United States Government Accountability Office

Report to Congressional Committees

July 2026

TECHNOLOGY MODERNIZATION FUND

Small Savings Achieved So Far, but Substantial Future Savings Expected

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GAO-26-107737

GAO Highlights

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GAO-26-107737 July 2026

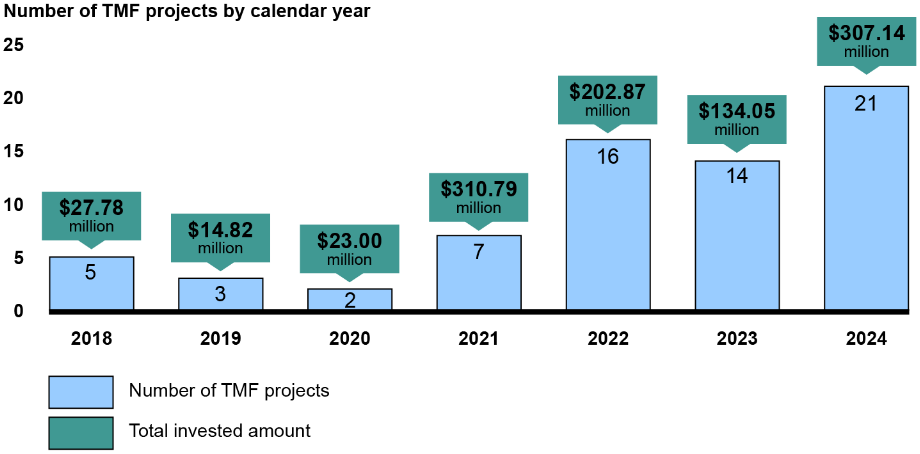
A report to congressional committees

Contact: Carol C. Harris at HarrisCC@gao.gov

What GAO Found

The Technology Modernization Fund (TMF) invests funding in agency projects to, among other things, modernize aging federal information technology (IT) systems. From fiscal years 2018 through 2025, the TMF received over $1 billion in net appropriations, of which the Technology Modernization Board invested about $1.03 billion in 68 unclassified projects (see figure).

Number of TMF projects by calendar year



Source: GAO analysis of General Services Administration documentation. | GAO-26-107737

As of June 2025 (the latest data available at the time of this analysis), 24 TMF projects expected to achieve total savings of about $1.06 billion. Eleven of these projects had collectively realized savings of about $13.5 million, and 13 had not yet begun to achieve savings. While savings thus far have been small, the amount is not unexpected given that 21 projects—with expected savings of about $1.04 billion, or 98.3 percent of the total—anticipate achieving their savings in fiscal year 2027 or later. Thirty-seven projects did not expect any cost savings, but are intended to provide other value, such as mitigating security risks. Seven other projects were cancelled prior to June 2025 and no longer expect savings.

Most of the projects were still active as of June 2025. Of the six completed TMF projects that expected cost savings, two met or were on track to meet their expected savings (within 10 percent) and four did not meet or were not on track to meet their savings. Officials for the projects that did not meet their expected savings attributed it to various reasons, such as the removal of planned functionality and higher system migration costs than planned, which led to tens of millions less in actual savings than estimated.

As required under the Competition in Contracting Act of 1984, all procurements, with certain exceptions, must use full and open competition so that any qualified entity can submit an offer. Of 177 TMF contract actions, the majority (154, or 87 percent) were awarded using competitive procedures. This accounted for about $713.1 million (96 percent) of the total funding awarded. In 23 instances where agencies awarded contract actions without such procedures, the agencies documented authorized exceptions.

Why GAO Did This Study

The federal government has faced longstanding problems in managing its IT. The Modernizing Government Technology Act established the TMF to help address key IT modernization challenges. The Act stated that TMF funds should be used to procure commercial products and services using full and open competition to the greatest extent practicable. The Office of Management and Budget (OMB) issued guidance to agencies applying for TMF funds, directing that project proposals include a reliable estimate of any project-related cost savings.

The act includes a provision for GAO to report biennially on the TMF and the expected cost savings of projects that received funding. This fourth report identifies the (1) approved TMF projects, their invested funds, and their expected and actual cost savings; (2) extent to which agencies' completed projects met their expected cost savings targets; and (3) extent to which the agencies used full and open competition for any acquisitions related to TMF invested projects.

GAO analyzed and summarized TMF financial data and documentation, including cost estimates, associated with 68 projects in which GSA had invested funds as of June 2025. For applicable completed projects, GAO compared the difference between expected and realized cost savings to OMB's variance threshold of 10 percent.

GAO analyzed contract documentation for 32 projects that issued 177 contract actions between March 1, 2023, and June 2, 2025. GAO determined whether each one was awarded using full and open competition, in accordance with the Competition in Contracting Act of 1984 and the Federal Acquisition Regulation. GAO also interviewed relevant agency officials.

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Abbreviations

CIO	Chief Information Officer
FPDS	Federal Procurement Data System
GSA	General Services Administration
IT	information technology
MGT	Modernizing Government Technology
OMB	Office of Management and Budget
TMF	Technology Modernization Fund

U.S. GOVERNMENT ACCOUNTABILITY OFFICE
441 G St. N.W.
Washington, DC 20548

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Congressional Committees

Federal agencies spend more than $100 billion annually on information technology (IT). However, the federal government has faced longstanding problems in its IT management. Because of these longstanding challenges, we added the federal government's management of IT acquisitions and operations to our High Risk list as a government-wide challenge in 2015 and continue to designate it as such today.[1]

Recognizing the challenges in modernizing government IT systems, in December 2017, Congress enacted legislation—commonly referred to as the Modernizing Government Technology (MGT) Act—that established a funding mechanism to improve, retire, or replace existing systems.[2] Specifically, this act established the Technology Modernization Fund (TMF) within the Department of the Treasury. The fund was intended to improve the efficiency and effectiveness of federal IT systems, especially aging legacy systems. The act stated that the fund should be used to procure commercial products and services using full and open competition to the greatest extent practicable.

In March 2018, the Office of Management and Budget (OMB) issued funding guidelines for projects receiving TMF investments.[3] The guidance stated that the proposals must include a reliable estimate of any project-

[1]See, for example, GAO, *High-Risk Series: Heightened Attention Could Save Billions More and Improve Government Efficiency and Effectiveness*, GAO-25-107743 (Washington, D.C.: Feb. 25, 2025).

[2]Modernizing Government Technology provisions of the National Defense Authorization Act for Fiscal Year 2018, Pub. L. No. 115-91, div. A, title X, subtitle G, 131 Stat. 1283, 1586-94 (2017).

[3]OMB, *Funding Guidelines for Agencies Receiving Disbursements from the Technology Modernization Fund* (Washington, D.C.: Mar. 12, 2018).

related cost savings or avoidance relative to pre-modernization activities, among other things.[4]

The MGT Act included a provision for GAO to report biennially on the TMF and the expected cost savings of projects that received funding. Accordingly, we have published three reports documenting the findings from each of these reviews.[5] In the reports, we made five recommendations to the General Services Administration (GSA) and OMB. As of November 2025, both agencies had implemented all the recommendations.

This report is our fourth review of the TMF. As of July 2026, the authorization for the TMF was set to expire at the end of September 2026. Without reauthorization, there will be no new investments from the TMF, and this will be our final report on the projects in response to the MGT Act provision.

The objectives of this review were to (1) identify the approved TMF projects, their invested funds, and their expected and actual cost savings; (2) determine the extent to which agencies' completed projects met their expected cost savings targets; and (3) determine the extent to which the agencies used full and open competition for any acquisitions related to TMF invested projects. The scope of our review included GSA's TMF Program Management Office—which is responsible for TMF administration, in consultation with the Chief Information Officers (CIO) Council and with the approval of the Director of OMB—and the 40 agencies and offices that had received TMF funds, as of June 2, 2025.[6] As of that date, GSA had invested these funds in 68 unclassified projects.

