

Written Testimony of

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Committee on Oversight and Government Reform  
United States House of Representatives

Thank you, Chairman Meadows, Chairman Hurd, Ranking Member Kelly and Ranking Member Connolly, and members of the subcommittees, for the opportunity to appear before you today to share the U.S. Department of Agriculture's (USDA) progress on implementation of the Federal Information Technology Acquisition Reform Act (FITARA). We would also like to thank you for your continued commitment to improve Information Technology (IT) management across the Federal government.

The United States Department of Agriculture touches the lives of every American through its mission to provide leadership on agriculture, food, natural resources, rural infrastructure, nutrition, and related issues. To successfully accomplish its mission, the Department operates more than 300 programs through an extensive network of Federal, State, and local cooperators. These programs affect every American, every day, by providing a safe and stable food supply,

nutrition assistance, renewable energy, rural economic development, care for forest and conservation lands, and global opportunities for farm and forest products. These programs also hold the answers to pressing global issues: the need for renewable energy, increasing crop yields to combat hunger, protecting the food supply, and fostering trade for agricultural commodities.

Secretary Perdue and Deputy Secretary Censky are committed to creating a new operating model for IT at USDA that enables the Department to be a facts-based, data-driven, and customer-focused organization. As we announced in December 2017, USDA is implementing four key IT modernization strategies that are consistent with the goals of FITARA: strengthen strategic IT governance; consolidate end-user services and data centers; enable a strategic approach to data management; and improve the USDA customer experience. To accelerate execution of these activities, USDA is teaming with the White House Office of American Innovation (OAI) and the General Services Administration (GSA) Centers of Excellence (COE).

In addition to statutory authority to assist in managing our IT portfolio provided by Congress in our annual appropriations acts, FITARA solidifies USDA's Departmental CIO's authority to oversee the efficient and effective use of IT. In 2015, upon the inception of FITARA, USDA assumed a leading position with an "A" on our common baseline plan. Since 2015, USDA has continued to strive to meet the spirit of FITARA by being the only CFO Act Agency that implemented the IT Management Maturity Model (ITMMM) and being one of six (6) Agencies to receive an "A" on the MEGABYTE portion of the scorecard. USDA has consistently proven itself as a leader in embracing FITARA. We continue to implement FITARA across USDA and deftly integrate it into our daily processes and our IT Modernization initiatives.

To improve leadership alignment and the efficiency of operations across USDA's information technology activities, the Department recently decreased the number of positions with the title Chief Information Officer (CIO) from 22 to a single USDA CIO. We have designated a permanent or acting Assistant CIO responsible for IT activities for each programmatic mission area and Departmental Administration of USDA, for a total of nine Assistant CIOs across the Department. A shift in responsibilities for these roles supports a new IT operating model that is strategic, customer-focused, and data-driven. Under this operating model, mission area Assistant CIOs are better able to focus on utilizing IT to improve mission-specific services and programs, with the overall goal of improving the customer experience. Standard performance elements for evaluation of Assistant CIOs have been created under the direction of the Departmental CIO. In addition, the Department has re-chartered the Executive Information Technology Investment Review Board (E-Board) to focus its efforts on the review of strategic investments rather than transactional decisions. This year, the E-Board set an overall goal of standardizing IT systems across USDA and supporting the transition to USDA's new IT operating model. For example, the E-Board decided to issue no new contracts for end-user support, to consolidate contracts, and to support the transition of IT services from component agencies to the Department.

The USDA Integrated IT Governance Framework (IITGF) process and Acquisition Approval Request (AAR) was the foundation for the USDA's FITARA Common Baseline Plan.

