better management of licenses was needed to achieve savings, and made 136 recommendations to improve such management. Most agencies generally agreed with the recommendations or had no comments. As of November 2017, 112 of the recommendations remained open.