[4]OMB defines cost savings as a reduction in actual expenditures below the projected level of costs to achieve a specific objective, and cost avoidance as an action taken in the immediate time frame that will decrease costs in the future. For example, cost avoidance may be an engineering improvement that increases the mean time between failures and thereby decreases operation and maintenance costs. Cost avoidance may be considered an additional benefit to quality or other non-quantifiable value engineering improvement.

[5]GAO, *Technology Modernization Fund: Although Planned Amounts Are Substantial, Projects Have Thus Far Achieved Minimal Savings*, GAO-24-106575 (Washington D.C.: Dec.12, 2023); *Technology Modernization Fund: Implementation of Recommendations Can Improve Fee Collection and Proposal Cost Estimates*, GAO-22-105117 (Washington, D.C.: Dec. 10, 2021); and *Technology Modernization Fund: OMB and GSA Need to Improve Fee Collection and Clarify Cost Estimating Guidance for Awarded Projects*, GAO-20-3 (Washington, D.C.: Dec. 12, 2019).

[6]At the time of our analysis, data as of June 2025 were the latest data available.

For the first objective, we identified the reported costs and expected cost savings for the 68 projects that received investments during the period from June 7, 2018 (when projects first began to receive investments) through June 2, 2025. In particular, we obtained invested fund information from the TMF website and from the agencies responsible for the projects.[7] We also obtained expected cost savings data from agencies' project savings estimates and, when available, documentation of the actual savings achieved, as of June 2025.

For our second objective, we identified the completion dates, where available, for the 68 projects in which the TMF had invested to determine which had been completed. For the six completed projects that had at least a full fiscal year of savings as of June 2025, we compared the agencies' expected cost savings for these projects to their reported actual savings to determine the extent to which the projects had met or were on track to meet their expected savings targets. We considered a project to have met its expected savings if its total realized savings were within 10 percent of its expected savings or were greater than expected. We considered a project to have not met its expected savings if its total realized savings were at least 10 percent less than expected and the agency did not anticipate that the project would realize any additional savings. In other words, if an agency expected to save $100 and its realized savings were less than $90, it would trigger our threshold indicating it had not met its expected savings. The 10 percent variance is consistent with OMB guidance that states a cost variance of 10 percent or more from a project's expected savings estimate is a concern and should trigger formal reporting.[8]

[7]GSA provides information on the status of invested projects on the TMF website at https://tmf.cio.gov/.

[8]OMB, *Preparation, Submission, and Execution of the Budget,* Circular A-11 (Washington, D.C.: Aug. 6, 2021).

To address the third objective, we reviewed contract documentation from 32 projects that received TMF investments between March 1, 2023, and June 2, 2025. These projects awarded a total of 177 contract actions during that time.[9]

We then analyzed data from the Federal Procurement Data System (FPDS)[10]—a government contract award database—to determine whether each of these contract actions used full and open competition in accordance with the Competition in Contracting Act of 1984 and the Federal Acquisition Regulation.[11] For those that were not identified in FPDS as using full and open competition, we reviewed contract documentation supporting the exceptions to competition. Appendix I includes additional information on our objectives, scope, and methodology.

We conducted this performance audit from July 2024 to July 2026 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

[9]One additional contract action was awarded during the March 2023 through June 2025 time period. However, as of July 2025, the agency responsible for it—the U.S. Agency for International Development—had ceased administration of its programs and did not respond to our documentation request. As such, we did not review documentation for this contract.

[10]FPDS is a web-based tool for agencies to report contract transactions. In addition, it is a searchable database of contract information that provides a capability to examine data across government agencies and provides managers a mechanism for determining where contract dollars are being spent.

[11]The Competition in Contracting Act of 1984 requires agencies to obtain full and open competition through the use of competitive procedures in their procurement activities unless otherwise authorized in law. See Pub. L. No. 98-369, div. B, title VII, §§ 2711(a)(1) (civilian), 2712 (military), 98 Stat. 1175, 1184 (1984), codified as amended at 41 U.S.C. § 3301 and 10 U.S.C. § 3201. In implementing the Competition in Contracting Act of 1984, the Federal Acquisition Regulation requires that contracting officers promote and provide for full and open competition in soliciting offers and awarding government contracts. Full and open competition, when used with respect to a contract action, means that all responsible sources are permitted to compete. See Federal Acquisition Regulation 48 C.F.R. § 2.101 and part 6. Allowable exceptions to full and open competition include circumstances when the contractor is the only responsible source, and no other supplies or services will satisfy agency requirements. See Federal Acquisition Regulation 48 C.F.R. part 6.

Background

Federal agency IT systems provide essential services critical to the nation's health, economy, and defense. Approximately 80 percent of the billions of dollars that the federal government invests in IT each year is spent on operating and maintaining these systems—many of which are legacy systems (i.e., systems that are outdated or obsolete).[12] Such legacy systems may have hardware or software that is unsupported by the vendor and may have security vulnerabilities that are technically difficult or prohibitively expensive to address.

The TMF was intended to improve the efficiency and effectiveness of federal IT systems, especially aging legacy systems. From fiscal years 2018 through 2025, Congress appropriated a net total of over $1 billion to the TMF, which was to be used to fund projects aimed at modernizing and improving such systems.[13] As of July 2026, the authorization for the TMF was set to expire at the end of September 2026. The fund is still operating on its existing budget and is continuing to collect agencies' reimbursement payments from the invested projects (these payments are discussed in more detail later).

Oversight of the Technology Modernization Fund

The MGT Act assigns specific responsibilities to OMB, GSA, and the Technology Modernization Board for the fund's administration.[14] The act also assigns responsibilities to federal agencies that receive invested funds.

- **OMB.** The act requires the Director of OMB to issue guidance on the administration of the fund, among other things.
- **GSA.** The act designates the Administrator of GSA, in consultation with the CIO Council and with the approval of the Director of OMB, responsibility for administering the fund. This includes, among other things: (1) providing direct technical support in the form of personnel services and other services; (2) assisting the Technology Modernization Board with the evaluation, prioritization, and development of agency modernization proposals; and (3) performing

[12]GAO, *High-Risk Series: Critical Actions Needed to Urgently Address IT Acquisition and Management Challenges*, GAO-25-107852 (Washington, D.C.: Jan. 23, 2025).

[13]Specifically, the TMF received $100 million in fiscal year 2018, $25 million each year during fiscal years 2019 through 2021, and $50 million in fiscal year 2023. Additionally, the TMF received $1 billion from the American Rescue Plan Act in fiscal year 2021. $100 million of the act's appropriations was subsequently rescinded in fiscal year 2024.

[14]The MGT Act established the Technology Modernization Board, which is chaired by the Federal CIO within OMB.

regular project oversight and monitoring of approved agency modernization projects.

In March 2018, GSA established a TMF Program Management Office within the agency to manage these functions. An executive director leads the office and reports to the Office of the Deputy Administrator within GSA. According to GSA officials, the operating costs of the Program Management Office totaled approximately $21.2 million from October 2018 through December 2024.[15]

The TMF Program Management Office also maintains a website with information about the TMF and the approved projects, including details on the full list of approved unclassified projects.[16] TMF officials stated the list is to be reviewed and updated quarterly. Among other things, the website identifies each project's start date, any schedule delays or cost overruns experienced, and financial data, including the total investment amount and the amount obligated to the agency to date.

- **Technology Modernization Board.** The act established this board,[17] which is chaired by the Federal CIO.[18] The board is responsible for, among other things, providing input to the Director of OMB to develop processes for agencies to submit proposals, making recommendations to the Administrator of GSA to help agencies refine their submitted proposals, and evaluating and approving submitted

[15]To help cover the operating costs of the TMF Program Management Office, GSA collected administrative fees from agencies that received TMF funding. GSA officials stated that the agency stopped collecting these fees from new TMF projects in March 2021, after the enactment of the American Rescue Plan Act, which appropriated $1 billion to the TMF. According to GSA officials, as of January 2025, the agency was still collecting such fees from six projects that received funding prior to enactment of the act. The officials stated that, in total as of January 2025, the office had collected about $2.3 million in fees from TMF projects.

