

# GAO Highlights

Highlights of [GAO-22-105118](#), a report to congressional committees

## Why GAO Did This Study

In December 2014, Congress enacted federal IT acquisition reform legislation known as FITARA, which included provisions related to ongoing federal data center consolidation efforts. The high cost and low utilization led OMB to establish a coordinated, government-wide effort to improve the efficiency, performance, and environmental footprint of federal data center activities. OMB's Federal Chief Information Officer launched DCOI to build on prior efforts by requiring, among other things, that agencies consolidate inefficient infrastructure, optimize existing facilities, and transition to more efficient infrastructure, such as cloud services.

Congress included a provision in FITARA for GAO to annually review agencies' data center inventories and strategies. This report addresses (1) agencies' progress on data center closures and the related savings that have been achieved, and agencies' plans for future closures and savings; and (2) agencies' progress against OMB's data center optimization targets.

GAO reviewed the 24 DCOI agencies data center inventories as of June and August 2021, including their reported cost savings documentation and data center optimization strategic plans, and interviewed relevant agency officials

## What GAO Recommends

GAO reiterates that agencies need to address the 25 recommendations previously made to them that have not yet been implemented. Of the 24 DCOI agencies and OMB, six agreed with the information presented in the report, eight neither agreed nor disagreed, and 11 had no comments.

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# DATA CENTER OPTIMIZATION

## Agencies Continue to Report Mixed Progress against OMB's Targets

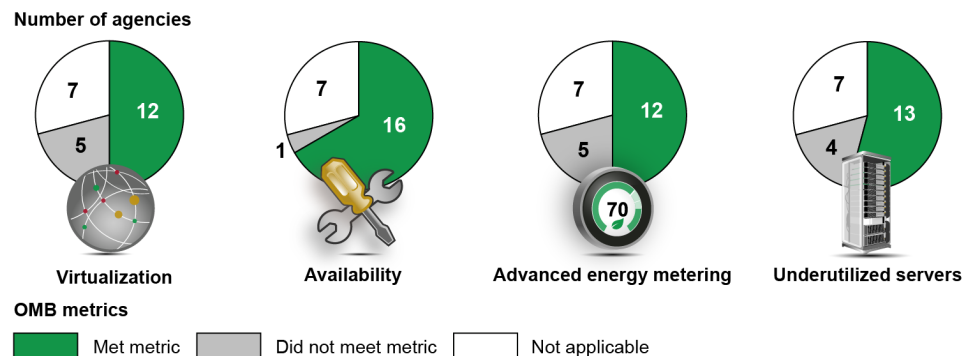
### What GAO Found

In fiscal year 2020, 24 federal agencies closed a total of 96 data centers. As of August 2021, the agencies closed 51 data centers in fiscal year 2021, with 29 additional planned closures through the end of the fiscal year. Moreover, all 24 agencies met their related cost savings goals for fiscal year 2020, identifying \$875.10 million in cost savings. Agencies also planned to meet their cost savings goals for fiscal year 2021, and as of August 2021 had identified \$335.88 million in cost savings. As of August 2021, agencies expected to realize a cumulative total of \$6.6 billion in cost savings and avoidances from fiscal years 2012 through 2021. However, closures and savings are expected to slow in the future according to agencies' Data Center Optimization Initiative (DCOI) strategic plans. For example, seven agencies reported that they plan to close 83 data centers in fiscal year 2022 through 2025, and save a total of \$46.32 Million.

In addition, in fiscal year 2021 the DCOI agencies reported mixed progress against Office of Management and Budget's (OMB) four data center optimization targets for virtualization, data center availability, advance energy metering, and underutilized servers. (See figure) Seven agencies had completed their optimization efforts or had been granted exemptions by OMB; therefore, reporting on optimization metrics for these agencies was not applicable.

Agencies did not meet all of their targets for various reasons, including technical and budget constraints. GAO has made 126 recommendations since 2016 to help agencies meet their DCOI targets, and the agencies have implemented 101 of them. Until agencies fully address all previous GAO recommendations to meet their optimization performance targets, they are unlikely to fully realize the expected benefits, including cost savings from DCOI.

**Agency-Reported Progress towards Meeting Office of Management and Budget (OMB) Data Center Optimization Targets, as of August 2021**



Source: GAO analysis of data from OMB's Information Technology Dashboard. | GAO-22-105118

View [GAO-22-105118](#). For more information, contact Carol C. Harris, (202) 512-4456 or [harriscc@gao.gov](mailto:harriscc@gao.gov)