

Why GAO Did This Study

While investments in IT have the potential to improve lives and organizations, federal IT projects too often experience cost overruns, schedule slippages, and performance shortfalls. To address acquisition challenges, improve operational efficiencies, and deliver more value to the American taxpayer, in December 2010, OMB's Federal CIO issued a 25-point IT Reform Plan.

GAO was asked to (1) evaluate the progress OMB and key federal agencies have made on selected action items in the IT Reform Plan, (2) assess the plans for addressing action items that are behind schedule, and (3) assess the extent to which sound measures are in place to evaluate the success of the IT reform initiatives. To do so, GAO selected 10 of the 25 action items from the IT Reform Plan, focusing on the more important activities due to be completed by December 2011; analyzed agency documentation; and interviewed agency officials.

What GAO Recommends

GAO is making recommendations to three agencies to complete key IT Reform action items; the agencies generally concurred. GAO is also making recommendations to OMB to complete key action items, accurately characterize the items' status, and establish measures for IT reform initiatives. OMB agreed to complete key action items, but disagreed with the latter recommendations, noting that the agency believes it is characterizing the items' status correctly and that measures are not warranted. GAO maintains that its recommendations are valid.

View [GAO-12-461](#). For more information, contact David A. Powner at (202) 512-9286 or pownerd@gao.gov.

INFORMATION TECHNOLOGY REFORM

Progress Made; More Needs to Be Done to Complete Actions and Measure Results

What GAO Found

The Office of Management and Budget (OMB) and key federal agencies have made progress on action items in the Information Technology (IT) Reform Plan, but there are several areas where more remains to be done. Of the 10 key action items GAO reviewed, 3 were completed and 7 were partially completed by December 2011, in part because the initiatives are complex (see table). OMB reported greater progress than GAO determined, stating that 7 of the 10 action items were completed and that 3 were partially completed. While OMB officials acknowledge that there is more to do in each of the topic areas, they consider the key action items to be completed because the IT Reform Plan has served its purpose as a catalyst for a set of broader initiatives. They explained that work will continue on all of the initiatives even after OMB declares that the related action items are completed under the IT Reform Plan. We disagree with this approach. In prematurely declaring the action items to be completed, OMB risks losing momentum on the progress it has made to date. Until OMB and the agencies complete the action items, the benefits of the reform initiatives—including increased operational efficiencies and more effective management of large-scale IT programs—will likely be delayed.

OMB and key agencies plan to continue efforts to address the seven items that GAO identified as behind schedule, but lack time frames for completing most of them. For example, OMB plans to work with congressional committees during the fiscal year 2013 budget process to assist in exploring legislative proposals to establish flexible budget models and to consolidate certain routine IT purchases under agency chief information officers (CIO). However, OMB has not established time frames for completing five of the seven IT Reform Plan action items that are behind schedule. Until OMB and the agencies establish time frames for completing these corrective actions, they increase the risk that key action items will not be completed or effectively managed to closure. Further, they diminish the likelihood of achieving the full benefits of IT reform.

OMB has not established performance measures for evaluating the results of most of the IT reform initiatives GAO reviewed. Specifically, OMB has established performance measures for 4 of the 10 action items, including data center consolidation and cloud computing. However, no performance measures exist for 6 other action items, including establishing the best practices collaboration platform and developing a cadre of IT acquisition professionals. Until outcome-oriented performance measures are in place for each of the action items, OMB will be limited in its ability to evaluate progress that has been made and to determine whether or not the initiative is achieving its intended results.

GAO Assessment of Selected IT Reform Plan Action Items

Data center consolidation	●	Guidance on modular development	●
Cloud computing	●	Budget models for modular development	●
Contract vehicle for infrastructure	●	Routine IT purchases under agency CIO	●
Best practices platform	●	Investment review boards	●
IT acquisition professionals	●	Role of agency CIO and CIO Council	●

Source: GAO analysis of OMB and agency data. Key: ● = Completed, ● = Partially completed