[16]See the TMF website at https://tmf.cio.gov.

[17]According to the MGT Act, the board shall be comprised of seven voting members, including the Federal CIO; a senior official from GSA with technical expertise in IT development; an employee of the National Protection and Programs Directorate (now the Cybersecurity and Infrastructure Security Agency) of the Department of Homeland Security; and four employees of the federal government primarily having technical expertise in information technology development, financial management, cybersecurity and privacy, and acquisition.

[18]The Federal CIO is formally known as the Administrator of the Office of Electronic Government. The Office of the Federal CIO is part of OMB within the Executive Office of the President.

proposals.[19] The board is also responsible for recommending the funding of modernization projects to the Administrator of GSA and monitoring the progress and performance or approved projects in consultation with the Administrator. In addition, the board is tasked with monitoring the operating costs of the fund.

- **Other federal agencies.** The act states that any agency that submits an IT-related project proposal and receives funds from the TMF must reimburse the fund for the transfer, including any services of work performed in support of the transfer, in accordance with the terms established in a written agreement. Specifically, after the board approves a project proposal (and before the transfer of funds to an agency), the Administrator of GSA, in consultation with the Director of OMB and the head of the agency, shall enter into a written agreement documenting how the funds will be used and the terms of repayment.

  In July 2022, we issued a legal decision which found that TMF authorizing legislation leaves OMB and GSA the discretion to set rates at less than full reimbursement.[20] In February 2024, GSA updated its repayment policy to require a minimum 50 percent repayment for new investments, with exceptions requiring both GSA and OMB approval. In May 2025, GSA announced a strategic shift to prioritize full repayment for new investments to maximize its capacity to continue accelerating high-impact modernization projects across the federal government.

OMB Issued Guidance on Applying for TMF Investments

In February 2018, OMB issued guidance on implementing the MGT Act that included instructions for agencies on submitting applications for TMF funding.[21] Agencies were allowed to begin submitting initial application proposals on February 27, 2018. The guidance included an initial application template that agencies were required to complete. The template required agencies to provide an estimate of the TMF funding request and the agency's method used for cost estimation. Subsequently,

[19]The MGT Act required the Technology Modernization Board to establish criteria for evaluating submitted proposals to address the greatest security, privacy, and operational risks; have the greatest government-wide impact; and have a high probability of success based on factors including a strong business case, technical design, consideration of commercial off-the-shelf products and services, procurement strategy (including adequate use of rapid, agile, iterative software development practices), and program management.

[20]GAO, *Office of Management and Budget/General Services Administration—Reimbursement Requirement for the Technology Modernization Fund*, B-333396, (Washington, D.C.: July 14, 2022).

[21]OMB, *Implementation of the Modernizing Government Technology Act*, M-18-12 (Washington, D.C.: Feb. 27, 2018).

in March 2018, OMB issued funding guidelines for projects receiving investments. The guidelines stated that project proposals must include a reliable estimate of any project-related cost savings or avoidance relative to pre-modernization activities using the templates provided.[22] In addition, the guidelines stated that estimates must undergo appropriate due diligence and concurrence from the requesting agency's Office of the Chief Financial Officer before submission to the Technology Modernization Board in consultation with OMB's Resource Management Office. The guidelines also stated that GSA's TMF Program Management Office could assist agencies with completing their project proposal templates.

For agencies receiving a TMF investment, the guidelines stated that agencies were required to reimburse amounts transferred from the fund and a fee, which was determined based on the amount of invested funding. According to GSA officials, the agency discontinued these fees after the enactment of the American Rescue Plan Act, which appropriated $1 billion to the TMF in March 2021. As part of the process, the Act required agencies to establish a written agreement with GSA that set forth the terms for reimbursing the transferred funds and the fee. Agencies were required to start making payments no more than 1 year after the initial amount of investment funding was transferred and complete repayment within 5 years unless otherwise approved by OMB. While the guidelines noted that reimbursement was not contingent upon achieving project-related savings, agencies could use the project's generated cost savings to repay the investment. The TMF's most recent funding and repayment guidance, issued May 2025, states that partial repayment arrangements may be considered for projects that tackle urgent IT cybersecurity and modernization problems.

In addition, on December 31, 2020, OMB updated its guidelines (in consultation with the TMF program office) to include a provision that project teams should follow their agency's implementation of OMB Circular A-11[23] concerning cost estimating, and OMB Circular A-131[24]

[22]OMB, *Funding Guidelines for Agencies Receiving Disbursements from the Technology Modernization Fund* (Washington, D.C.: Mar. 12, 2018).

[23]OMB, *Preparation, Submission, and Execution of the Budget*, Circular A-11 (Washington, D.C.: Aug. 29, 2025).

[24]OMB, *Value Engineering*, Circular A-131 (Washington, D.C.: Dec. 26, 2013).

concerning value engineering.[25] The guidelines further instructed the project proposals to include a reliable estimate of project-related costs and any cost savings or avoidance relative to pre-modernization activities. In March 2021, the GSA TMF Program Management Office also began sending a memo to each agency that received TMF funds. This memo reiterated that agencies are to follow their own agency's implementation of OMB Circular A-11 concerning cost-estimating policies and processes. Moreover, the TMF Program Management Office's May 2025 funding and repayment guidance further reiterated that project teams should follow their agency's implementation of Circulars A-11 and A-131 concerning cost estimating and value engineering, respectively.

Some Agencies Expect Substantial Future Savings, but Actual Savings Small So Far

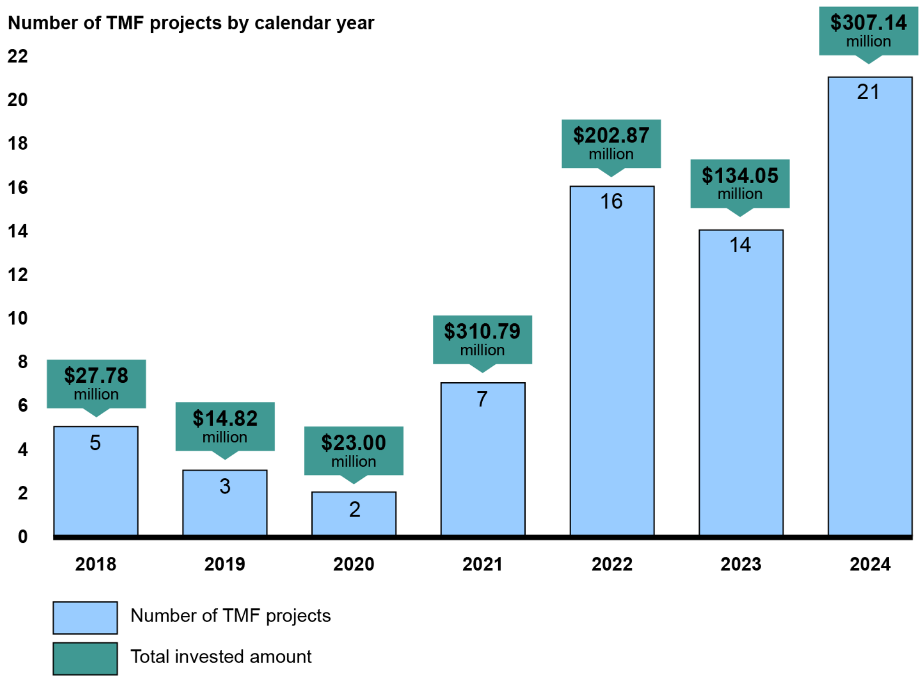
About one-third of the TMF projects in which GSA invested funds as of June 2025 expect to achieve cost savings by the end of their life cycles. While substantial savings have not yet been realized, these projects expect about $1.06 billion in savings in the future. The other two-thirds of TMF projects that do not expect cost savings expect other non-financial benefits, such as improved security or driving operational efficiencies.

