



INFORMATION TECHNOLOGY

Departmental Leadership Crucial to Success of Investment Reforms at Interior

Highlights of [GAO-03-1028](#), a report to Chairman and Ranking Minority Member of the Subcommittee on Interior and Related Agencies, House Committee on Appropriations

Why GAO Did This Study

The Department of the Interior is responsible for diverse and complex missions ranging from managing America’s public lands, mineral and water resources, and wildlife to providing satellite data to the military and scientific communities. To fulfill these responsibilities, Interior invests over \$850 million annually—about 6 percent of its total annual budget—in communications and computing projects and systems. Interior’s Office of the Secretary and its Chief Information Officer (CIO) are responsible for overseeing processes for managing these investments to ensure that funds are expended in the most cost-effective way in support of the agency’s mission needs. GAO was asked to evaluate (1) departmental capabilities for managing the agency’s information technology (IT) investments and (2) the department’s actions and plans to improve these capabilities.

What GAO Recommends

To strengthen the department’s investment management capability, GAO recommends that the Secretary of the Interior direct Interior’s CIO to develop and implement a plan aimed at addressing the weaknesses discussed in this report, including a timetable and specific milestones for implementation of appropriate investment management processes at all levels of the agency. In commenting on a draft of this report, Interior concurred with GAO’s recommendations.

[www.gao.gov/cgi-bin/getrpt?GAO-03-1028](http://www.gao.gov/cgi-bin/getrpt?GAO-03-1028).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Linda Koontz at (202) 512-6240 or koontzl@gao.gov.

What GAO Found

The Department of the Interior has limited capability to manage its IT investments. Based on GAO’s IT Investment Management (ITIM) Framework, which measures the maturity of an organization’s investment management processes, the department is carrying out few of the activities that support critical foundational processes (see table below). As an initial step to improve its investment management capability, the department has issued a *Capital Planning and Investment Control Guide*, which describes its approach to IT investment management. However, it has thus far implemented few of the processes described in its own guide. In addition, it has yet to develop an adequate approach to identify existing projects and systems. In order to ensure strong investment management at all levels, the department has also specified a requirement for certifying bureau-level investment processes, but certification has not yet begun. Finally, in order to strengthen the CIO’s ability to manage IT investments at all levels, the Secretary of the Interior has issued an order establishing the authority of the bureau-level CIOs; however, the order has not been fully implemented.

In order to improve investment management processes, an organization needs to develop and implement a coherent plan, supported by senior management, which defines and prioritizes enhancements to its investment processes. While Interior has undertaken a number of initiatives designed to improve its investment management processes, the department has not yet developed a unified, comprehensive plan to achieve its objective of establishing effective investment management processes, nor has it committed the resources to successfully implement the necessary reforms. Without a well-defined process improvement plan and controls for implementing it, Interior will continue to be challenged in its ability to make informed and prudent investment decisions.

| Interior’s Current IT Investment Management Capabilities |  |                                      |
|--|--|--------------------------------------|
| ITIM critical process                                    | Purpose  | Percentage of key practices executed |
| IT investment board operation                            | To define and establish the governing board(s) responsible for selecting, controlling, and evaluating investments  | 33                                   |
| IT project and system identification                     | To regularly determine each IT project’s progress toward cost and schedule milestones, using established criteria, and to take corrective actions when milestones are not achieved | 0                                    |
| IT project oversight                                     | To create and maintain an IT project and system inventory to assist in managerial decision-making  | 9                                    |
| Business needs identification                            | To ensure that each IT program and project supports the organization’s business needs and meets users’ needs   | 25                                   |
| Proposal selection                                       | To ensure that an established, structured process is used to select new IT proposals   | 33                                   |

Source: GAO.