GAO Highlights

DATA CENTER OPTIMIZATION

Additional Agency Actions Needed to Meet OMB Goals

Why GAO Did This Study

In December 2014, Congress enacted federal IT acquisition reform legislation that included provisions related to ongoing federal data center consolidation efforts. OMB's Federal Chief Information Officer launched DCOI to build on prior data center consolidation efforts; improve federal data centers' performance; and establish goals for inventory closures, cost savings and avoidances, and optimizing performance.

The 2014 legislation included a provision for GAO to annually review agencies' data center inventories and strategies. Accordingly, GAO's objectives were to (1) evaluate agencies' progress and plans for data center closures and cost savings; (2) assess agencies' progress against OMB's data center optimization targets; (3) and identify effective agency practices for achieving data center closures, cost savings, and optimization progress. To do so, GAO assessed the 24 DCOI agencies' data center inventories as of August 2018; reviewed their reported cost savings documentation; evaluated their data center optimization strategic plans; and assessed their progress against OMB's established optimization targets. GAO also solicited practices that selected agencies reported to be effective in meeting DCOI goals.

What GAO Recommends

GAO is making 36 recommendations to 22 agencies to improve performance against established DCOI goals. Eleven agencies agreed with the recommendations, three did not fully agree, one disagreed, and seven neither agreed nor disagreed, as discussed in the report.

View GAO-19-241. For more information, contact Carol C. Harris at (202) 512-4456 of harriscc@gao.gov
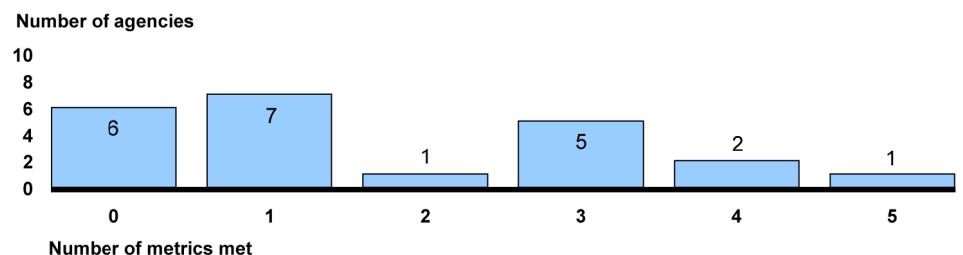
What GAO Found

The 24 agencies participating in the Office of Management and Budget's (OMB) Data Center Optimization Initiative (DCOI) reported mixed progress toward achieving OMB's goals for closing data centers and realizing the associated savings by September 2018. As of August 2018, 13 agencies reported that they had met, or had plans to meet, all of their OMB-assigned closure goals by the deadline. However, 11 agencies reported that they did not have plans to meet their goals. Further, 16 agencies reported that, as of August 2018, they had met, or planned to meet, their cost savings targets, for a total of $2.36 billion in cost savings for fiscal years 2016 through 2018. This is about $0.38 billion less than OMB's DCOI savings goal of $2.7 billion. This shortfall is the result of 5 agencies reporting less in planned cost savings and avoidances in their DCOI strategic plans, as compared to their savings targets established for them by OMB. Three agencies did not have a cost savings target and did not report any achieved savings.

In addition, the 24 agencies reported limited progress against OMB's five data center optimization targets for server utilization and automated monitoring, energy metering, power usage effectiveness, facility utilization, and virtualization. As of August 2018, the agencies reported that 3 had met three targets, 9 had met one target, and 10 met none of the targets. Two agencies did not have a basis to report on progress as they do not own any data centers. Further, as of August 2018, 20 agencies did not plan to meet all of OMB's fiscal year 2018 optimization goals. Specifically, only 2 agencies reported plans to meet all applicable targets; 6 reported that they did not plan to meet any of the targets (see figure).

Agencies' Planned Fiscal Year 2018 Progress against OMB's Five Data Center Optimization Metrics, as of August 2018

Source: GAO analysis of data from OMB's Information Technology Dashboard. | GAO-19-241

We selected 6 agencies that had demonstrated success towards meeting their DCOI goals and those agencies reported a number of key practices that contributed to their efforts. The officials noted the importance of, among other things, obtaining executive leadership support for consolidation and optimization activities, employing an organization-wide communications plan, and focusing on data center closures. The officials also cited the use of past experience and lessons learned to inform improvements to future consolidation plans and processes.

United States Government Accountability Office