As of June 2025, the TMF had invested approximately $1.03 billion in funds to 68 unclassified projects among 40 agencies.[26] Appendix II provides a full list of the 68 unclassified TMF projects and their invested funding amounts. Figure 1 provides an overview of the number of projects announced and the total amount invested by calendar year.

[25]OMB, *Funding Guidelines for Agencies Receiving Disbursements from the Technology Modernization Fund* (Washington, D.C.: Dec. 31, 2020).

[26]The TMF also invested $52 million in classified projects that are outside the scope of this review.

Figure 1: Technology Modernization Fund (TMF) Projects' Invested Funds by Calendar Year



Source: GAO analysis of General Services Administration documentation. | GAO-26-107737

According to agency officials, 24 projects expected to collectively achieve total cost savings of approximately $1.06 billion, as of June 2025. While 37 projects did not expect to achieve any savings, these projects are intended to provide other value, such as mitigating security risks, improving federal policy compliance, driving operational efficiencies, and enhancing service delivery. Seven other projects were canceled prior to June 2025 and no longer expect savings.

Of the $1.06 billion that the 24 projects expected to save, three of these projects expected to save approximately $849.3 million (about 80 percent of the total):

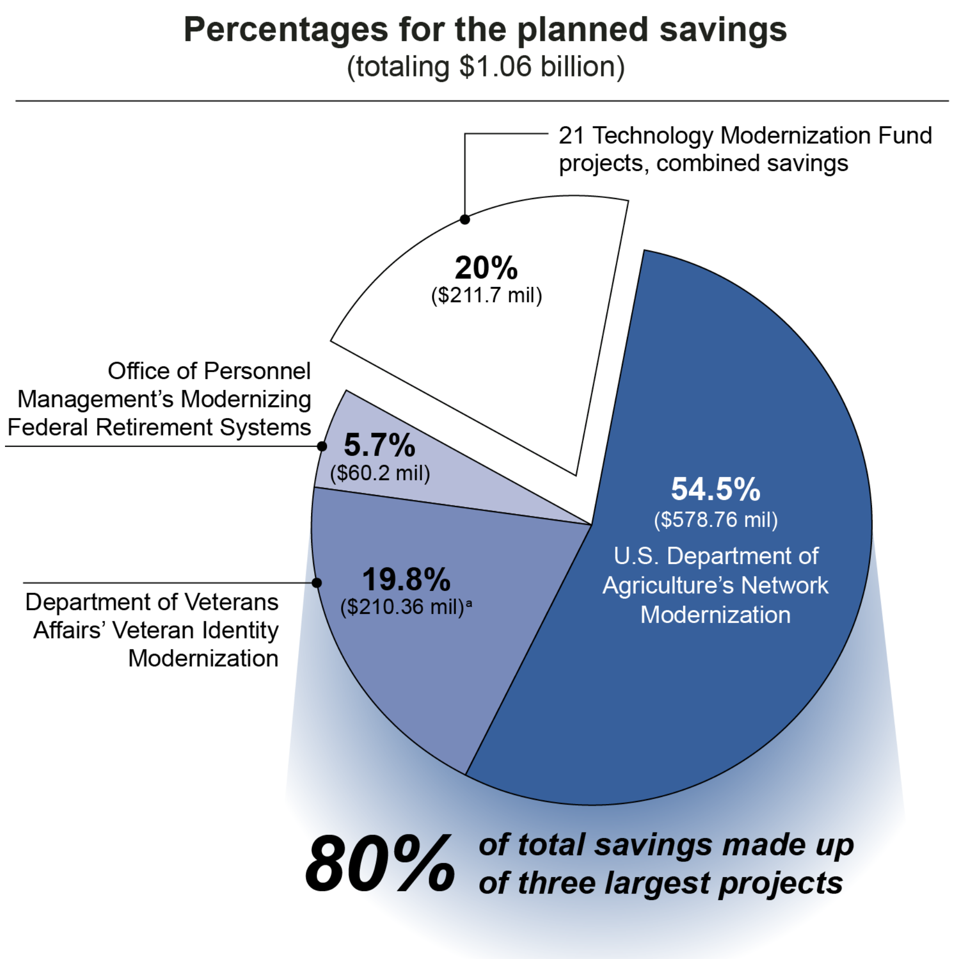
1. U.S. Department of Agriculture's Network Modernization—$578.76 million (about 55 percent of the total expected savings);

2. Department of Veterans Affairs' Veteran Identity Modernization—$210.36 million (about 20 percent of the total expected savings);[27] and
3. Office of Personnel Management's Modernizing Federal Retirement Systems—$60.2 million (about 6 percent of the total expected savings).

Figure 2 depicts the total expected savings amounts for the 24 TMF projects.

[27]In commenting on a draft of this report in June 2026, officials from the Department of Veterans Affairs stated that the department had revised its expected savings estimate for the Veteran Identity Modernization project. The officials now expect this project to save $35 million over fiscal years 2025 through 2028. They attributed the decrease in expected savings to the department retaining and continuing to pay for licenses for identity verification that it did not include in its previous cost estimate.

Figure 2: Expected Savings for 24 Technology Modernization Fund Projects as of June 2025



Source: GAO analysis of agency documentation. | GAO-26-107737

[a]In commenting on a draft of this report in June 2026, officials from the Department of Veterans Affairs stated that the department had revised its expected savings estimate for the Veteran Identity Modernization project. The officials now expect this project to save $35 million over fiscal years 2025 through 2028. They attributed the decrease in expected savings to the department retaining and continuing to pay for licenses for identity verification that it did not include in its previous cost estimate.

As of June 2025, 11 of the 24 projects had collectively realized savings of about $13.5 million. The 13 other projects had not yet begun to achieve savings. (See table 1 for details about the 11 TMF projects that had realized cost savings as of June 2025.)

Table 1: Technology Modernization Fund (TMF) Projects with Realized Cost Savings as of June 2025

Agency	Project	Status	TMF funds invested[a]	Total expected savings	Realized savings	Additional savings expected
Department of Labor	Data Modernization	Complete	$9,600,000	$14,910,124	$714,467	Yes (through fiscal year 2029)
	Labor Certificate Processing Monitoring	Complete	3,500,000	6,505,348	1,574,374	Yes (through fiscal year 2029)
Equal Employment Opportunity Commission	Charge and Case Management System Modernization	Active	4,000,000	2,505,818	1,347,000	Yes (through fiscal year 2027)
General Services Administration	Application modernization integrating flexible architectures	Complete	7,276,450	1,256,645	556,000	No
	Modernizing Regulatory Services for the Public and the Federal Government	Active	19,700,954	7,531,723	535,559	Yes (through fiscal year 2035)
Postal Regulatory Commission	IT Modernization	Active	4,045,000	No cost savings were expected	259,850	No
Social Security Administration	Personal Data Security for Public Benefits Processing	Active	23,300,000	1,400,000	200,000	Yes (through fiscal year 2031)
U.S. Agency for International Development	Zero Trust Architecture	Canceled[b]	5,687,598	135,299	137,000	No
U.S. Department of Agriculture	Agricultural Marketing Service Specialty Crops System Modernization	Complete	8,000,000	5,160,000	3,590,000	No
	Infrastructure Optimization and Cloud Adoption	Complete	220,000	943,720	573,119	No
	Network Modernization	Active	64,000,000	578,762,705	4,000,000	Yes (through fiscal year 2031)
Total			**$149,330,002**	**$619,111,382**	**$13,487,369**	

Source: GAO analysis of TMF Program Management Office and TMF project documentation. | GAO-26-107737

[a]Funds invested refers to the funds approved by the TMF board, Office of Management and Budget, and General Services Administration.

[b]U.S. Agency for International Development's Zero Trust Architecture was canceled in February 2025 after the project had fully realized its expected savings.

While the total savings thus far have been small, the amount is not unexpected given the planned savings time frames of the projects. Specifically, as of June 2025,

- Eight projects—which collectively expect to save about $129 million—plan to begin achieving their savings in fiscal year 2026 or later; and
- 21 projects—with expected savings of about $1.04 billion (98.3 percent of the total expected savings)—plan to finish achieving their savings in fiscal year 2027 or later. (12 of those 21—with expected savings of about $763.2 million—plan to finish achieving them in 2030 or later).

