Why GAO Did This Study

Information technology (IT) plays a critical role in the Department of Housing and Urban Development’s (HUD) ability to carry out its home ownership and community development mission, which was recently expanded under the Housing and Economic Recovery Act of 2008. Pursuant to a congressional mandate to study HUD’s IT environment, GAO reviewed the adequacy of key IT management and modernization controls within the department, including strategic planning and performance measurement, investment management, human capital management, enterprise architecture development and use, and modernization program office establishment. To do so, GAO compared HUD policies, guidance, plans, reports, and other products and actions to relevant aspects of statutory requirements, federal guidance, and related best practices.

What GAO Found

The department has to varying degrees established key IT management and modernization controls needed to help ensure that its existing IT environment adequately supports mission operations and that its efforts to modernize this environment are successful. However, these controls have not been fully implemented either in accordance with a statutory requirement, federal guidance, or related best practices. Specifically, HUD has

• developed an IT strategic plan, with strategic goals and related activities and performance targets, but it has not assessed its IT performance since fiscal year 2007, and its assessment at that time showed performance shortfalls. For example, it reported that it was behind schedule or not making progress on about one-half of the activities needed to achieve its IT strategic goals.
• established policies and procedures for creating portfolios of IT investments, but it lacks related practices to effectively control them. For example, criteria to evaluate the performance of its portfolio do not exist.
• analyzed gaps in its IT workforce and developed a strategy for addressing them, but the analysis was based on an incomplete and outdated inventory of human capital skill levels, thus rendering its strategy unreliable.
• established an enterprise architecture program—to connect strategic plans with individual programs and system solutions—that meets key aspects of related best practices, but its efforts to extend its architecture by adding the level of detail needed to implement modernization projects, referred to as segment architectures, are not sufficient. For example, while HUD has identified and prioritized segments to be modernized, it has not adhered to these priorities, and the segments developed do not reflect important elements of federal guidance, and most are out of date.
• identified the need for a modernization program office with the responsibility for managing its modernization efforts but has not established this office.

Department officials acknowledged these shortcomings and stated that efforts to address them have been constrained by such factors as turnover in IT leadership and, until recently, limited modernization resources and initiatives. Until it strengthens these IT management controls, the performance of its existing IT environment and the success of its recent and future efforts to modernize this environment will be at risk.

What GAO Recommends

GAO recommends that the HUD Secretary strengthen the IT management controls discussed in this report and completes recommended steps to address shortcomings with each control. In commenting on a draft of this report, HUD agreed with GAO’s recommendations.