DATA CENTER OPTIMIZATION

Agencies Need to Complete Plans to Address Inconsistencies in Reported Savings

What GAO Found

The 24 agencies participating in the Office of Management and Budget’s (OMB) Data Center Optimization Initiative (DCOI) have made progress on their data center closure efforts. As of August 2016, the agencies collectively had identified a total of 9,995 data centers, of which they reported having closed 4,388 and having plans to close a total of 5,597 through fiscal year 2019. The Departments of Agriculture, Defense, Interior, and Treasury accounted for 84 percent of the completed closures.

In addition, 18 of the 24 agencies reported achieving about $2.3 billion collectively in cost savings and avoidances from their data center consolidation and optimization efforts from fiscal year 2012 through August 2016. The Departments of Commerce, Defense, Homeland Security, and Treasury accounted for approximately $2.0 billion (or 87 percent) of the total. Further, 23 agencies reported about $656 million collectively in planned savings for fiscal years 2016 through 2018. This is about $3.3 billion less than the estimated $4.0 billion in planned savings for fiscal years 2016 through 2018 that agencies reported to GAO in November 2015. (See figure.)

Comparison of Fiscal Years 2016-2018 Planned Cost Savings and Avoidances Reported to GAO in November 2015 to Publicly Available Agency DCOI Strategic Plans in April 2017

This reduction in planned savings is the result of eight agencies reporting less in planned cost savings and avoidances from their data center consolidation and optimization efforts from fiscal year 2012 through August 2016. The Departments of Commerce, Defense, Homeland Security, and Treasury accounted for approximately $2.0 billion (or 87 percent) of the total. Further, 23 agencies reported about $656 million collectively in planned savings for fiscal years 2016 through 2018. This is about $3.3 billion less than the estimated $4.0 billion in planned savings for fiscal years 2016 through 2018 that agencies reported to GAO in November 2015. (See figure.)

What GAO Recommends

GAO is recommending that OMB ensure that agencies complete their DCOI strategic plans and report achieved data center cost savings consistently across all reporting mechanisms. GAO is also recommending that 17 agencies complete their DCOI strategic plans and that 11 agencies ensure the amounts of achieved cost savings are consistent across reporting mechanisms. Twelve agencies agreed with GAO’s recommendations, 2 disagreed, and 11 did not state whether they agreed or disagreed, as discussed in the report.

View GAO-17-388. For more information, contact David Powner at (202) 512-9286 or pownerd@gao.gov.