Two Completed Projects Met or Were on Track to Meet Savings Targets; Four Did Not or Were Not on Track

Of the six TMF projects that expected cost savings and were complete as of June 2025,[28] two met or were on track to meet their expected savings targets,[29] and four did not meet or were not on track to meet their savings targets.[30] Specifically,

- *Met or on track to meet expected cost savings targets: two projects.* One of these projects—U.S. Agency for International Development's Zero Trust Architecture—met (and exceeded) its cost savings target of $135,299. Agency officials stated that the project realized $137,000 in savings.

  Another project—Department of Labor's Labor Certificate Processing Modernization—was on track to achieve its expected savings estimate of $6.5 million. As of June 2025, department officials stated that the project had realized about $1.6 million in savings. The officials expected this project to continue achieving savings through fiscal year 2029.

[28]One of these six projects—U.S. Agency for International Development's Zero Trust Architecture—was canceled after it had fully achieved its expected cost savings. Because it had realized these savings before being canceled, we considered it to be a completed project for our purpose of determining the extent to which agencies' completed projects met their expected cost savings targets.

[29]For the purposes of this review, we considered a project to have met its cost savings if its total realized savings were either within 10 percent of its expected savings target or were greater than expected.

[30]As of June 2025, five other TMF projects had also been completed. However, four of these projects did not expect to achieve any cost savings and the fifth project—Department of Labor's Data Modernization—had not yet had a full fiscal year to achieve cost savings; as such, we did not assess whether it was on track to meet its expected savings target. Details on our scope and methodology are discussed in appendix I.

- *Did not meet or not on track to meet expected cost savings targets: four projects.* Three projects did not meet their expected cost savings targets, and one project was not on track to meet its savings target, which the project had planned to achieve through fiscal year 2029. Specifically,
    - GSA's Application Modernization Integrating Flexible Architectures did not meet its expected savings target of about $1.26 million. According to agency officials, the project realized total savings of $556,000. The officials stated the project went through a major change that descoped planned work and reduced expected savings.
    - The Department of Agriculture's Agricultural Marketing Service Specialty Crops System Modernization did not meet its expected savings target of about $5.16 million. Department officials stated the project's actual savings were about $3.59 million. The officials stated that functionality was descoped from the project, which led to fewer realized savings than expected.
    - The Department of Agriculture's Infrastructure Optimization and Cloud Adoption project did not meet its expected savings target of about $943,000. Department officials estimated that the project's realized savings were about $573,000. The officials stated that the project achieved these savings early in its planned savings time frame and the project did not realize any further recurring savings.
    - Housing and Urban Development's UNISYS Mainframe Migration was not on track to meet its expected cost savings target of about $48.16 million. The project had expected to achieve these savings through fiscal year 2029. However, in March 2026, agency officials stated that the project did not and would not achieve any cost savings compared to its baseline costs from prior to implementing the project. The officials stated that the department had realized annual cost reductions after migrating from the legacy UNISYS mainframe platform. However, they explained that the project had experienced increased costs migrating the mainframe environment to the cloud,[31] as well as increased transition costs. As a result, the officials stated that the anticipated cost savings did not materialize.

[31]Cloud computing enables on-demand access to shared computing resources. It can often provide access to IT resources through the internet faster and for less money than owning and maintaining such resources.

Table 2 provides cost savings details about the six completed projects.

Table 2: Completed Technology Modernization Fund (TMF) Projects that Expected Cost Savings, as of June 2025

Agency	Project	Total TMF investment	Total expected savings	Realized savings	Additional savings expected	Assessment
Department of Labor	Labor Certificate Processing Modernization	$3,500,000	$6,505,348	$1,574,374	Yes (through fiscal year 2029)	√ On track to meet expected savings
General Services Administration	Application Modernization Integrating Flexible Architectures	7,276,450	1,256,645	556,000	No	╳ Did not meet expected savings
Housing and Urban Development	UNISYS Mainframe Migration	13,850,013	48,157,217	0[a]	No	╳ Not on track to meet expected savings[a]
U.S. Agency for International Development	Zero Trust Architecture	5,687,598	135,299	137,000	No	√ Met expected savings
U.S. Department of Agriculture	Agricultural Marketing Service Specialty Crops System Modernization	8,000,000	5,160,000	3,590,000	No	╳ Did not meet expected savings
	Infrastructure Optimization and Cloud Adoption	220,000	943,720	573,119	No	╳ Did not meet expected savings

No highlight and √ assessment: project met or was on track to meet its expected savings target.

Gray highlight and ╳ assessment: project did not meet or was not on track to meet its expected savings target.

Source: GAO analysis of TMF Program Management Office and TMF project documentation. | GAO-26-107737

[a]Housing and Urban Development had expected that the UNISYS Mainframe Migration project would achieve about $48 million in savings through fiscal year 2029. However, in March 2026, agency officials stated that the project did not and would not achieve any cost savings compared to its baseline costs from prior to implementing the project. The officials explained that the project had experienced increased costs migrating the mainframe environment to the cloud, as well as increased transition costs. As a result, the officials stated that the anticipated cost savings did not materialize.

TMF Project Acquisitions Used Full and Open Competition or Documented Authorized Exceptions

The MGT Act requires the Administrator of GSA to ensure that commercial off-the-shelf products and services are incorporated to the greatest extent practicable in agency projects that receive investments through the TMF.[32] Further, as required under the Competition in Contracting Act of 1984, procurements, with certain exceptions,[33] are generally required to be competed on a full and open basis so that all responsible sources are permitted to compete.[34]

Agencies must also publicly report their contract transactions in FPDS, including information on the type of award made and whether competitive procedures were used.[35] In addition, if an agency issues task orders under an existing contract where multiple vendors can compete, then the agency is required to identify whether competitive procedures were used. Further, if the contract did not use competitive procedures, the agency must report why the contract was not competed.

Of 177 contract actions awarded under 32 TMF projects between March 1, 2023 and June 2, 2025, agencies used competitive procedures to award the majority (87 percent) of them, according to FPDS data. Specifically, agencies awarded 154 of the contract actions using competitive procedures, which accounted for about $713.1 million (about 96 percent) of the total funding associated with the 177 actions. In 23 instances where agencies awarded contract actions without competitive procedures, the agencies documented authorized exceptions. Table 3 identifies the number of TMF contract actions that agencies awarded using competitive procedures and their associated total value.

[32]A commercial off-the-shelf product is generally defined as a type of product customarily available to the general public, sold in substantial quantities in the commercial marketplace, and offered to the government in the same form in which it is sold to the general public. Procuring commercial products and services can be more cost-effective than custom-developed products and in-house services.

[33]Exceptions to competition are documented in agency justifications and approvals, an example of which includes circumstances when the contractor is the only responsible source and no other supplies or services will satisfy agency requirements.

[34]Competition in Contracting Act of 1984, Pub. L. No. 98-369, div. B, title VII, §§ 2711(a)(1) (civilian), 2712 (military), 98 Stat. 1175, 1184 (1984), codified as amended at 41 U.S.C. § 3301 and 10 U.S.C. § 3201.

