

Highlights of [GAO-11-831T](#), a testimony before the Subcommittee on Technology, Information Policy, Intergovernmental Relations, and Procurement Reform, Committee on Oversight and Government Reform, House of Representatives

Why GAO Did This Study

A long-standing goal of Congress has been to improve the performance and transparency of the federal government through the use of information technology (IT). The Office of Management and Budget (OMB) plays a key role in improving the transparency and oversight of federal investments. Given the size of these investments and their importance to the health, economy, and security of the nation, it is critical for OMB and federal agencies to provide appropriate program oversight and ensure adequate transparency.

GAO was asked to testify on IT systems used by federal agencies to report spending. To prepare this statement, GAO drew on previously published work on two government reporting mechanisms—an IT Dashboard and [USAspending.gov](#). These public Web sites were deployed by OMB in June 2009 and December 2007, respectively.

The Dashboard provides detailed information on approximately 800 major federal IT investments, including assessments of these investments' performance against cost and schedule targets (referred to as ratings). [USAspending.gov](#) contains data on federal awards (e.g., contracts, loans, and grants) across the federal government.

View [GAO-11-831T](#) or key components. For more information, contact Joel C. Willemssen at (202) 512-6253 or willemssenj@gao.gov.

July 14, 2011

INFORMATION TECHNOLOGY

Continued Attention Needed to Accurately Report Federal Spending and Improve Management

What GAO Found

In June 2009, OMB deployed the IT Dashboard Web site to improve the transparency into and oversight of federal agencies' IT investments. This site displays detailed information on major IT investments, including assessments of actual performance against cost and schedule targets. According to OMB, these data are intended to provide a near real-time perspective on the performance of these investments. The Dashboard has drawn additional attention to over 300 troubled IT investments at federal agencies, totaling \$20 billion. The Federal Chief Information Officer (CIO) recognized that the Dashboard has increased the accountability of agency CIOs and established much-needed visibility into investment performance. However, GAO has found that the data on the Dashboard were not always accurate. Specifically, in reviews of selected investments from 10 agencies, GAO found that the Dashboard ratings were not always consistent with agency cost and schedule performance data. In these reports GAO made a number of recommendations to OMB and federal agencies to improve the accuracy of Dashboard ratings. Agencies and OMB agreed with almost all of these recommendations.

Using the Dashboard, OMB initiated efforts to improve the management of IT investments needing attention. Specifically, beginning in January 2010, the Federal CIO initiated reviews—known as “TechStat” sessions—of selected IT investments involving OMB and agency leadership and which, according to OMB officials, have resulted in improvements to or termination of some investments. Further, OMB identified 26 high-priority IT projects and plans to develop corrective action plans with agencies at future TechStat sessions. According to the Federal CIO, OMB's efforts have already resulted in \$3 billion in savings. Lastly, recent and ongoing GAO work has identified additional opportunities for using the Dashboard to increase operational efficiency and realize cost savings, such as by identifying duplicative investments. Continued OMB oversight, along with the implementation of outstanding GAO recommendations, could result in further significant savings and increased efficiency.

In responding to a statutory requirement, OMB deployed [USAspending.gov](#) in December 2007. This site provides details on over \$1 trillion in contracts and financial assistance awarded annually by federal agencies. However, in March 2010, GAO found that agencies did not always report awards on [USAspending.gov](#) and that numerous inconsistencies existed between [USAspending.gov](#) data and agency records. These errors were due to a reliance on voluntary agency compliance and a lack of specific guidance. Accordingly, GAO recommended that OMB ensure complete reporting and clarify guidance for verifying agency-reported data. OMB generally agreed with GAO's findings and recommendations. Since then, OMB has issued guidance to federal agencies on improving the data quality of federal spending information, including developing data quality plans.