

**GAO**

**United States General Accounting Office**

**Report to the Chairman, Subcommittee  
on Labor, Health and Human Services,  
Education, and Related Agencies,  
Committee on Appropriations, U.S.  
Senate**

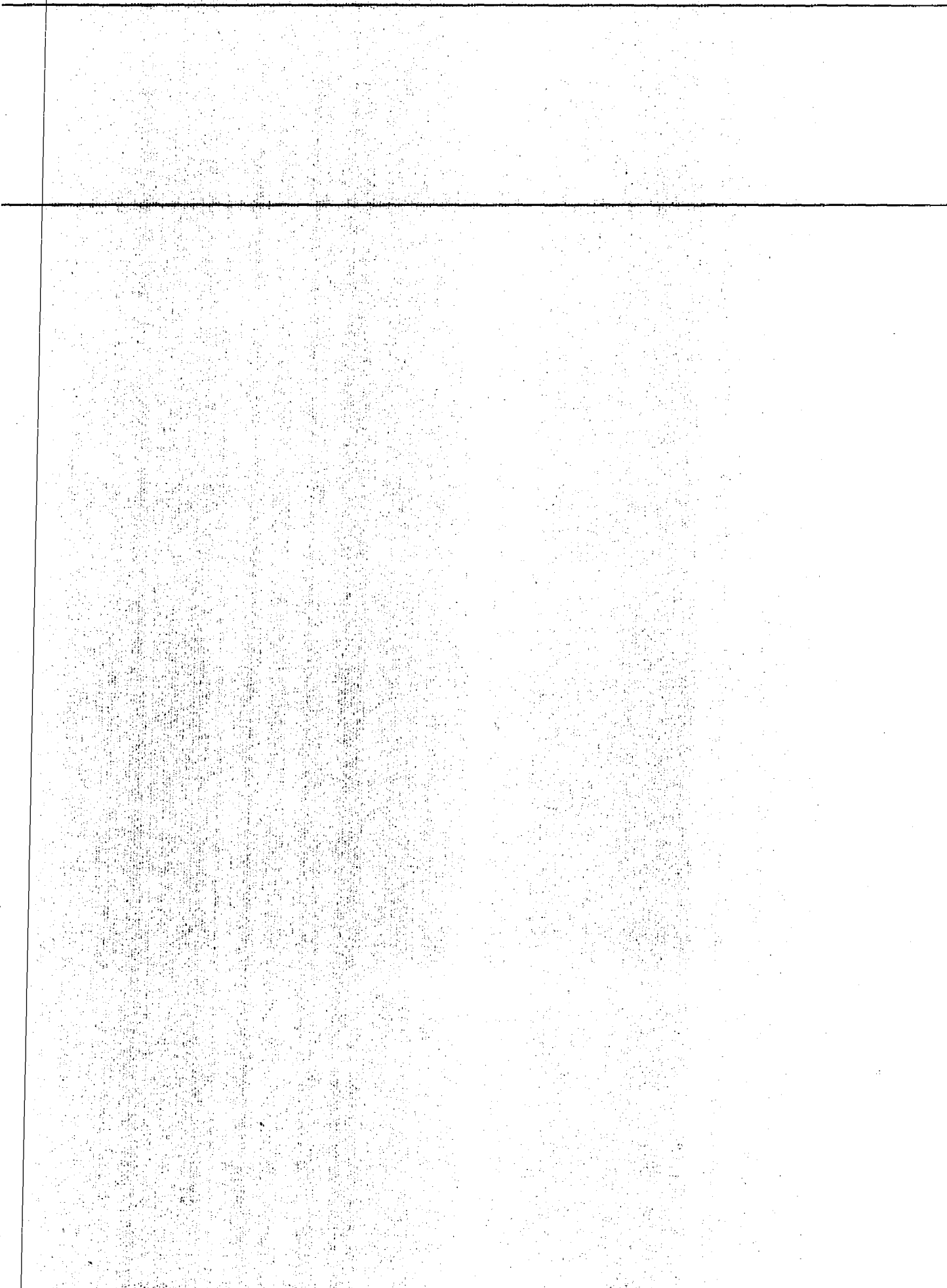
**September 1989**

**ADP PLANNING**

**SSA's February 1989  
Report on Computer  
Modernization Is  
Incomplete**



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United States  
General Accounting Office  
Washington, D.C. 20548

Information Management and  
Technology Division

B-236926

September 25, 1989

The Honorable Tom Harkin  
Chairman, Subcommittee on Labor,  
Health and Human Services,  
Education, and Related Agencies  
Committee on Appropriations  
United States Senate

Dear Mr. Chairman:

This report responds to your March 2, 1989, request for a review of the Social Security Administration's (SSA) automated data processing (ADP) report, requested by a June 1988 Senate Appropriations Committee report, and determination whether SSA's report provides a reasonable basis for SSA to proceed.<sup>1</sup> As arranged with your office we concentrated our review on determining whether SSA's report contains sufficient information for evaluating future SSA requests for increased ADP spending authority.