Implementation of the USDA's IITGF has enabled the Department to take an enterprise approach to IT and improve the quality of project planning and execution, reducing overall project risk. Reducing risk, in turn, increases USDA's ability to move IT projects that best meet business needs into the production environment more quickly, within established cost constraints, and with better results for customers. In addition to the annual appropriations act

authority that requires the CIO to approve all IT acquisitions over \$25,000, FITARA gives the CIO the authority to weigh in on IT projects much earlier in the budget cycle, while enabling a clear line of sight across all phases of IT implementation. While this authority is critical to ensuring the CIO is appropriately involved in the IT systems selection process, just as important is the role the CIO is currently playing in the USDA leadership team. The Deputy Secretary has established a governance structure that involves regular meetings with the Chief Executive Officers (CXO's) in the Department where administrative and management issues are discussed. In addition, the CIO, the Chief Acquisition Officer (CAO), and the Chief Financial Officer (CFO) participate in regular meetings with the CXO's and business center leads in USDA mission areas. This ensures potential issues with IT are addressed early and often. The CIO also actively engages with all key stakeholders through the IT governance and investment management processes. For example, the CIO holds regular monthly engagements with program, project, and investment managers, and agency leadership to evaluate and discuss the portfolio health of their investments.

USDA also supports the Data Center Optimization Initiative (DCOI) to consolidate inefficient infrastructure, optimize existing facilities, achieve cost savings, and transitioning to more efficient infrastructure, such as cloud services. As part of USDA's new IT operating model to consolidate IT infrastructure services under the management of the CIO, the Department has set a goal of reducing its data center footprint and movement to the cloud from a baseline of 39 data centers to two enterprise data centers by the close of fiscal year (FY) 2019. This year, USDA developed a validation and verification process for conducting onsite visits to inventory data centers and is implementing additional protocols to better verify the accuracy and reliability of

the data center applications and IT hardware infrastructure inventory. To date in FY 2018, USDA has closed 18 data centers. Overall, USDA has closed more than 2,100 data centers through DCOI and the Federal Data Center Consolidation Initiative (FDCCI). USDA reported cost avoidance and savings from the DCOI data center consolidation activities at \$4.68 million through quarter two of FY 2018. In FY 2019, USDA anticipates a \$10 million savings resulting from rate reductions for all Department-level hosting shared service offerings. These FY 2019 rate reductions are enabled in part by data center consolidation and migration at USDA's Enterprise Data Centers located in Kansas City and St. Louis. Additional rate reductions for FY 2020 and FY 2021 rate reductions are also expected. As USDA reduces to 2 enterprise data centers by the end of FY 2019, the Department will also see major improvements in other DCOI metrics such as energy metering and facility utilization. The anticipated savings will allow agencies to invest in program delivery or IT modernization efforts, such as Farm loan automation, commercial cloud computing transition and cybersecurity remediation activities.

USDA also recognizes the importance of training, recruiting, and retaining a high-quality information technology workforce equipped with the necessary skills to support IT modernization and operations. In FY 2017, we conducted IT workforce assessments for each agency and staff office within the USDA to identify baseline skillsets needed now and in the future to support the USDA missions. This effort will decrease the number of outdated position descriptions and better define elements to recruit and build talent management. It will also support the USDA in its mission to enable effective strategic decision-making, improve the customer experience, and create a data-driven IT workforce.

Finally, USDA is committed to using effective category management to leverage USDA's buying power and to reduce overall costs. USDA is in the process of consolidating End-User support services from 26 agencies and offices across the Department into a single support organization at the Department level. This process relies on effective category management to leverage USDA's buying power and to reduce overall costs while streamlining the portfolio of applications, devices, and services in-use. Because of this focus on category management principles and practices, 75 percent of USDA's software spend is captured through enterprise agreements. For example, USDA recently consolidated its 74,000 copies of Adobe Acrobat through an enterprise license, saving \$9.2 million. With the standardization of laptop and desktop purchases on a USDA blanket purchase agreement (BPA), the end-user environment becomes less complex and more efficiently supportable, benefitting the consolidation initiative immensely. The USDA is providing reference for and guidance on these activities through new Departmental Directives currently in development and clearance in the Department.

IT modernization and implementation of FITARA at USDA is part of a purposeful strategy to improve the return on investment that IT spending creates through business outcomes for the Department's customers. USDA is committed to IT modernization efforts to achieve benefits for our customers and our employees. The continuing improvement of the objectives and metrics set by FITARA will assist us in meeting this goal. Thank you for your thoughtful approach and support of this important legislation that is having a positive impact on USDA's ability to rapidly implement a comprehensive IT modernization strategy and operating model. I look forward to your questions and to continuing to work with you to further improve IT implementation at USDA and across the Federal government.