

GAO Highlights

Highlights of [GAO-25-107041](#), a report to the Ranking Member, Subcommittee on Cybersecurity, Information Technology, and Government Innovation, Committee on Oversight and Accountability, House of Representatives

Why GAO Did This Study

The executive branch has undertaken numerous initiatives to better manage the more than \$100 billion that is annually invested in IT. However, federal IT investments too frequently fail to deliver capabilities in a timely manner. Recognizing the issues related to the government-wide management of IT, in December 2014, Congress enacted federal IT acquisition reform legislation, commonly referred to as FITARA.

GAO was asked to evaluate IT executive reviews. This report evaluates the extent to which OMB and agencies are following requirements for IT portfolio management oversight, including annual IT portfolio and high-risk investment reviews. To do so, GAO identified related requirements from FITARA. GAO then compared agency documentation from OMB and the 24 agencies to the requirements. GAO also interviewed OMB and agency officials regarding their IT portfolio management practices.

What GAO Recommends

GAO is making 10 recommendations to OMB to improve guidance, processes, and reporting; and 36 recommendations to 24 agencies to improve their IT portfolio processes.

OMB did not agree or disagree with its recommendations but stated that it disagreed with parts of the report. As discussed in the report, GAO maintains that the recommendations are warranted. Of the 24 agencies, seven agreed with their recommendations, two agencies neither agreed nor disagreed, and 15 stated that they had no comments.

View [GAO-25-107041](#). For more information, contact Kevin Walsh at (202) 512-6151 or walshk@gao.gov.

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IT PORTFOLIO MANAGEMENT

OMB and Agencies Are Not Fully Addressing Selected Statutory Requirements

What GAO Found

The Office of Management and Budget (OMB) is not fully addressing eight key statutory requirements contained in the Federal Information Technology Acquisition Reform Act (FITARA). Specifically, OMB is partially following four of the five requirements on IT portfolio reviews, and not following the three requirements on high-risk IT investments (see table). Until OMB adheres to FITARA's portfolio management requirements, its oversight of agencies' IT portfolios, including potentially troubled IT investments, will be limited. As a result, the federal government will continue to expend resources on IT investments that do not meet the needs of the government or the public.

Extent to Which the Office of Management and Budget (OMB) Followed Statutory Requirements

Requirement	Assessment
IT portfolio reviews	
Implement a process to assist agencies in reviewing their IT portfolios.	●
Develop standardized cost savings/avoidance and performance metrics for agencies to implement the process.	●
Carry out the Federal Chief Information Officer's (CIO) role in being involved in an annual review of each agencies' IT portfolio in conjunction with the agency's CIO and Chief Operating Officer or Deputy Secretary (or equivalent).	○
Submit a quarterly report on the cost savings/reductions in duplicative IT investment identified through this review process to key committees in Congress.	●
Submit to Congress a report on the net program performance benefits achieved as a result of major capital investments made by agencies for information systems and how the benefits relate to the accomplishment of the goals of the agencies.	●
High-risk IT investment reviews	
Carry out consultation responsibilities of the Federal CIO to agency CIOs and program managers of major IT investments that receive high-risk ratings for four consecutive quarters.	○
Communicate the results of high-risk IT investment reviews to key committees in Congress.	○
Deny any request of additional development, modernization, or enhancement funding for a major investment that has been rated high-risk for a year after the high-risk IT investment review. Additional funding should be denied until the agency CIO determines that the root causes of the risk have been addressed, and there is capability to deliver the remaining increments within the planned cost and schedule. ^a	○

Legend: ● Partially followed = the agency demonstrated that it was following some, but not all, of the requirement; ○ Not followed = the agency did not demonstrate that it was following the requirement.

Source: GAO analysis based on OMB data. | [GAO-25-107041](#)

^aThis requirement does not apply to investments at the Department of Defense.

Agencies have also not fully addressed FITARA requirements for IT portfolio management. Specifically, none of the 24 agencies fully met the requirements for annual IT portfolio reviews. In addition, eight agencies with major IT investments rated as high-risk for four consecutive quarters did not follow the FITARA requirements for performing high-risk IT investment reviews. Three of the eight agencies performed the reviews, but they did not address the specific requirements in law. The remaining five agencies did not perform the reviews. Not performing these required reviews can permit investments with substantial cost, schedule, and performance problems to continue unabated without necessary corrective actions.