MEMORANDUM

July 28, 2020

To: **Members of the Subcommittee on Government Operations**

Fr: **Committee Staff**

Re: **Hearing on "FITARA 10.0"**

On Monday, August 3, 2020, at 2:00 p.m., the Subcommittee will hold its biannual hearing to assess implementation of the Federal Information Technology Acquisition Reform Act (FITARA). The hearing will convene in person in 2154 Rayburn House Office Building and remotely using WebEx.

The FITARA 10.0 hearing will examine: (1) how federal agencies have developed and improved their information technology postures since FITARA's December 2014 enactment; (2) whether some metrics have outlived their usefulness and should be sunset; and (3) new metrics that should be considered for addition to the Scorecard.

The hearing will consist of two panels. The first panel will feature a witness from the Government Accountability Office (GAO); the Deputy Federal Chief Information Officer and officials from the Office of Personnel Management (OPM) and Department of Education (Education). The second panel will feature private sector experts who formerly held federal IT leadership positions and who will offer insights into FITARA's success and future impact.

I. FITARA: PAST, PRESENT AND FUTURE

This July marks the 10th FITARA oversight hearing in the last five years, and the first time that all 24 agencies that participate in the FITARA Scorecard will receive passing grades. Since the Scorecard's inception, agencies have made substantial, positive strides in improving their information technology practices.

Since its establishment in 2013, the PortfolioStat process went from helping federal agencies save $3 billion in fiscal year 2015 to $20 billion in fiscal year 2020. When the software licensing metric was first added to the Scorecard in June of 2017, 21 out of the 24 agencies received an "F" grade for that metric. Now 23 out of the 24 agencies have "As" and have an inventory of software licenses and use it to make cost-effective decisions.

Agencies are also closing and consolidating more data centers, resulting in significant cost savings. The 24 graded agencies have reported a total of $4.7 billion in cost savings from fiscal years 2012 to 2019. Of the 24 agencies, 23 reported in August 2019 they had met, or planned to meet, OMB's fiscal year 2019 savings goal of $241.5 million. Agencies also reported plans to save about $264 million in fiscal year 2020.[1]

More federal Chief Information Officers (CIOs) are reporting directly to their Secretary, making them integral to important policy discussions that cut across the entire agency. In Scorecard 3.0, there were only 11, now there are 16 CIOs who report directly to the head or deputy of the agency. This means that CIOs are now finally getting a seat at the table with other C-suite positions to provide an integrated approach to building solutions to difficult policy problems.

FITARA 10.0 marks the first time in the Scorecard's history that all 24 agencies have received a passing grade. The majority of agencies, however, remain at their previous grade level and four agencies experienced decreases. While the FITARA Scorecard has successfully helped agencies move the needle in improving IT practices, work in this area is not done. We must ensure that the Scorecard continues to be a successful oversight tool so that Congress can continue to track agency improvement in implementing FITARA over time. This means ensuring that the Scorecard continues to keep certain metrics to track longitudinal data but also adds new metrics, like customer experience or budget data, that empower and compel federal agency CIOs to make needed changes while holding them accountable to continually improve.

II.   WITNESSES

Panel One

Clare Martoana
Chief Information Officer
Office of Personnel Management

Jason Gray
Chief Information Officer
Department of Education

Maria A. Roat
Deputy Federal Chief Information Officer
Office of Management and Budget

Carol Harris
Director, IT Management Issues
Government Accountability Office

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[1] Government Accountability Office, *Data Center Optimization: Agencies Report Progress, But Oversight and Cybersecurity Risks Need to Be Addressed* (Mar. 5, 2020) (GAO-20-279) (online at www.gao.gov/products/GAO-20-279).

<u>Panel Two</u>

David Powner
Director of Strategic Engagement and Partnerships
The MITRE Corporation

LaVerne Council
Chief Executive Officer
Emerald One, LLC

Richard Spires
Principal
Richard A. Spires Consulting

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