TESTIMONY OF STEVE COOPER

DEPARTMENT OF COMMERCE CHIEF INFORMATION OFFICER

BEFORE THE SUBCOMMITTEES ON

INFORMATION TECHNOLOGY AND ON GOVERNMENT OPERATIONS OF THE

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

UNITED STATES HOUSE OF REPRESENTATIVES

May 18, 2016

Chairman Hurd, Ranking Member Kelly, Chairman Meadows, Ranking Member Connolly, and Members of the Subcommittees, thank you for the opportunity to appear before you today to discuss Commerce's work on the implementation of the Federal Information Technology Acquisition Reform Act (FITARA), and thank you for your resolute, bipartisan efforts to ensure that this critical law is implemented successfully.

To begin, I believe FITARA is one of the strongest and most helpful pieces of legislation to improve CIO involvement with the decision processes and policies related to information technology (IT) resources and increased government efficiency and effectiveness. I am committed to its success.

Secretary Pritzker and Deputy Secretary Andrews strongly support FITARA and have made FITARA one of their, and my, key priorities. They have made it clear to the Department of Commerce's executive leadership that FITARA is the responsibility not only of the CIO but all their senior staff. Since October 2015, the Department's FITARA Team, representing my office and the Department's Budget, Acquisition, Personnel, and Legal offices, has been meeting weekly to ensure the full implementation of FITARA across Commerce. I have identified FITARA implementation as one of my top programmatic goals. Moreover, I have named one of my senior staff, Ms. Erin Cavanaugh, former Acting Director of IT Policy and Planning, as our full time Program Manager for FITARA implementation, making the Department of Commerce (DOC) one of only a few departments to create a full-time FITARA position. I have reinforced the importance of FITARA with my DOC CIO Council by adding FITARA as a standing agenda item in each CIO council meeting. The DOC CIO council includes the CIO from each of the Department's 12 bureaus. We meet every two weeks to make the tough decisions, collaborate, and shape the actions necessary to bring all Commerce IT into the 21st century in support of the varied DOC missions.

Let me now turn to the progress we have collaboratively made in several areas, and why I believe we are on the path to achieve full implementation in the budget, personnel, and acquisition areas required by FITARA.

Budget

My office is working closely with the Department's Office of Budget to ensure I am fully engaged in the budget formulation and review process to enable me to review and approve the overall DOC IT budget.   Leveraging FITARA has allowed me, as the DOC CIO, to have full visibility into each Bureau's IT budget to enable me enhance my understanding of our IT "ask" and "spend" and to help me identify opportunities for strategic and operational collaboration across bureaus (e.g. cyber security), strategic sourcing (e.g., enterprise licensing agreements), cost-savings, and contract consolidation and improvement. I am particularly pleased that the NOAA and Census CIOs and their budget offices have taken some earlier initiative in this area, and I expect to leverage their work going forward with the other bureau CIOs. I understand that the new A-11 guidance from OMB will incorporate much of the policy and process changes needed in this area, and I and our DOC Budget Director are fully prepared to work across the Department to comply with that guidance.

Acquisition

The DOC Office of Acquisition Management has revised the Commerce Acquisition Manual so that my office now participates in the review and approval process for all acquisitions above $10 million, whether or not a program was initially determined to be IT procurement. This is a significant improvement, as our previous acquisition policy only required my office's participation on acquisitions over $75 million. We are leveraging FITARA to revise our acquisition policies to ensure Bureau CIOs will see virtually all acquisitions involving IT.   In some bureaus, the Bureau CIO does not have authority to review all IT acquisitions, and therefore is not able to identify opportunities for cost savings or collaboration in a fully optimized manner. In other bureaus, notably Census and the Bureau of Economic Analysis, their CIOs see and review all major acquisitions involving IT, and we are moving in this direction across all Commerce Bureaus.

Personnel

Our Chief Human Capital Officer and I drafted, reviewed, and signed Department HR Bulletin 206, which gives me direct involvement in selection responsibility over SES IT and all CIO-titled positions across the Department. That said, our IT workforce planning is not complete but I expect to see considerable progress in the next six months in addressing the hiring and retention of critical IT resources (e.g., Cyber and IT Risk Management; data analytics; agile development; web services).

Data Center Consolidation Initiative

An important part of FITARA is data center consolidation. GAO and Congress have recognized our progress on the Data Center Consolidation Initiative. We look forward to continuing that progress when OMB issues new guidance on the Data Center Optimization Initiative. We have already begun supporting the Incremental Development Initiative and the Workforce Initiative as well.

Federal IT Dashboard

We continue to keep our reporting on the IT Dashboard transparent and accurate.   I review our IT portfolio of all major investments monthly with my Capital Program Investment and Control (CPIC) team prior to posting our monthly scorecard. This review, with input from DOC CPIC Committee, results in timely and comprehensive reporting of identified risks and progress for our major IT projects and investments. Under FITARA, I have expanded our CIO reviews to include projects and information systems which introduce new technology; are public facing; are deemed high risk; or were not developed within DOC but are required to be used by DOC employees. Our goal is to review all major IT systems in the IT Portfolio Report at least once every year and all IT projects which meet our new FITARA driven criteria at least once every three years.

