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Opening Statement Chairman Gerald E. Connolly (D-VA) Hearing on "FITARA 10.0" House Committee on Oversight and Reform, Subcommittee on Government Operations Monday, August 3, 2020

Today marks the tenth hearing examining agencies' implementation of the Federal Information Technology Acquisition Reform Act (FITARA), to track agencies' progress in Federal IT management and procurement. I am happy to announce that this steady oversight has produced the first Scorecard in which all agencies received a passing grade. This achievement is a testament to the hard work of federal agencies' Chief Information Officers (CIOs), and also a testament to this Subcommittee's steady and bipartisan oversight of FITARA since its enactment in 2014. This isn't just about passing in grades. These grades represent taxpayer dollars saved, better mission delivery, and serving this nation more effective and efficiently. And during this pandemic, we have come to realize just how vital good IT and strong IT governance are to the federal government and the people we serve.

In November of 2015, when we first introduced the FITARA Scorecard, I said I hoped this would be the second in a series of hearings our Subcommittee holds to gauge agency progress in realizing the transformative nature of FITARA's reforms. Nearly five years later, the benefits of this continued oversight are clear. And one would be hard pressed to find a sustained bipartisan Congressional oversight initiative on its tenth installation.

These 24 federal agencies have made real improvements on the Scorecard over time. In November 2015, the average FITARA grade was a "D" across all participating agencies. This year, for the first time, no agencies received a "D" or an "F". As I said before, these improvements represent vital services delivered and dollars saved because we are finally baking IT into our policy decision-making process.

Among the FITARA Scorecard categories with the greatest impact is the IT portfolio review process, known as PortfolioStat. This process enables agencies to reduce commodity IT spending and demonstrate how their IT investments align with the agency's mission and business functions. PortfolioStat 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 and avoid duplicate contracts for the same products.

Federal 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. These agencies have also reported plans to save more than \$264 million in fiscal year 2020 alone.

At the very first FITARA hearing a witness stated that "IT is no longer just the business of the CIO. Rather, IT is everybody's business." Never has this been clearer than in the wake of the coronavirus pandemic, where IT has saved thousands of lives by enabling people to telework and keep the government and the economy running while preserving their own health and safety and that of their loved ones. We have seen firsthand how the agencies that continued to use outdated IT during the pandemic prevented the delivery of government services when the public needed them the most. IT is truly everybody's business.

Back in 2015, I cautioned that the FITARA Scorecard was not to be considered "a scarlet letter on the backs of agencies," but a point-in-time snapshot. Five years and 10 scorecards later we are now at a point in time where all agencies have received a passing grade, the first time in FITARA's history. FITARA 10.0 marks the point at which we can reflect on five years' worth of progress.

Initially, the FITARA Scorecard consisted of four metrics, including Data Center Consolidation, IT Portfolio Review Savings, Incremental Project Development/Delivery, Risk and Assessment Transparency. Since then, the Scorecard's success has led this Subcommittee to incorporate other aspects of federal IT into the grades. Our framework is not rigid but, like the best of IT, it evolves.

This Subcommittee has augmented and changed the scorecard to examine other key components of federal IT, such as cybersecurity, and incorporated constructive feedback from agencies and CIOs. Today, the scorecard incorporates grades adapted from three additional pieces of legislation, including the MEGABYTE Act, the Modernizing Government Technology (MGT) Act, and the Federal Information Security Management Act (FISMA). The bottom line is that the FITARA Scorecard continues to hold agencies accountable and show the American people they deserve the best IT has to offer.

Yet all agencies still have work to do. Today, two-thirds of graded agencies have CIOs who report directly to the head or deputy of the agency. It is true that more CIOs are finally getting a seat at the table with other C-suite positions. But, as we will hear from GAO today, none of the 24 graded agencies have established policies that fully address the role of their CIO, as called for by federal laws and guidance. We must continue to work to ensure that all CIOs have the authorities and policies in place to be able to properly do their jobs.

This hearing will discuss which existing metrics have achieved their goals and which might need to be considered for retirement. We will also start a careful discussion about what

metrics might be incorporated in future Scorecards to continue to improve IT across the government.

Today, I hope to hear from our witnesses and GAO about what it takes to continuously improve and use efficient IT acquisition and management practices. What powers and authorities might CIOs in government need to improve government IT? And, in return, what transparency and oversight will be provided to Congress and the public to ensure those new powers are used effectively and efficiently? We must continue to see the dividends from putting resources towards modernizing legacy IT systems, migrating to the cloud, and maintaining a strong cyber posture.

With the coronavirus resurging as states pursue reopening, the stakes for effectively implementing FITARA are higher than ever. When executed well, government IT modernization can ensure the efficient delivery of critical services, improve the government's knowledge and decision-making, and save lives. When executed poorly, it can lead to outright failures in serving the American people when they need the government the most. Simply put, the fate of the world's largest economy rises and falls with the ability of government IT systems to deliver in an emergency.

The importance of federal agencies' effective use of IT is too great to ignore, and this Subcommittee will not waiver in its continued oversight of agencies' IT acquisition and management. FITARA remains an effective tool at catalyzing IT improvements across the enterprise of the federal government. Let's ensure we use it to continue to raise the bar.