

Highlights of [GAO-13-98](#), a report to congressional requesters

## Why GAO Did This Study

In June 2009, OMB launched the federal IT Dashboard, a public website that reports performance data for over 700 major IT investments that represent about \$40 billion of the estimated \$80 billion budgeted for IT in fiscal year 2012. The Dashboard is to provide transparency for these investments to aid public monitoring of government operations. It does so by reporting, among other things, how agency CIOs rate investment risk. GAO was asked to (1) characterize the CIO ratings for selected federal agencies' IT investments as reported over time on the Dashboard, (2) determine how agencies' approaches for assigning and updating CIO ratings vary, and (3) describe the benefits and challenges associated with agencies' approaches to the CIO rating.

To do so, GAO selected six agencies spanning a range of 2011 IT spending levels and analyzed data reported for each of their investments on the Dashboard. GAO also interviewed agency officials and analyzed related documentation and written responses to questions about ratings and evaluation approaches, as well as agency views on the benefits and challenges related to the CIO rating.

## What GAO Recommends

GAO is recommending that OMB analyze agencies' investment risk over time as reflected in the Dashboard's CIO ratings and present its analysis with the President's annual budget submission, and that DOD ensure that its CIO ratings reflect available investment performance assessments and its risk management guidance. Both OMB and DOD concurred with our recommendations.

View [GAO-13-98](#). For more information, contact David A. Powner at (202) 512-9286 or [pownerd@gao.gov](mailto:pownerd@gao.gov).

# INFORMATION TECHNOLOGY DASHBOARD

## Opportunities Exist to Improve Transparency and Oversight of Investment Risk at Select Agencies

### What GAO Found

Chief Information Officers (CIO) at six federal agencies rated the majority of their information technology (IT) investments as low risk, and many ratings remained constant over time. Specifically, CIOs at the selected agencies rated a majority of investments listed on the federal IT Dashboard as low risk or moderately low risk from June 2009 through March 2012; at five of these agencies, these risk levels accounted for at least 66 percent of investments. These agencies also rated no more than 12 percent of their investments as high or moderately high risk, and two agencies (Department of Defense (DOD) and the National Science Foundation (NSF)) rated no investments at these risk levels (see table). Over time, about 47 percent of the agencies' Dashboard investments received the same rating in every rating period. For ratings that changed, the Department of Homeland Security (DHS) and Office of Personnel Management (OPM) reported more investments with reduced risk when initial ratings were compared with those in March 2012; the other four agencies reported more investments with increased risk. In the past, the Office of Management and Budget (OMB) reported trends for risky IT investments needing management attention as part of its annual budget submission, but discontinued this reporting in fiscal year 2010.

### Average Composition of CIO Ratings for Agencies' Major IT Investments, June 2009 through March 2012

	Agency					
	DOD	DHS	HHS	DOI	OPM	NSF
High risk and moderately high risk investments	0%	11%	5%	4%	12%	0%
Medium risk investments	15%	38%	21%	13%	22%	0%
Low risk and moderately low risk investments	85%	51%	74%	83%	66%	100%
<b>Range in the number of investments during the period</b>	49-87	63-83	55-81	33-48	6-9	3-5

Source: GAO analysis of data downloaded from OMB's IT Dashboard.

Note: Table does not include downgraded or eliminated investments. HHS is the Department of Health and Human Services. DOI is the Department of the Interior.

Agencies generally followed OMB's instructions for assigning CIO ratings, which included considering stakeholder input, updating ratings when new data become available, and applying OMB's six evaluation factors. DOD's ratings were unique in reflecting additional considerations, such as the likelihood of OMB review, and consequently DOD did not rate any of its investments as high risk. However, in selected cases, these ratings did not appropriately reflect significant cost, schedule, and performance issues reported by GAO and others. Moreover, DOD did not apply its own risk management guidance to the ratings, which reduces their value for investment management and oversight.

Various benefits were associated with producing and reporting CIO ratings. Most agencies reported (1) increased quality of their performance data, (2) greater transparency and visibility of investments, and (3) increased focus on project management practices. Agencies also noted challenges, such as (1) the effort required to gather, validate, and gain internal approval for CIO ratings; and (2) obtaining information from OMB to execute required changes to the Dashboard. OMB has taken steps to improve its communications with agencies.