



U.S. DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT
OFFICE OF INSPECTOR GENERAL

April 29, 2015

Memorandum

TO: Rafael Diaz, Chief Information Officer, CIO

FROM: Kathryn Saylor, Assistant Inspector General for Evaluation, GAH

SUBJECT: Memorandum Report on HUD's Processes Used to Report Information Technology Investments on IT Dashboard (Project #2014-OE-0007)

INTRODUCTION

The Office of Inspector General (OIG) Office of Evaluation performed preliminary research on the U.S. Department of Housing and Urban Development (HUD) Office of the Chief Information Officer's (OCIO) management of the agency's process for reporting financial and project information on the Federal IT Dashboard. The Office of Management and Budget (OMB) launched the Dashboard as a public Web site that reports financial information, risks, and investment performance for Federal agency major information technology (IT) investments. The objective of the evaluation was to determine whether OCIO processes ensured that accurate IT investment information was reported on the Dashboard. OCIO had used manual processes to enter IT investment information into the electronic Capital Planning and Investment Control (eCPIC) program which was uploaded to the Dashboard. The use of manual processes increased the likelihood of entering inaccurate information. However, OCIO was modifying its procedures to eliminate manual processes to improve the accuracy and consistency of IT investment financial information reported on the Dashboard.

METHODOLOGY AND SCOPE

To address our objective, we reviewed background information, which included applicable laws and regulations, U.S. Government Accountability Office reports on the Dashboard, OMB memorandums, OCIO information, and HUD and Federal policies and procedures on the processes for reporting information on the Dashboard. We compared HUD's major IT investments on the Dashboard with OCIO's IT investment summary tables and spreadsheets. We distributed a questionnaire and obtained responses from HUD staff involved with the eCPIC program and the Dashboard. Respondents provided input on their duties, their

involvement with eCPIC and the Dashboard, the available guidance detailing responsibilities, the training they received, and their working relationship with personnel involved in the process. Based on answers to the questionnaire, we conducted follow-up interviews to confirm our understanding of OCIO's processes and procedures. We met with the Director of OCIO's Investment Management Division (IMD), the Director of OCIO's Enterprise Program Management Division (EPMD), and the IMD contract team that uploaded IT investment information to the Dashboard. The scope of the evaluation was generally from October 1, 2013 through December 31, 2014. We performed the evaluation in accordance with the *Council of the Inspectors General on Integrity and Efficiency's Quality Standards for Inspection and Evaluation*.

BACKGROUND

On June 1, 2009, the Obama Administration launched the Dashboard which gave Federal agencies and the public the ability to view the details and track the progress of Federal technology investments online. The Dashboard displays data from agency Exhibit 53 and Exhibit 300 reports¹, including general information on more than 7,000 Federal IT investments and detailed data on more than 700 investments that agencies classify as "major" investments. Agency chief information officers are responsible for evaluating and updating specific data regularly through interfaces provided by the Dashboard. OMB developed the Dashboard for government agencies to make information available on the efficiency and effectiveness of government IT projects and to support decisions regarding the investment and management of resources. The Administration and Congress use the investment information to make budget and policy decisions.

PRELIMINARY RESEARCH RESULTS

Project managers did not consistently follow processes when they reported IT financial information for the Dashboard. We asked OCIO to identify points of contact that entered IT financial information into eCPIC or the Dashboard and OCIO provided three lists. The lists included personnel who were not involved with eCPIC or the Dashboard. Of 38 points of contact who received our request to complete a questionnaire, only 10 responded. Therefore, we were unable to identify all parties with IT investment roles or individuals who could have provided information that we needed.

OCIO has written guidance and has used an informal process to report IT financial information in eCPIC and on the Dashboard. IMD's Director identified the "Federal IT Dashboard Monthly Process: End-User Procedures" as the written guidance that project managers followed to update IT investments monthly. The guidance identified the specific components that must be updated for OMB to accept the monthly electronic submissions. However, it was not dated, nor had it been formally approved or signed by a HUD official authorizing its use. We asked whether project managers followed the "Federal IT Dashboard Monthly Process: End-User Procedures." Only 1 of

¹ Exhibit 53 and Exhibit 300s are forms used to collect information allowing the agency and OMB to review and evaluate each agency's IT spending and to compare IT spending across the Federal Government. Exhibit 53 is a report of all agency major and non-major IT investments. Exhibit 300 describes the justification, planning, and implementation of an individual capital asset included in the agency IT investment portfolio (as reported in Exhibit 53) and serves as a key artifact of the agency's enterprise architecture and IT capital planning and investment control processes.

the 10 respondents acknowledged that he or she knew of and followed this guidance. Six respondents followed the OCIO guidance inconsistently or were unaware that the procedures existed. The remaining three respondents were not involved with eCPIC or the Dashboard. Inconsistent use of the guidance could result in reporting inaccurate numbers.

The Dashboard contained eight major HUD IT investments. Early in our review, we requested that an OCIO representative familiar with uploading IT investment information to the Dashboard guide us through the process, but our request went unanswered. We found that project managers reported IT investment information for Exhibit 300s using a number of data sources in Excel spreadsheets. Then, the IMD contractors uploaded the data to the Dashboard. We requested the Exhibit 300s for all of the major IT investments on the Dashboard, but the IMD contractors provided Exhibit 300s for only six of the eight HUD major IT investments. The contractors did not provide Exhibit 300s for the housing assistance management or human resources automated services investments. In addition, Exhibit 300s for two investments reported on the Dashboard (homeownership finances and infrastructure and system monitoring support) did not include project financial information, only metric information.

We reviewed the tables in the six major IT investments' Exhibit 300s supporting the September 2014 submissions. For each investment, table B.2 contained the planned costs for each project reported on the Dashboard, and table C.1.A contained the metrics for each project reported on the Dashboard. We could only reconcile two of the six investment amounts reported on the Dashboard with the numbers in table B.2. However, we were able to reconcile the metrics for all six amounts reported on the Dashboard with the numbers in table C.1A.

Before the start of our review, OCIO was reorganizing its office structure to address issues such as inaccurate and inconsistent reporting of IT financial information on eCPIC and the Dashboard. IMD's Director explained that OCIO was transitioning to HUDPlus, an automated process that allows project managers to enter IT investment information directly into eCPIC rather than using manual processes. In addition, EPMD was implementing a new process using project health assessments to ensure that project managers provided accurate IT financial information. EPMD was developing guidance and training for project managers so they could consistently complete Exhibit 300s. The guidance and training materials will be available on the OCIO's SharePoint site.

After implementation, OIG will evaluate the process to assess the accuracy of information reported on the Dashboard.

We provided the draft memorandum to OCIO for comment and OCIO had no comments.

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