



## 1. Data Center Consolidation

Agency	Savings Goal (millions)	Savings Reported to GAO	%	Savings Reported to Congress	%	Combined	Grade
Transportation	229	77	33%	3	1%	17%	F
Treasury	1,576	1,047	66%	408	26%	46%	F
GSA	49	29	60%	29	60%	60%	D

### Background:

FITARA requires agencies (with a few caveats) to provide the Office of Management and Budget (OMB) with a data center inventory, a strategy for consolidating and optimizing the data centers (to include planned cost savings), and quarterly updates on progress made.<sup>1</sup> The law also requires OMB to develop a goal of how much is to be saved through this initiative, and provide annual updates on cost savings achieved.

### Calculation:

Agencies are graded based on the percentage of planned savings related to data center consolidation that they have reportedly realized. Since agencies report differing figures to OMB and the Government Accountability Office (GAO), the two percentages are averaged (note: a maximum of 100 percent is used in the average).

### Data Source:

OMB's October 2015 IT Oversight and Reform (ITOR) report to Congress<sup>2</sup> and the GAO's tracking of agencies' implementation.<sup>3</sup>

<sup>1</sup> Federal Information Technology Reform provisions of the Carl Levin and Howard P. 'Buck' McKeon National Defense Authorization Act for Fiscal Year 2015, Pub. L. No. 113-291, div. A, title VIII, subtitle D § 834, 128 Stat. 3292, 3444-3448 (Dec. 19, 2014).

<sup>2</sup> Executive Office of the President, *Office of Management and Budget, Quarterly Report to Congress: Information Technology Oversight and Reform* (October 2015).

<sup>3</sup> See, e.g., GAO, *Data Center Consolidation: Reporting Can be Improved to Reflect Substantial Planned Savings*, GAO-14-713, (Washington, D.C.: Sept. 25, 2014).



## 2. IT Portfolio Review Savings

Agency	Budgets (millions)	Reported savings (millions)	% of Budgets	% of Max	Grade
Transportation	9,642	44	0.5%	8%	F
Treasury	11,809	576	4.9%	86%	B
GSA	1,889	76	4.0%	70%	C

### Background:

FITARA requires the Office of Management and Budget to develop and most agencies to implement a process to review agency IT investment portfolios in order to, among other things, increase efficiency and effectiveness, and identify potential waste and duplication.<sup>4</sup>

### Calculation:

Each agency's total PortfolioStat savings divided by its total IT budget for the most recent 3 fiscal years. The resulting ratio is then compared to the leading agency's ratio (in this case, SSA – 5.7% of budget) and scored.

### Data Source:

OMB's October 2015 IT Oversight and Reform (ITOR) report to Congress<sup>5</sup> and the President's annual budget.<sup>6</sup>

<sup>4</sup> Federal Information Technology Reform provisions of the Carl Levin and Howard P. 'Buck' McKeon National Defense Authorization Act for Fiscal Year 2015, Pub. L. No. 113-291, div. A, title VIII, subtitle D § 833; 40 U.S.C. § 11319 (c) (second subsecs. (c)).

<sup>5</sup> Executive Office of the President, Office of Management and Budget, Quarterly Report to Congress: Information Technology Oversight and Reform (October 2015).

<sup>6</sup> Each agency's budget submissions include a report on its IT portfolio and a business case for each major IT investment. These data are available at [https://itdashboard.gov/data\\_feeds](https://itdashboard.gov/data_feeds).



### 3. Incremental Development

Agency	Major Investments	Associated Projects	Projects delivering every 6 months	Incremental (%)	Grade
Transportation	19	59	9	15%	F
Treasury	12	35	22	63%	D
GSA	3	4	4	100%	A

#### Background:

Poor-performing projects have often used a “big bang” approach—that is, projects that are broadly scoped and aim to deliver functionality several years after initiation. Consequently OMB has called for agencies’ major IT investments to deliver functionality every 12 months and since 2012, has required investments to deliver functionality every 6 months.<sup>7</sup>

#### Calculation:

The percentage of an agency’s IT projects associated with major IT investments in development<sup>8</sup> that delivered functionality every six months.

#### Data Source:

Monthly Data feeds on OMB’s IT Dashboard.<sup>9</sup>

<sup>7</sup> OMB, *FY 2017 IT Budget – Capital Planning Guidance (2015)*; *FY 2016 IT Budget – Capital Planning Guidance (2014)*; *Guidance on Exhibits 53 and 300—Information Technology and E-Government (2013)*; *Guidance on Exhibits 53 and 300—Information Technology and E-Government (2012)*.

<sup>8</sup> Investments in development are those spending at least 50% of their planned spending in development (per the Office of Management and Budget, *Fiscal Year 2016 Budget of the U.S. Government*). NASA, NSF, and USAID do not currently have any projects that meet this definition and thus do not have letter grades in this area.

<sup>9</sup> [https://itdashboard.gov/data\\_feeds](https://itdashboard.gov/data_feeds). Last updated August 2015.



## 4. Risk Assessment Transparency

Agency	Major Projects <sup>10</sup>	Major Projects rated low risk	% Rated low risk	Grade
Transportation	2,235	1,703	76%	C
Treasury	3,315	3,037	92%	D
GSA	282	158	56%	B

### Background:

For each major investment, FITARA requires the responsible agency Chief Information Officer (CIO) to submit an assessment of risk and the investment's ability to accomplish its goals.<sup>11</sup> Additionally, for major IT investments that rate as high risk for four consecutive quarters, the law requires that the agency CIO conduct a review aimed at identifying and addressing the causes of the risk.<sup>12</sup>

### Calculation:

Given the string of high-profile federal IT failures, the Committee is concerned that CIO risk assessments are overly optimistic and not realistic. Correspondingly, this calculation rewards the agencies that are reporting more risk.

The five agencies with the most reported risk (lowest portion of investments rated “green” (low/moderately-low risk), by dollar) are given an “A”, the next five a “B”, the next five a “C”, the next five a “D” and the last 4 are given an “F” (24 agencies were evaluated).

### Data Source:

Monthly Data feeds on OMB’s IT Dashboard.<sup>13</sup>

<sup>10</sup> In Millions

<sup>11</sup> Federal Information Technology Reform provisions of the Carl Levin and Howard P. ‘Buck’ McKeon National Defense Authorization Act for Fiscal Year 2015, Pub. L. No. 113-291, div. A, title VIII, subtitle D § 832; 40 U.S.C. § 11302 (c)(3)(C).

<sup>12</sup> Pub. L. No. 113-291, div. A, title VIII, subtitle D § 832; 40 U.S.C. § 11302 (c)(4).

<sup>13</sup> [https://itdashboard.gov/data\\_feeds](https://itdashboard.gov/data_feeds). Last updated August 2015.