



Highlights of [GAO-10-701](#), a report to congressional requesters

Why GAO Did This Study

Federal IT spending has risen to an estimated \$79 billion for fiscal year 2011. To improve transparency and oversight of this spending, in June 2009 the Office of Management and Budget (OMB) deployed a public website, known as the IT Dashboard, which provides information on federal agencies' major IT investments, including assessments of actual performance against cost and schedule targets (referred to as ratings). According to OMB, these data are intended to provide both a near real-time and historical perspective of the performance of these investments.

GAO was asked to (1) examine the accuracy of the cost and schedule performance ratings on the Dashboard for selected investments and (2) determine whether the data on the Dashboard are used as a management tool to make improvements to IT investments. To do so, GAO selected 8 major investments from 5 agencies with large IT budgets, compared its analyses of the selected investments' performance to the ratings on the Dashboard, and interviewed agency officials about their use of the Dashboard to manage investments.

What GAO Recommends

GAO recommends that OMB report on its planned changes to the Dashboard to improve the accuracy of performance information and provide guidance to agencies that standardizes milestone reporting. OMB agreed with these recommendations, but disagreed with aspects of the draft report that GAO addressed, as appropriate.

[View GAO-10-701](#) or [key components](#).
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INFORMATION TECHNOLOGY

OMB's Dashboard Has Increased Transparency and Oversight, but Improvements Needed

What GAO Found

The cost and schedule ratings on OMB's Dashboard were not always accurate for the selected investments. GAO found that 4 of the 8 selected investments had notable discrepancies on either their cost or schedule ratings. For example, the Dashboard indicated one investment had a less than 5 percent variance on cost every month from July 2009 through January 2010. GAO's analysis shows the investment's cost performance in December 2009 through January 2010 had a variance of 10 percent to less than 15 percent. Additionally, another investment on the Dashboard reported that it had been less than 30 days behind schedule since July 2009. However, investment data GAO examined showed that from September to December 2009 it was behind schedule greater than or equal to 30 days and less than 90 days.

A primary reason for the data inaccuracies was that while the Dashboard was intended to represent near real-time performance information, the cost and schedule ratings did not take into consideration current performance. As a result, the ratings were based on outdated information. For example, cost ratings for each of the investments were based on data between 2 months and almost 2 years old. As of July 1, 2010, OMB plans to release an updated version of the Dashboard in July that includes ratings that factor in the performance of ongoing milestones. Another issue with the ratings was the wide variation in the number of milestones agencies reported, which was partly because OMB's guidance to agencies was too general. Having too many milestones can mask recent performance problems because the performance of every milestone (dated and recent) is equally averaged into the ratings. Specifically, investments that perform well during many previously completed milestones and then start performing poorly on a few recently completed milestones can maintain ratings that still reflect good performance. Conversely, having too few milestones limits the amount of information available to rate performance and allows agencies to potentially skew the ratings. OMB officials stated that they have recently chartered a working group with the intention of developing guidance for standardizing milestone reporting. However, until such guidance is available, the ratings may continue to have accuracy issues.

Officials at three of the five agencies stated they were not using the Dashboard to manage their investments because they maintain they already had existing means to do so; officials at the other two agencies indicated that they were using the Dashboard to supplement their existing management processes. OMB officials indicated that they relied on the Dashboard as a management tool, including using the Dashboard's investment trend data to identify and address issues with investments' performance. According to OMB officials, the Dashboard was one of the key sources of information that they used to determine if an investment requires additional oversight. In addition, the Federal Chief Information Officer (CIO) stated that the Dashboard has greatly improved oversight capabilities compared to previously used mechanisms. He also stated that the Dashboard has increased the accountability of agencies' CIOs and established much needed visibility.