DATA CENTER OPTIMIZATION

Agencies Report Progress, but Oversight and Cybersecurity Risks Need to Be Addressed

What GAO Found

The 24 agencies participating in the Office of Management and Budget’s (OMB) Data Center Optimization Initiative (DCOI) reported progress toward achieving OMB’s fiscal year 2019 goals for closing unneeded data centers. As of August 2019, 23 of the 24 reported that they had met, or planned to meet, their fiscal year closure goals, and would close 286 facilities in doing so (see figure). Agencies also reported plans to close at least 37 of the remaining data centers.

The 24 DCOI agencies have reported a total of $4.7 billion in cost savings from fiscal years 2012 through 2019. Of the 24 agencies, 23 reported in August 2019 they had met, or planned to meet, OMB’s fiscal year 2019 savings goal of $241.5 million. One agency did not complete a plan, but planned to do so in the future. Agencies also reported plans to save about $264 million in fiscal year 2020.

The 24 agencies reported progress against OMB’s three revised data center optimization metrics for virtualization, advanced energy monitoring, and server utilization. For a new fourth metric (availability), the data were not sufficiently reliable to report on because of unexpected variances in the information reported by the agencies. As of August 2019, eight agencies reported that they met all three targets for the metrics GAO reviewed, five met two targets, and six met one target. In addition, one agency had not established any targets, and four agencies reported that they no longer owned any data centers.

What GAO Recommends

To improve DCOI reporting and performance, GAO is making four recommendations to OMB, and four to three selected agencies. The three agencies agreed with the recommendations while OMB did not state whether it agreed or disagreed. GAO continues to maintain that the four recommendations to OMB are warranted.

Why GAO Did This Study

In December 2014, Congress enacted federal IT acquisition reform legislation that included provisions related to ongoing federal data center consolidation efforts. OMB’s Federal Chief Information Officer launched DCOI to build on prior data center consolidation efforts; improve federal data centers’ performance; and establish goals for inventory closures, cost savings and avoidance, and optimization performance.

The 2014 legislation included a provision for GAO to annually review agencies’ data center inventories and strategies. This report addresses (1) agencies’ progress and plans for data center closures and savings; and (2) agencies’ progress against OMB’s June 2019 revised data center optimization metrics. To do so, GAO assessed the 24 DCOI agencies’ data center inventories as of August 2019, reviewed their reported cost savings documentation, evaluated their data center optimization strategic plans, and assessed their progress against OMB’s established optimization targets. GAO also compared OMB’s revised metrics to key characteristics of an effective performance measure.

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