




EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

November 13, 2020

M-21-05

MEMORANDUM FOR CHIEF INFORMATION OFFICERS OF EXECUTIVE
DEPARTMENTS AND AGENCIES

FROM: Michael Rigas
Acting Federal Chief Information Officer 

SUBJECT: Extension of Data Center Optimization Initiative (DCOI)

The Federal Information Technology Acquisition Reform Act (FITARA) passed in 2014,¹ and required the Federal Government to consolidate and optimize agencies' data centers by October 1, 2018. The Office of Management and Budget (OMB) responded by issuing OMB Memorandum M-16-19, *Data Center Optimization Initiative (DCOI)*,² which set priorities for data center closures and efficiency improvements through the end of Fiscal Year 2018. The FITARA Enhancement Act of 2017³ extended the data center requirements of FITARA until October 1, 2020. OMB Memorandum M-19-19, *Update to Data Center Optimization Initiative (DCOI)* contains the Federal data center consolidation and optimization requirements through October 1, 2020. The National Defense Authorization Act for Fiscal Year 2020⁴ further extended these requirements through October 1, 2022. As a result, OMB is extending the requirements of OMB Memorandum M-19-19, *Update to Data Center Optimization Initiative (DCOI)* to September 30, 2022.

Authority

The requirements in this memorandum, pursuant to FITARA, apply to the 24 Federal agencies covered by the Chief Financial Officers (CFO) Act of 1990,⁵ which includes the Department of Defense.⁶ The head of each covered agency, assisted by the Chief Information Officer (CIO) of the agency, is required to submit to OMB annually: 1) a comprehensive inventory of the data centers owned, operated, or maintained by or on behalf of the agency, and

¹ Title VIII, Subtitle D of the National Defense Authorization Act (NDAA) for Fiscal Year 2015, Pub. L. No. 113-291, available at <https://www.congress.gov/113/plaws/publ291/PLAW-113publ291.pdf#page=148>

² https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/memoranda/2016/m_16_19_1.pdf

³ FITARA Enhancement Act of 2017, Pub. L. No. 115-88:
<https://www.congress.gov/115/plaws/publ88/PLAW-115publ88.pdf>

⁴ Title VIII, Subtitle B of the National Defense Authorization Act (NDAA) for Fiscal Year 2020, Pub. L. No. 116-92.

⁵ See Chief Financial Officers Act of 1990, Pub. L. No. 101-576.

⁶ Per Sec. 834(b)(1)(C) of the FY2015 NDAA, the Department of Defense may submit to OMB, in lieu of the Strategic Plan described in this memorandum, the defense-wide plan and cost savings report required under sections 2867(b)(2) and 2867(d), respectively, of the FY2012 NDAA. If submitting such plans and reports in lieu of the Strategic Plan, DOD shall ensure all information required by the Strategic Plan is included in the submitted plans and reports.

2) a multi-year strategy to achieve the consolidation and optimization of these data centers. Each agency, under the direction of their CIO, must submit quarterly updates on their progress towards activity completion, consolidation and optimization metrics, and cost savings realized through the implementation of their strategy.

OMB is required to establish the deadlines, requirements, metrics for agencies' reports, and must review the reports and progress of agencies towards consolidation and optimization.

Policy

Effective immediately, this memorandum modifies the sunset date in M-19-19, *Update to Data Center Optimization Initiative (DCOI)* to September 30, 2022.