

**STATEMENT BY**

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**ON BEHALF OF THE DEPARTMENT OF DEFENSE**

**BEFORE THE  
HOUSE OVERSIGHT AND GOVERNMENT REFORM COMMITTEE  
SUBCOMMITTEES ON  
INFORMATION TECHNOLOGY AND GOVERNMENT OPERATIONS**

**ON**

**“DEPARTMENT OF DEFENSE IMPLEMENTATION OF FITARA AND MGT ACT”**

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## **Introduction**

Good morning Mr. Chairman, Ranking Member, and distinguished Members of both Subcommittees. Thank you for this opportunity to testify before the Subcommittees today on the Department's implementation of information technology (IT) statutes, focusing on the Federal Information Technology and Acquisition Reform Act (FITARA) and the Modernizing Government Technology (MGT) Act. I am Dana Deasy, the Department of Defense (DoD) Chief Information Officer (CIO). I am the principal advisor to the Secretary of Defense for information management, IT, cybersecurity, communications, positioning, navigation, and timing (PNT), spectrum management, and senior leadership and nuclear command, control, and communications (NC3) matters. These latter responsibilities are clearly unique to the DoD, and my imperative as the CIO in managing this broad and diverse set of functions, is to ensure that the Department has the information and communications technology capabilities needed to support the broad set of Department missions. This includes supporting our deployed forces, cyber mission forces, as well as those providing mission and business support functions.

While I have been on the job for about two weeks, I have been briefed on these statutes and believe that I understand the overall goals of FITARA and the MGT Act. I also appreciate the Committee's assistance in ensuring that taxpayer dollars are effectively and efficiently utilized within the Department's IT systems.

## **FITARA Overview and DoD Implementation**

It is my understanding that FITARA scoring is released by the Government Accountability Office (GAO) twice each year, at the request of the House Oversight and Government Reform (HOGR) Committee, and that it is based upon a review of Department information that is submitted in five distinct areas.

The first area that is reviewed is the Department CIO Authority Enhancements (Incremental Development). The law requires that CIOs certify that Department IT investments are adequately implementing incremental development. Coming to my current position from a life spent outside of Government, I agree that broadly-scoped projects that are scheduled to be delivered years down the road are often not the most effective. I look forward to working with the Office of Management and Budget (OMB) to further review DoD's current incremental development processes to ensure alignment with FITARA's requirements.

Second, Departments are scored on Enhanced Transparency and Improved Risk Management via OMB's IT Dashboard. The IT Dashboard is a public website managed by OMB that allows citizens to locate and track specific IT investment information across the Executive Branch. My staff is having discussions with OMB and GAO to help ensure that GAO has a complete set of risk data for their analysis. This should result in a more accurate score for DoD in this area.

OMB developed the PortfolioStat process to assist Departments in managing existing IT systems. This process within DoD addresses our defense business IT systems (per statute) and is done via an annual review that examines how Department business IT system investments align with overall Department strategy and mission. The Office of the DoD CIO continues to work

closely with the Chief Management Officer, Component CIO and CMO offices, and OMB to address this requirement.

The fourth area scored is Department compliance with the Federal Data Center Optimization Initiative (DCOI). Despite DoD's traditionally poor scores in this area, data center optimization and consolidation is a major effort that the Department has undertaken. At the direction of my CIO predecessors, the Department has actively sought to achieve cost savings through data center efficiency and improved systems performance. With current efforts that are underway, I would expect to see improved DoD scores in this area in the near future.

The fifth and final scoring element pertains to software licensing and the use of software license agreements. Specifically, Departments are required to establish and regularly update a Department-wide software license inventory. In my very limited time to date in the Pentagon, I cannot help but notice the massive scale of the building and the institution that it represents. Establishing a single inventory for software licensing in an organization of this size has historically proved to be a challenge. However, we are actively pursuing the development of such an inventory.

Additionally, I am pleased to note that I report directly to the Secretary of Defense, which is also reflected in FITARA scoring.

### **MGT Act Overview and DoD Implementation**

During my preparations for this hearing, I learned of the passage of the MGT Act as part of the FY18 NDAA this past December. I understand that through the MGT Act, Congress granted Departments, to include the Defense Department, the authority to establish a Department-wide working capital fund for IT modernization that would be managed by the Office of the DoD CIO. I believe that the authority to establish such a fund at certain Departments and under certain conditions would be extremely important and helpful for overall federal IT modernization. I am currently engaged in discussions with the CMO and Comptroller at the Department to evaluate the feasibility of establishing this fund.

### **Conclusion**

Finally, I would like to briefly highlight the roles that each member of the panel plays with regard to Department of Defense IT. As I alluded to above, my role as the DoD CIO is to serve as the Principal Staff Assistant to the Secretary of Defense, responsible for the oversight of all IT matters. The Comptroller ensures that IT requirements are included in the Department's portion of the President's Budget Request, as well as general Department budget auditability. The Undersecretary for Acquisition and Sustainment oversees the Department's overall acquisition policy, to include the acquisition policy of IT systems and services.

I want to emphasize the importance of our partnerships with Congress, the Federal CIO and OMB in these areas. I anticipate making the key components of FITARA an important focal point during my tenure as the DoD CIO. As I move forward in this position, I also look forward

to working with Congress in these critical areas. Thank you for the opportunity to testify this morning, and I look forward to your questions.