IT Governance

Each bureau, via our DOC CIO Council has been sharing best practices across the Department on IT operations, cyber security and risk management, acquisition, and methods for attracting and retaining key IT personnel.   This sharing has helped us identify opportunities for collaboration among bureaus, opportunities to consolidate contract actions, solve tough technical problems, and increase the morale and esprit-de-corp of our IT communities of practice.

Strategic Sourcing

Finally, I want to note our successful history with strategic sourcing. Recently, the American Council for Technology and the Industry Advisory Council (ACT-IAC) identified the Department's strategic sourcing efforts as an example of a Level 3 "Best Practice," which is the highest level an agency can attain.

Opportunities

One of the major challenges facing every federal CIO is "shadow IT." Shadow IT refers to systems and solutions built and used inside bureaus and offices without direct CIO review or approval or deployed and operated outside of the respective IT department. These systems are frequently not aligned with the Department's enterprise architecture, nor reviewed for compliance with requirements for control, documentation, security, and reliability.   These systems represent a greater risk of exposing government data to privacy and security breaches.   FITARA, with its emphasis on

transparency and collaboration, gives every CIO an excellent opportunity to identify these systems, and to bring them into alignment with appropriate rules and CIO oversight.   By working with our Privacy Officer, our CIO Council, and our cybersecurity team we will move shadow IT from being a higher risk and potential liability to a value added asset.

COST SAVINGS

Another notable goal of FITARA, and of every CIO, is cost savings in the IT environment.   While my driver is not cost savings *per se*, I fully expect implementing FITARA will help drive the unit cost of every IT service down. This will result from opportunities identified through greater oversight, visibility, and collaboration across IT acquisition and budget formulation.

CLOSING

For our DOC FITARA implementation to fully succeed, we need more than just law or policy. We need to institutionalize best IT practices and processes across the Department. My staff is working with their counterparts in each bureau CIO office to improve visibility and participation in all IT budget and acquisition processes.   I expect to have initial process improvements and reviews in place by the end of this fiscal year, and to operate more efficiently in the future.

FITARA is providing me, as the Commerce CIO, and each Bureau CIO, significantly enhanced oversight into all things 'IT'. With this oversight, and the accompanying individual and shared responsibility, I expect that our IT environment will be more cohesive, more collaborative, and more effective in the years to come. I strongly believe FITARA will help the Secretary and I achieve our agreed goals, thus serving the many and varied customers of the Department of Commerce and the American Public.

I thank the Subcommittees for holding this hearing, and for your commitment to ensuring successful implementation of FITARA. I would be pleased to answer any questions you may have.

Steve Cooper
Chief Information Officer
U.S. Department of Commerce

Steven I. Cooper was appointed Chief Information Officer (CIO) at the U.S. Department of Commerce by Secretary Penny Pritzker on June 16, 2014. As CIO, Cooper serves as the principal adviser to Commerce's 12 agencies' CIOs and the Deputy Secretary. He also leads development and implementation of the Department's enterprise-wide information technology (IT) strategy and operations, oversees the building and operation of a robust enterprise IT security risk program, and serves as an adviser on mission and business IT systems and services.

Prior to joining Commerce, Cooper served as the Federal Aviation Administration's (FAA) Acting Assistant Administrator for Information Services and CIO. Previously, Cooper was the Deputy CIO, as well as IT Director and CIO of the FAA's Air Traffic Organization, where he oversaw a team of 400 professionals working to ensure the operational excellence of mission support and business systems and the underlying technology infrastructure. In February 2003, Cooper was appointed by President George W. Bush to serve as the first CIO of the Department of Homeland Security (DHS) where, among other accomplishments, he developed the Department's first IT Strategic Plan.

Prior to joining DHS, Cooper was appointed Special Assistant to the President for Homeland Security and served as Senior Director for Information Integration in the White House Office of Homeland Security. In this role, he launched the development of the National Enterprise Architecture for Homeland Security to address information integration within the federal government and the sharing of information with state, local, and relevant private-sector entities.

Cooper also has more than 20 years of private sector experience, including working as Senior Vice President and CIO of the American Red Cross, where, most notably, he helped start the first-ever National Call Center to provide emergency financial assistance during Hurricane Katrina. Cooper was also a founding partner of Strativest, a firm focused on identifying emerging technologies applicable to homeland security, emergency response and preparedness, served as President of Fortified Holdings, and worked as CIO for Corporate Staffs at Corning, Inc. Previously, he also served in senior management roles with Eli Lilly Inc., Computer Sciences Corporation, MAXIMA, Inc., and CACI, Inc.

In 2007, Cooper was named one of the Top 100 CIO's in America by CIO Insight. He was also named Government Civilian Executive of the Year by Government Computer News in 2003; a Titan of Technology by the Northern Virginia Technology Council; was a recipient of the Fed 100 Award recognizing the 100 Most Influential People in Federal Government Technology; and was named by the Washington Post as one of the Five to Watch while serving in the White House. Cooper has served as a board member and officer of several nonprofits and humanitarian organizations working to more effectively help people and emergency responders prepare for and respond to natural disasters.

Cooper received a BA from Ohio Wesleyan University, and was honorably discharged as a Naval Air Reserve petty officer following service during the Vietnam War.