[35]Contract Award Data in SAM.gov | SAM.gov

Table 3: Technology Modernization Fund Contract Actions Awarded Using Competitive Procedures as of June 2025

	Number of Contract Actions	Total Value (dollars in millions)
Awarded under competitive procedures	154	**$713.12**
Awarded using authorized exceptions to competitive procedures	23	**27.76**

Source: GAO analysis of Federal Procurement Data System data. | GAO-26-107737

The 23 contract actions awarded using authorized exceptions to competitive procedures were associated with seven TMF projects at seven agencies. As noted earlier, each of these agencies documented the use of authorized exceptions. For example,

- The Department of Homeland Security's Customs and Border Protection completed a justification and obtained approval for other than full and open competition on an order to, among other things, sustain critical application software development and testing under the Automated Commercial Environment system. Contract documents stated that only one responsible source could perform the required services, and that competition would result in unacceptable risk to the government.
- The Department of Homeland Security completed a justification and obtained approval for other than full and open competition on an order so that there would not be a break in service while migrating to a new governance, risk, and compliance platform. Contract documents stated that the agency's need for contractor services was so urgent that providing a fair opportunity would result in unacceptable delays.
- The Equal Employment Opportunity Commission completed a justification and obtained approval for other than full and open competition on an order so that the agency could, among other things, maintain the knowledge, experience, and skills that the existing contractors had on the agency's complex legacy systems and environment. Contract documents stated that the new work was a logical follow-on that would provide critical continuity of services throughout the project, while also allowing 1 year to fully recompete the contract services after the migration is complete.
- GSA completed a justification and obtained approval for other than full and open competition on an order for Agile software development services. Contract documents cited the justification that the work is a logical follow-on to an original order and fair opportunity was not

provided in the interest of economy and efficiency. The documents further noted that the support provided by the original order was essential to the operations of the agency and re-competing the effort would introduce significant schedule and performance risk and would not provide material cost savings.

Competition is a cornerstone of the acquisition system and a critical tool for achieving the best possible return on investment for taxpayers. Agencies' adherence to federal acquisition requirements for TMF-funded investments should help ensure that these funds are used appropriately to benefit both the agencies and the public.

Agency Comments and Our Evaluation

We provided a draft of this report to the 40 agencies and offices that had received TMF investments as of June 2025 for their review and comment.[36] Two agencies—AmeriCorps and GSA—provided written comments.

- In AmeriCorps' comments, reprinted in appendix III, the Acting Chief Operating Officer provided updated information about the status of the agency's Grants Management Modernization project, noting that it was terminated in December 2025 and did not achieve any realized cost savings.
- In GSA's comments, reprinted in appendix IV, the Administrator of GSA stated that distinguishing between cost savings and cost avoidance understates the full financial benefit generated by TMF investments, as significant amounts of money that agencies did not have to spend are categorized as cost avoidance rather than

[36]The agencies included GSA, which is both responsible for TMF administration and also had projects that received TMF investments, as well as: AbilityOne Commission; AmeriCorps; Armed Forces Retirement Home; the Departments of Defense (including the Army), Education, Energy, Homeland Security (including Customs and Border Protection), Housing and Urban Development, the Interior (including the Bureaus of Indian Education and Land Management), Justice (including the Antitrust Division and Executive Office for Immigration Review), Labor (including the Employee Benefits Security Administration), State, Transportation (including the Federal Aviation Administration), the Treasury, and Veterans Affairs; Environmental Protection Agency; Equal Employment Opportunity Commission; Federal Election Commission; Federal Trade Commission; Health and Human Services (including its Office of Inspector General); National Aeronautics and Space Administration; National Archives and Records Administration; National Institute of Standards and Technology; National Labor Relations Board; National Oceanic and Atmospheric Administration; National Transportation Safety Board; Office of Personnel Management; Postal Regulatory Commission; Railroad Retirement Board; Selective Service System; Social Security Administration; U.S. Agency for Global Media; and U.S. Department of Agriculture.

included in realized savings totals. In addition, the administrator noted that capturing cost savings can be challenging and emphasized that TMF investment partners have reported ancillary savings, including time savings, cost avoidance, improved security, and other operational enhancements. We agree that the cost savings noted in the report would be higher if other factors, like cost avoidance, were to be added in. The MGT Act requires GAO to report on TMF projects' cost savings and that is what this report covers.

Thirty-three of the agencies and offices stated that they had no comments on the draft report. In addition, the U.S. Agency for International Development was unable to provide comments because staff from the agency's Office of the Executive Secretariat reported that other agency needs had taken priority. Lastly, six agencies—AmeriCorps; the Departments of Housing and Urban Development, Interior, Justice, and Veterans Affairs; and GSA—provided technical comments, which we incorporated as appropriate.

We are sending copies of this report to the appropriate congressional committees, the Secretaries and agency heads of the departments and agencies in this report, and other interested parties. In addition, this report will also be available at no charge on the GAO website at https://www.gao.gov.

If you or your staff have any questions about this report, please contact me at HarrisCC@gao.gov. Contact points for our Offices of Congressional Relations and Media Relations may be found on the last page of this report. GAO staff who made major contributions to this report are listed in appendix V.

//SIGNED//

Carol C. Harris
Director, Information Technology Acquisition Management Issues

List of Committees

The Honorable Roger Wicker
Chairman
The Honorable Jack Reed
Ranking Member
Committee on Armed Services
United States Senate

The Honorable Rand Paul, M.D.
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The Honorable Gary C. Peters
Ranking Member
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United States Senate

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The Honorable Jeanne Shaheen
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Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies
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United States Senate

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The Honorable Chellie Pingree
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Subcommittee on Interior, Environment and Related Agencies
Committee on Appropriations
House of Representatives

The Honorable Robert Aderholt
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The Honorable Rosa DeLauro
Ranking Member
Subcommittee on Labor, Health and Human Services, Education, and Related Agencies
Committee on Appropriations
House of Representatives

Appendix I: Objectives, Scope, and Methodology

Our objectives were to: (1) identify the approved Technology Modernization Fund (TMF) projects, their invested funds, and their expected and actual cost savings; (2) determine the extent to which the agencies' completed projects met their expected cost savings targets; and (3) determine the extent to which the agencies used full and open competition for any acquisitions related to TMF invested projects.

The scope of our review included the General Services Administration's (GSA) TMF Program Management Office—which is responsible for TMF administration, in consultation with the Chief Information Officers (CIO) Council and with the approval of the Director of OMB. We also performed work at the 40 agencies and offices that had received TMF funds as of June 2, 2025.[1] Specifically, GSA invested these funds in 68 unclassified projects.[2]

For the first objective, we identified the reported costs and expected cost savings targets for the 68 projects that received investments during the period from June 7, 2018 (when projects first began to receive investments) through June 2, 2025. In particular, we obtained invested fund information from the TMF website and from the agencies responsible for the projects.[3] This agency data included proposal documentation, status briefings, cost savings estimates, and supporting documentation. In addition, we reviewed expected cost savings data from agencies' project savings estimates and, when available, documentation of the actual savings achieved, as of June 2025.

To determine the accuracy and completeness of the reported costs, expected cost savings, and realized cost savings for the 68 projects, we first asked the agencies to explain how they prepared their projects' savings estimates in order to determine whether they had processes and applications/tools in place to develop the estimates. We also assessed supporting documentation of the anticipated cost savings. Further, we compared the cost savings information provided by the agencies to the spending amounts GSA reported on the TMF investment website for obvious errors and inconsistencies. We did not identify any significant

[1] At the time of our analysis, data as of June 2025 were the latest data available.

[2] We did not assess classified TMF projects during this review. In addition, after June 2, 2025, the Technology Modernization Board funded three additional investments in 2025. These investments were not included in our review.

[3] GSA provides information on the status of invested projects on the TMF's website at https://tmf.cio.gov/.

errors related to the accuracy or completeness of the data for 61 projects. Agencies cancelled the other seven projects prior to June 2025 and no longer expect savings.

For our second objective, we identified the completion dates, where available, for the 68 projects the TMF invested in to determine which of the projects had been completed. As of June 2025, 11 projects had been completed.[4] Seven of these 11 projects expected to achieve cost savings and four did not.[5]

We assessed the realized cost savings for projects that had at least one full fiscal year to achieve savings after agencies completed the projects. As of June 2025, six of the seven completed projects expecting cost savings met this criterion and one did not. Specifically, the Department of Labor's Data Modernization project had not yet had a full fiscal year to achieve cost savings, as of June 2025. As such, we did not assess whether it was on track to meet its expected savings target.

