

# GAO Highlights

Highlights of [GAO-13-685T](#), a testimony before the Committee on Homeland Security and Governmental Affairs, U.S. Senate

## Why GAO Did This Study

With the federal government poised to reportedly spend at least \$82 billion on IT in fiscal year 2014, the magnitude of these expenditures highlights the importance of avoiding duplicative investments to ensure the most efficient use of resources. In a series of reports over the last few years, GAO has identified federal programs or functional areas where unnecessary duplication, overlap, or fragmentation exists. In particular, GAO has identified opportunities to reduce duplication and the cost of government operations in critical areas, such as federal data centers and IT investment management.

To help address IT duplication, OMB launched the PortfolioStat initiative. As part of this initiative, agencies are required to conduct an annual review of their IT investments and make decisions on eliminating duplication, among other things.

GAO was asked to testify on the results and recommendations from its selected reports that focused on IT duplication. To prepare this statement, GAO relied on previously published work.

## What GAO Recommends

GAO has issued numerous recommendations to OMB and selected agencies to utilize existing transparency mechanisms and report the steps taken to avoid making duplicative investments.

View [GAO-13-685T](#). For more information, contact David A. Powner at (202) 512-9286 or [pownerd@gao.gov](mailto:pownerd@gao.gov).

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## INFORMATION TECHNOLOGY

### OMB and Agencies Need to Focus Continued Attention on Eliminating Duplicative Investments

## What GAO Found

GAO has identified a number of issues related to information technology (IT) duplication across the federal government. For example, GAO has previously reported that hundreds of investments provide similar functions. Specifically, agencies reported 1,536 information and technology management investments, 777 supply chain management investments, and 622 human resource management investments (see table).

#### Number of IT Investments Governmentwide by Primary Function

Selected category of investment	Number of investments	Expenditures (\$ in millions)
Information and technology management	1,536	\$35,476
Supply chain management	777	3,327
Human resource management	622	2,406

Source: GAO analysis of the Office of Management and Budget's IT Dashboard, exhibit 53 data as of July 2011.

GAO further reported that while the Office of Management and Budget (OMB) and federal agencies have undertaken several initiatives to address potentially duplicative IT investments, such as consolidating similar functions through "line of business" initiatives, most of OMB's recent initiatives had not yet demonstrated results. Further, agencies were not routinely assessing operational systems to determine if they were duplicative. GAO recommended that OMB require federal agencies to report the steps they were taking to ensure that their IT investments were not duplicative as part of their annual budget and IT investment submissions. OMB agreed with the recommendation.

In addition, GAO reported on potentially duplicative investments at selected federal agencies. More specifically, although the Departments of Defense and Energy used various investment review processes to identify duplicative investments, GAO found that 37 of its sample of 810 investments were potentially duplicative. These investments accounted for about \$1.2 billion in total IT spending for fiscal years 2007 through 2012. For example, GAO identified four Department of the Navy personnel assignment investments—one system for officers, one for enlisted personnel, one for reservists, and a general assignment system—each of which is responsible for managing similar functions. GAO recommended that the agencies report on the progress of efforts to identify and eliminate duplication, where appropriate; the agencies agreed with the recommendations.

In part to address duplicative IT investments, in March 2012 OMB launched PortfolioStat. Specifically, PortfolioStat is designed to assist agencies in assessing the current maturity of their IT portfolio management process, making decisions on eliminating duplication, and moving to shared solutions in order to maximize the return on IT investments across the portfolio. In March 2013, OMB reported that through this effort, agencies had identified and committed to nearly 100 opportunities to consolidate or eliminate commodity IT investments. OMB also believes that PortfolioStat may save the government \$2.5 billion by 2015. GAO has ongoing work looking at PortfolioStat, including determining whether agencies are completing key actions.