The Committee report stated that SSA's agencywide strategic plan prepared in January 1988, which outlines the types of customer service that SSA expects to deliver by the year 2000, lacks detailed information on the agency's plans for computer modernization and ADP expenditures. As a result, SSA was asked to prepare a report that contains a comprehensive, detailed plan of the agency's immediate, short-term, and long-term strategies for computer modernization and ADP expenditures. The Committee requested the report so it would have information to evaluate SSA's need for increased computer spending authority for fiscal year 1990 and beyond.

SSA issued its report in February 1989. However, because the agency did not have all of the detailed information necessary for preparing the report, it does not provide the comprehensive, detailed ADP plan requested by the Committee. Consequently, the report's usefulness in evaluating future agency ADP budget requests as well as requests for increased computer spending authority is limited.

<sup>1</sup>Senate Report No. 100-399, June 23, 1988.

## SSA's 1989 Computer Modernization Report Lacks Details

SSA prepared a report showing the context in which the agency's fiscal year 1990 information technology budget supports the larger mission of SSA and prepares the agency to meet its service demands through the year 2000. However, the report does not identify the specific long-term ADP activities to be undertaken; the objective of each activity; the personnel, equipment, and financial resources needed to accomplish them; or their milestones. SSA officials estimate that it could take the agency until September 1990 to develop such detailed information on its computer modernization activities.

SSA's report, for example, states that the agency expects to increase its use of telecommunications services in order to keep up with growing work loads and the public's preference to conduct business by telephone. The report goes on to say that over the next 5 years additional dollars will be required to maintain, improve, and expand the agency's telecommunication network to provide customer access to SSA and quick access to customer information, through a reliable network of computer terminals and personal computers. The report does not, however, identify the specific telecommunication projects to be undertaken during the 5-year period, the staff needed to accomplish them, their costs, or their milestones.

Detailed information on the proposed resources and milestones for accomplishing specific long-term ADP projects would be useful in evaluating SSA's information technology needs in two ways. First, it would enable the Committee to determine how SSA is progressing toward its stated customer service improvement goals. Second, the relationships between SSA's annual ADP budget requests and the agency's longer-term plans for computer modernization could be examined.

SSA officials acknowledged that at the time the report was prepared, the agency did not have all the information necessary for developing such a detailed, ADP plan. These officials said that before the detailed plan the Committee asked for can be completed, the agency must first finish implementing a new agencywide planning and budgeting development process which we recommended in a March 1987 report.<sup>2</sup> The SSA officials believe that once the new process is operational the agency should be able to quickly produce the type of report requested by the Committee. These SSA officials also believe that once the new process is operational it will allow SSA to routinely and systematically produce an annual

<sup>2</sup>Social Security Administration: Stable Leadership and Better Management Needed to Improve Effectiveness (GAO/HRD-87-39, Mar. 18, 1987).

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agency plan that links its annual ADP budget requests to the agency's longer-term modernization effort. SSA expected to have the new planning and budgeting process operational by September 1990. However, according to SSA officials, the Commissioner is evaluating SSA's approach for implementing the new planning and budgeting process and has asked her staff for alternative approaches for implementing the new process. A decision by the Commissioner on the approach for implementing the new process is expected by November 1989.

In a September 1988 report and a July 1989 report, we concluded that until the new agencywide planning and budgeting process is implemented, it will be difficult to determine what priority and resource levels should be devoted to SSA's new ADP initiatives.<sup>3</sup> These reports also concluded that the planning and budgeting efforts SSA had under way would take until September 1990 to complete.

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## Objectives, Scope, and Methodology

Our review was conducted from July 1989 to August 1989 at SSA's headquarters in Baltimore, Maryland, in accordance with generally accepted government auditing standards. We reviewed SSA's February 1989 report on Computer Modernization and Related Expenditures, obtained supporting documentation, interviewed SSA personnel responsible for preparing the report, and discussed the contents of this report with these officials. They agreed with the report's contents and provided some additional information, which has been incorporated where appropriate.

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As arranged with your office, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days after its issue date. At that time we will send copies to the Secretary of Health and Human Services; the Commissioner, Social Security Administration; the Director, Office of Management and Budget; and other interested parties upon request. This report was prepared under the direction of


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<sup>3</sup>ADP Systems: Status of SSA's Modernization Efforts (GAO/IMTEC-88-56, Sept. 29, 1988) and Social Security: Status and Evaluation of Agency Management Improvement Initiatives (GAO/HRD-89-42, July 24, 1989).

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Michael Zimmerman, Director, Human Resources Information Systems, who can be reached at (202) 275-4659. Other major contributors are listed in the appendix.

Sincerely yours,

A handwritten signature in cursive script that reads "Ralph V. Carlone".

Ralph V. Carlone  
Assistant Comptroller General



# Major Contributors to This Report

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