For the six completed projects that had at least a full fiscal year of savings as of June 2025, we compared the agencies' expected cost savings for these projects to their reported actual savings to determine the extent to which the projects had met or were on track to meet their expected savings targets. Specifically, we assessed each project as follows:

- *Met expected savings target.* A project's total realized savings were within 10 percent of its expected savings target or were greater than expected.
- *On track to meet expected savings target.* A project's realized savings during the first fiscal year after which the project was complete were within 10 percent of its expected savings target for that time period.
- *Did not meet expected savings target.* A project's total realized savings were at least 10 percent less than expected and the agency

[4]The U.S. Agency for International Development's Zero Trust Architecture project was canceled after it had fully achieved its expected cost savings. Because it realized these savings before being canceled, we considered it to be a completed project for our purpose of determining the extent to which agencies' completed projects met their expected cost savings targets. As of June 2025, seven other TMF projects had also been terminated early, but did not achieve any cost savings. We did not consider these to be completed projects.

[5]Beyond cost savings, TMF projects may provide other value, such as mitigating security risks, improving federal policy compliance, driving operational efficiencies, and enhancing service delivery.

did not anticipate the project would realize any additional savings (in other words, if an agency expected to save $100 and its realized savings were less than $90, it would trigger our threshold indicating it had not met its expected savings). The 10 percent variance is consistent with Office of Management and Budget guidance that states a cost variance of 10 percent or more from a project's planned savings estimate is a concern and should trigger formal reporting.[6]

- *Not on track to meet expected savings target.* A project's realized savings during the first fiscal year after which the project was complete were at least 10 percent less than its expected savings for that time period.

In instances where the projects did not meet, or were not on track to meet, their expected savings targets, we asked agency officials to explain why the full expected savings amounts were not realized as anticipated.

To determine the reliability of the cost savings data for the six completed projects, we compared initial project documentation to current estimates and sought clarification from agency officials on any differences. Further, we assessed the reliability of agencies' realized cost savings by (1) reviewing the underlying data to identify any obvious errors or inaccuracies and (2) comparing the cost savings data provided by the agencies to TMF project savings data provided by GSA. We sought clarification from TMF project officials on any differences. We found that the cost savings data were sufficiently reliable for our purposes of reporting on expected and realized cost savings.

To address the third objective, we reviewed contract documentation from 32 projects that received TMF investments between March 1, 2023 and June 2, 2025. These 32 projects awarded a total of 177 contract actions[7]

[6]Office of Management and Budget, *Preparation, Submission, and Execution of the Budget*, Circular A-11 (Washington, D.C.: Aug. 6, 2021).

[7]A contract action is any oral or written action that results in the purchase, rent, or lease of supplies or equipment, services, or construction using appropriated dollars over the micro-purchase threshold, or modifications to these actions regardless of dollar value. Contract action does not include grants, cooperative agreements, other transactions, real property leases, requisitions from Federal stock, training authorizations, or other non-Federal Acquisition Regulation based transactions. See Federal Acquisition Regulation 4.601.

during that time.[8] From the documentation, we compiled a list of each contract action's unique identifiers. Using these identifiers, we obtained and analyzed data from the Federal Procurement Data System (FDPS)[9]—a government contract award database—to determine whether each of these contract actions used full and open competition in accordance with the Competition in Contracting Act of 1984 and the Federal Acquisition Regulation.[10] For those that were identified in FDPS as not using full and open competition, we reviewed contract documentation supporting the exceptions to competition.

To ensure the accuracy and completeness of the projects' contract information related to the use of full and open competition as reported in FDPS, we presented the results of our analysis to officials from each agency. We asked these officials to verify the completeness and accuracy of the data and provide any updates, as appropriate. Officials in charge of all the projects confirmed the accuracy of the contract information related to the use of full and open competition and provided additional contract acquisition data, as appropriate. Based on these steps, we determined

[8]One additional contract action was awarded during the March 2023 through June 2025 time period. However, as of July 2025, the agency responsible for it—the U.S. Agency for International Development—had ceased administration of its programs and did not respond to our documentation request. As such, we did not review documentation for this contract. In addition, officials from agencies responsible for 34 of the 68 TMF-funded projects did not identify any new contract actions awarded between March 2023 to June 2025 for those projects. Further, two of the 68 projects had not yet awarded any contracts, as of June 2025.

[9]We extracted this data on April 8, 2026. FDPS is a web-based tool for agencies to report contract transactions. In addition, it is a searchable database of contract information that provides a capability to examine data across government agencies and provides managers a mechanism for determining where contract dollars are being spent.

[10]The Competition in Contracting Act of 1984 requires agencies to obtain full and open competition through the use of competitive procedures in their procurement activities unless otherwise authorized in law. See Pub. L. No. 98-369, div. B, title VII, §§ 2711(a)(1) (civilian), 2712 (military), 98 Stat. 1175, 1184 (1984), currently codified at 41 U.S.C. § 3301 and 10 U.S.C. § 3201. In implementing the Competition in Contracting Act of 1984, the Federal Acquisition Regulation requires that contracting officers promote and provide for full and open competition in soliciting offers and awarding government contracts. Full and open competition, when used with respect to a contract action, means that all responsible sources are permitted to compete. See Federal Acquisition Regulation 48 C.F.R. § 2.101 and part 6. Allowable exceptions to full and open competition include circumstances when the contractor is the only responsible source, and no other supplies or services will satisfy agency requirements. See Federal Acquisition Regulation 48 C.F.R. part 6.

that these data were sufficiently reliable to report on TMF-funded project acquisitions’ use of full and open competition.

We conducted this performance audit from July 2024 to July 2026 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Technology Modernization Fund Investments

As of June 2025, the Technology Modernization Fund (TMF) had provided investments to 68 unclassified projects. Table 4 identifies these projects, as well as their associated agencies, start dates, amount of TMF funds invested, and statuses, as of June 2025.

Table 4: Technology Modernization Fund Projects, as of June 2025

Agency name	Project name	TMF funds invested	Project start date	Status
AbilityOne Commission	Development of the Next Generation Procurement List Information Management System 2.0	$1,781,000	October 2022	Active
AmeriCorps	Grants Management Modernization	14,000,000	August 2022	Active
Armed Forces Retirement Home	Transforming Resident-Centered Healthcare Through Modernized Electronic Health Record Systems	6,050,000	January 2024	Active
Department of Defense—Army	Critical Infrastructure Cyber Protection	15,575,246	October 2022	Active
Department of Education	Improving federal student loan borrower experience	5,939,936	May 2024	Active
	Zero Trust Architecture	20,000,000	September 2021	Active
Department of Energy	Enterprise Cloud Email	2,436,153	July 2018	Complete
	Human Resources Information Technology Modernization	17,000,000	June 2024	Active
	Modernizing Nuclear Emergency Response	3,812,000	July 2024	Active
Department of Health and Human Services—Inspector General	Securing Public Health Information with Mature Zero Trust	18,000,000	April 2023	Active
Department of Homeland Security	Information Sharing Modernization	26,950,000	June 2022	Active
	Southwest Border Technology Integration Program	50,000,000	September 2021	Complete
Department of Homeland Security—Customs & Border Protection	Automated Commercial Environment Collections Module	15,000,000	October 2020	Complete
Department of Housing and Urban Development	Identity Credential Access Management Modernization for Federal Housing Administration Connection	14,800,000	October 2022	Active
	Transforming Identity and Access Management	19,800,000	October 2024	Active
	UNISYS Mainframe Migration	13,850,013	August 2018	Complete
Department of the Interior—Bureau of Indian Education	Improving Services for Tribal Communities Through Modernized School Websites	5,868,000	June 2024	Active

