



Highlights of [GAO-08-550T](#), a testimony before the Committee on Homeland Security and Governmental Affairs, U.S. Senate

## Why GAO Did This Study

Of the \$11 billion total estimated cost of the 2010 Census, the Census Bureau planned (as of 2007) to spend about \$3 billion on automation and information technology in order to improve census coverage, accuracy, and efficiency. Among other things, the Bureau is planning to automate many of its planned field data collection activities as a way to reduce costs and improve data quality and operational efficiency. Known as Field Data Collection Automation (FDCA), this initiative is acquiring handheld mobile computing devices that, along with other technology, are undergoing operational testing during a Census "Dress Rehearsal" that is taking place from February 2006 to June 2009. The \$600 million FDCA program is a crucial component of the reengineered processes envisioned for the 2010 Census.

In March 2006, GAO reported on the management capabilities of the FDCA program, and in October 2007, it reported on FDCA's status and plans. As requested, this testimony summarizes key findings from these two reports, as well as subsequent Bureau actions.

## What GAO Recommends

In its reports, GAO made several recommendations to improve acquisition management capabilities, including approving baseline requirements for FDCA and strengthening risk management. The Bureau generally agreed with them, but it has not yet fully implemented these and other recommendations.

To view the full product, including the scope and methodology, click on [GAO-08-550T](#). For more information, contact David A. Powner, 202-512-9286, [pownerd@gao.gov](mailto:pownerd@gao.gov), or Mathew Scire, 202-512-6806, [sciremj@gao.gov](mailto:sciremj@gao.gov).

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# INFORMATION TECHNOLOGY

## Significant Problems of Critical Automation Program Contribute to Risks Facing 2010 Census

### What GAO Found

In March 2006, GAO reported that the FDCA project office had not implemented the full set of acquisition management capabilities (such as project and acquisition planning and requirements development and management) that were needed to effectively manage the program. For example, although the project office had developed baseline functional requirements for the acquisition, the Bureau had not yet validated and approved them. Valid baseline requirements are crucial for success, because they are the basis for the detailed operational requirements that determine system development. Without well-defined requirements, system acquisitions are at risk of cost increases, schedule delays, or performance shortfalls. Accordingly, GAO recommended that the Bureau validate and approve baseline requirements for FDCA.

In October 2007, GAO reported that changes to requirements had been a contributing factor to both cost increases and schedule delays experienced by the FDCA program. Increases in the number of requirements led to the need for additional work and staffing. In addition, an initial underestimate of the contract costs caused both cost and schedule revisions. In response to the cost and schedule changes, the Bureau decided to delay certain system functionality, which increased the likelihood that the systems testing at the Dress Rehearsal would not be as comprehensive as planned. In addition, despite reports from Census field staff during spring Dress Rehearsal operations that data transmissions from handheld mobile computing devices were slow and inconsistent, the project team did not adequately identify performance issues with these devices as a risk. The magnitude of the performance difficulties was not clear, and the Bureau had not fully specified how it planned to measure the devices' performance, as GAO had recommended. Without effective management of these and other key risks, the FDCA program faced an increased probability that the system would not be delivered on schedule and within budget or perform as expected. Accordingly, GAO recommended that the FDCA project team strengthen its risk management activities, including risk identification and oversight.

The Bureau has recently made efforts to further define the requirements for the FDCA program, and it has estimated that the revised requirements will result in significant cost increases. Rough estimates shared with the Congress and the Administration range from \$600 million to \$2 billion; however, specific programs and operations affected have not been identified, nor has the Bureau decided on a clear approach to address these issues. In view of the time frames for the 2010 Census, it is essential that the Bureau act rapidly to make decisions and to implement GAO's recommendations.



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## Why GAO Assigns High Risk

GAO audits and evaluations identify federal programs and operations that are high risk due to their greater vulnerabilities to fraud, waste, abuse, and mismanagement. Increasingly, GAO also is identifying high-risk areas to focus on the need for broad-based transformations to address major economy, efficiency, or effectiveness challenges. In January 2007, GAO presented the 110<sup>th</sup> Congress with the latest status of existing and new high-risk areas warranting attention by both the Congress and the administration. Lasting solutions to high-risk problems could save billions of dollars, dramatically improve service to the public, strengthen confidence and trust in the performance and accountability of the U.S. government, and ensure the ability of government to deliver on its promises. The decennial census is a Constitutionally-mandated activity that produces critical data used to apportion congressional seats and allocate billions of dollars in federal assistance.

## What GAO Recommends

In its reports, GAO has recommended that the Bureau improve acquisition management capabilities, operational planning, cost estimation, and performance measurement. The Bureau agreed with most of these recommendations, but has not fully implemented them.

To view the full product, including the scope and methodology, click on [GAO-08-550T](#). For more information, contact Mathew Scire, 202-512-6806, [sciremj@gao.gov](mailto:sciremj@gao.gov) or David A. Pownier, 202-512-9286, [pownerd@gao.gov](mailto:pownerd@gao.gov).

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## 2010 CENSUS

### Automation Problems and Uncertain Costs and Plans May Jeopardize the Success of the Decennial and Warrant Immediate Attention

#### Designation as High Risk

Today GAO is designating the 2010 Census as a high-risk area. The Decennial Census is at a critical stage in the 2008 Dress Rehearsal, in which the Bureau has the opportunity to test, for the last time under census-like conditions, its plans for 2010. GAO's work and Census have highlighted a number of long-standing and emerging challenges facing the 2010 Census. Because the census is one of the foundations for many government decisions, threats to a timely and reliable census can affect the public's confidence in government.

GAO has reported long-standing weaknesses in the Bureau's management of information technology. To control costs and improve accuracy, the Bureau is relying as never before on contractor provided technology, including the use of handheld mobile computing devices. In October 2007, GAO concluded that without effective management of key risks, the Field Data Collection Automation (FDCA) program responsible for the devices faced an increased probability that the system would not be delivered on schedule and within budget or perform as expected. GAO recommended that the Bureau strengthen its system testing and risk management activities. Today the Bureau and its contractor are finalizing the FDCA program and have not yet agreed on requirements for FDCA, and system interface testing has been delayed. In the spring of 2007, the Bureau tested the device under census-like conditions for the first time as part of its address canvassing dress rehearsal. Field staff reported technical problems with the handheld devices. The magnitude of these problems is not clear and the Bureau still has not fully specified how it will measure the performance of the handheld devices, as GAO recommended. In addition, the Bureau has not performed recommended analysis or provided sufficient information to provide a level of confidence in its \$11.5 billion life-cycle cost estimate of the decennial census. The Bureau has not itemized the estimated costs of each component operation, conducted sensitivity analysis on cost drivers, or provided an explanation of significant changes in the assumptions on which these costs are based. More recently, the Bureau has delayed the dress rehearsal and dropped several operations. Together, these weaknesses and actions raise serious questions about the Bureau's preparations for conducting the 2010 Census.

In 2005 GAO highlighted the 2010 Census as an emerging area for possible high-risk designation. GAO has recommended numerous corrective actions to address the risks associated with the 2010 Census, but many of them have not been implemented. GAO recommended that the Bureau (1) strengthen its systems testing and risk management activities, (2) define specific measurable performance requirements for the handheld mobile computing device, and (3) develop an integrated and comprehensive plan to control its costs and manage operations.