

# Cross-Agency Priority Goal: Data Center Consolidation

## FY 2013 Q1 Status Update

### Cross-Agency Priority Goal Statement

Improve IT service delivery, reduce waste and save \$3 billion in taxpayer dollars by closing at least 1200 data centers by fiscal year 2015.

### Goal Leader

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#### ***About this document***

*The Cross-Agency Priority (CAP) Goals were a key innovation introduced in the FY2013 Federal Budget. These goals focus on 14 major issues that run across several Federal agencies. Each of these historic goals has a Goal Leader who is a senior level White House official and is fully accountable for the success and outcomes of the goal.*

*Historically, areas of shared responsibility for multiple government agencies have been resistant to real progress. Success in these areas requires a new kind of management approach – one that brings people together from across and outside the Federal Government to coordinate their work and combine their skills, insights, and resources. The CAP Goals represent the President's priorities for which this approach is likeliest to bear fruit. Taken together, they comprise the Federal performance plan.*

*This report discusses one of these CAP Goals, the Data Center Consolidation Goal, in detail, describing the plan for achieving the goal and the current status of progress. To see the full list of CAP Goals and to find out more about them, we encourage you to visit [performance.gov](http://performance.gov).*

## Contents

Progress Update.....	1
Next Steps .....	2
Future Actions.....	2
Contributing Programs and Other Factors.....	2
Additional References.....	3

## Progress Update

Since 2009, the Administration has launched a series of initiatives to identify and reduce waste and duplication, while promoting investments that drive innovation. One of the centerpieces of this effort is the Federal Data Center Consolidation Initiative (FDCCI). For more than a decade, federal agencies expanded the Federal data center population to meet the ever increasing demand for diverse, innovative technological services and solutions. The result was a redundant and inefficient Federal data center population, with unnecessary operation and maintenance costs, starving agencies of capital that would be better spent on innovative activities that deliver better, more efficient services to the American people.

In February 2010, the Administration launched the FDCCI. FDCCI's mandate is to reverse the historic growth of federal data centers and close, consolidate, or streamline existing data centers wherever possible and practical. By optimizing redundant and wasteful data centers, the government will reduce the cost of data center hardware, software, and operations; shift IT investments to more efficient computing platforms such as cloud solutions; promote sustainability within our data centers by reducing their energy consumption and real estate footprint; and improve our nation's cyber security posture.

Since agencies began executing their data center consolidation plans in FY 2011, significant strides have been made in consolidating the Federal data center population. Agencies have already closed 420 data centers leading to a net reduction in data centers for the first time in over a decade. As we continue to consolidate data centers, agencies will optimize the data centers that remain in the Federal data center population by concentrating on computing, density, and other efficiencies.

Following the release of the FY2013 budget, the Administration implemented PortfolioStat to further our steadfast focus on delivering taxpayers the results they deserve from our investment in Federal IT. PortfolioStat requires agencies to conduct annual agency-wide IT portfolio reviews, to reduce commodity IT spending, and demonstrate how IT investments align with an agency's mission and business functions. PortfolioStat further encourages agencies to utilize investment review boards in their process of identifying and eliminating low value IT investments and duplicative commodity IT.

## Next Steps

Over the next few months, OMB will work with agencies to better categorize the federal data center inventory and refine plans and metrics to continue consolidation of the remaining data centers, while implementing measures that optimize existing data centers. As a part of the evolving PortfolioStat initiative, agencies will integrate data center consolidation with the enterprise wide plans to reduce commodity IT and rationalize applications as part of overall portfolio management.

## Future Actions

Lessons learned from PortfolioStat have led to recognition that agencies should focus on an enterprise-wide approach to address all commodity IT, including data centers, in an integrated, comprehensive plan. Moving forward, the FDCCI will integrate with, and play a significant role in, supporting and achieving the goals of PortfolioStat. As these efforts merge, agencies will continue to focus on optimizing those data centers that are pivotal to delivering taxpayer services, while closing duplicative and inefficient data centers. To reflect this new approach, this Cross Agency Goal will be refined in 2013.

## Contributing Programs and Other Factors

Twenty four agencies have participated in data center consolidation. These include:

- Department of Agriculture
- Department of Commerce
- Department of Defense
- Department of Education
- Department of Energy
- Department of Health and Human Services
- Department of Homeland Security
- Department of Housing and Urban Development
- Department of the Interior
- Department of Justice
- Department of Labor
- Department of State
- Department of Transportation
- Department of the Treasury
- Department of Veterans Affairs
- Environmental Protection Agency
- National Aeronautics and Space Administration
- Agency for International Development
- General Services Administration
- National Science Foundation
- Nuclear Regulatory Commission
- Office of Personnel Management
- Small Business Administration
- Social Security Administration

## **Additional References**

Information about agency efforts to consolidate data centers can be found at <https://cio.gov/maximizing-value/data-center-consolidation>.

Agency progress on actual and planned data center closures is updated quarterly on data.gov at <https://explore.data.gov/Federal-Government-Finances-and-Employment/Federal-Data-Center-Consolidation-Initiative-FDCCI/zig4-44xx>.

Information about PortfolioStat can be found at [http://www.whitehouse.gov/sites/default/files/omb/memoranda/2012/m-12-10\\_1.pdf](http://www.whitehouse.gov/sites/default/files/omb/memoranda/2012/m-12-10_1.pdf).