Agency name	Project name	TMF funds invested	Project start date	Status
Department of the Interior—Bureau of Land Management	Digitizing Records for Easier Public Success	9,180,000	July 2023	Active
Department of Justice—Antitrust Division	Improving Antitrust Enforcement with Modern Technology	45,514,719	January 2024	Active
Department of Justice—Executive Office for Immigration Review	Modernizing Legacy Case Management System	1,340,000	December 2024	Canceled
Department of Labor	Enhancing Security of Department of Labor Data and Applications	15,182,000	July 2023	Active
	Ensuring Injured and Ill Workers Receive Services and Benefits Faster	42,000,000	April 2024	Active
	Data Modernization	9,600,000	March 2021	Complete
	Labor Certificate Processing Modernization	3,500,000	January 2019	Complete
	Permanent Labor Certification Program Visa Modernization	7,221,149	August 2022	Active
Department of Labor—Employee Benefits Security Administration	Improving Ability of America's Workers to Find Lost Retirement Benefits	3,465,000	November 2023	Active
Department of State	Increasing Capacity to Safeguard Identity Data	13,100,000	May 2024	Active
	Increasing Diplomacy Through Generative Artificial Intelligence	18,200,000	May 2024	Active
Department of Transportation	Protecting Aviation Consumers and Streamlining Regulated Entity Interactions Through Human-Centered Design	8,039,855	September 2023	Active
Department of Transportation—Federal Aviation Administration	Improving Mission Support with Modernized Applications	6,430,000	April 2023	Active
Department of the Treasury	Secure Cloud National Intelligence Sharing	11,145,244	February 2023	Active
Department of Veterans Affairs	Digitizing Forms and Personalizing Experiences for Better Veterans' Benefits Management and Customer Support	7,378,730	July 2023	Active
	Veteran Identity Modernization	10,550,000	April 2022	Active
Environmental Protection Agency	Securing Data Availability and Integrity	2,500,000	July 2023	Active
Equal Employment Opportunity Commission	Charge and Case Management System Modernization	4,000,000	October 2019	Active
Federal Election Commission	Modernizing FECFile	8,824,934	June 2024	Active
Federal Trade Commission	Securing and Modernizing the Registered Identification Number System	1,100,000	September 2023	Active
	Multi-Cloud Security Operations Center	3,990,000	June 2022	Complete

Agency name	Project name	TMF funds invested	Project start date	Status
General Services Administration	Advancing Zero Trust	29,802,431	September 2021	Active
	Application Modernization Integrating Flexible Architectures	7,276,450	October 2018	Complete
	Login.gov	187,050,000	September 2021	Active
	MAX.gov Transition	4,433,437	September 2021	Canceled
	Modernizing Regulatory Services for the Public and the Federal Government	19,700,954	January 2024	Active
	NewPay Payroll and Work Schedule and Leave Management Software as a Service	7,316,786	February 2019	Canceled
National Aeronautics and Space Administration	Accelerating Network Cybersecurity and Performance Improvements in Benefit to Agency Missions	5,872,492	April 2024	Active
National Archives and Records Administration	High Value Asset Mission Essential Systems	9,133,034	May 2022	Active
National Institute of Standards and Technology	Improving AI Safety for a Smarter Future	10,000,000	July 2024	Active
National Labor Relations Board	Case Management System Modernization	23,197,800	September 2024	Active
National Oceanic and Atmospheric Administration	Rebuilding Weather.gov	12,064,000	May 2024	Active
National Transportation Safety Board	Improving Customer Experience with Digital Content Delivery	16,208,429	July 2023	Active
Office of Personnel Management	Modernizing Federal Retirement Systems	18,330,000	December 2024	Active
	Website And Digital Modernization	6,048,058	October 2022	Canceled
	Zero Trust Networking	9,900,000	September 2021	Active
Postal Regulatory Commission	IT Modernization	4,045,000	March 2022	Active
Railroad Retirement Board	Citizen-Centric Online Self-Services	8,695,389	December 2022	Active
Selective Service System	Registration and Verification Modernization	5,988,807	March 2022	Active
Social Security Administration	Digitizing Forms and Enhancing Customer Experience	19,540,125	October 2024	Active
	Modernizing Beneficiary Notifications	9,000,000	October 2024	Active
	Personal Data Security for Public Benefits Processing	23,300,000	February 2023	Active
	Using Artificial Intelligence to Support Disability Claim Processing	1,980,560	October 2024	Active

Agency name	Project name	TMF funds invested	Project start date	Status
U.S. Agency for Global Media	Improving IT Security with Zero Trust Architecture	6,200,000	February 2023	Active
U.S. Agency for International Development	CRM System	5,917,127	February 2023	Canceled
	Zero Trust Architecture	5,687,598	August 2022	Canceled
U.S. Department of Agriculture	Agricultural Marketing Service Specialty Crops System Modernization	8,000,000	January 2020	Complete
	Farmers.Gov Customer Experience Portal	4,000,000	July 2018	Canceled
	Infrastructure Optimization and Cloud Adoption	220,000	November 2018	Complete
	Network Modernization	64,000,000	June 2022	Active
	Network Monitoring, Detection, And Response	4,406,842	May 2022	Active

Source: GAO analysis of project data posted on the Technology Modernization Fund website and data provided by the agencies. | GAO-26-107737

Appendix III: Comments from AmeriCorps

AmeriCorps

June 18, 2026

Carol C. Harris

U.S. Government Accountability Office
441 G Street NW
Washington, DC 20548

Subject: Response to Draft Report 107737 – Technology Modernization Fund – Small Savings Achieved So Far, but Substantial Future Savings Expected

Dear Ms. Harris,

Thank you for the opportunity to review the GAO's draft report "Technology Modernization Fund – Small Savings Achieved So Far, but Substantial Future Savings Expected." AmeriCorps is listed in the draft report with an active project as of June 2025.

AmeriCorps submitted an Early Investment Termination form for the Grants Management Modernization to the Technology Modernization Fund (TMF) on December 12, 2025. Prior to the termination of project with TMF, AmeriCorps did not achieve any realized savings. At the conclusion of the contract with the vendor, the modernization effort was incomplete.

We look forward to continued collaboration with GAO. For questions, please contact me at cleonard@americorps.gov.

Sincerely,

Charndrea Leonard

Charndrea Leonard

Acting Chief Operating Officer

AmeriCorps

AmeriCorps.gov

250 E Street SW
Washington, D.C. 20525
202-606-5000 / 800-942-2677

Appendix IV: Comments from the General Services Administration

Docusign Envelope ID: F086BE54-18F4-808F-8106-28052DEFE471

U.S. General Services Administration

July 2, 2026

Orice Williams Brown
Acting Comptroller General of the United States
U.S. Government Accountability Office
Washington, DC 20548

Dear Acting Comptroller General Brown:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) draft report, Technology Modernization Fund: Small Savings Achieved So Far, but Substantial Future Savings Expected (GAO-26-107737).

GSA appreciates GAO's thorough examination of the Technology Modernization Fund's (TMF) investments made through June 2, 2025. Distinguishing between cost savings and cost avoidance understates the full financial benefit generated by TMF investments, as significant amounts of money that agencies did not have to spend are categorized as cost avoidance rather than included in realized savings totals.

GSA recognizes that capturing cost savings can be challenging, and would also like to emphasize that our TMF investment partners have reported ancillary savings including: time savings, cost avoidance, improved security, and other operational enhancements—all of which provide value, even if GAO is reporting only direct cost savings. Additionally, because the TMF requires repayment, the use of the term "investment," as opposed to "award," is intentional and preferred.

If you have any questions or require additional information, please contact Mark O'Connell, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at GSACongressionalAffairs@gsa.gov.

Sincerely,

Edward C. Forst
Administrator

Enclosure

cc: Carol C. Harris, Director, Information Technology and Cybersecurity, GAO

1800 F Street NW
Washington DC 20405-0002
www.gsa.gov

Appendix V: GAO Contact and Staff Acknowledgments

GAO Contact

Carol C. Harris, harriscc@gao.gov

Staff Acknowledgments

In addition to the contact named above, individuals making key contributions to this report included Emily Kuhn and Eric Winter (Assistant Directors), Justin Booth and Jonathan Wall (Analysts in Charge), Amanda Andrade, Christopher Businsky, Daniel Coletta, Jonnie Genova, Gabriel Nelson, and Adam Vodraska.

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