

GAO

Testimony

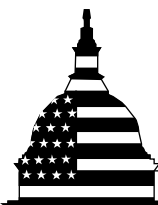
Before the Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security, Committee on Homeland Security and Governmental Affairs, U.S. Senate

For Release on Delivery
Expected at 2:30 p.m. EDT
Wednesday, July 18, 2012

2020 CENSUS

Sustaining Current Reform Efforts Will Be Key to a More Cost-Effective Enumeration

Statement of Robert Goldenkoff
Director
Strategic Issues



G A O

Accountability * Integrity * Reliability



Highlights of [GAO-12-905T](#), a testimony before the Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security, Committee on Homeland Security and Governmental Affairs, U.S. Senate

Why GAO Did This Study

Obtaining an accurate census in the face of societal trends such as increased privacy concerns and a more diverse population has greatly increased the cost of the census. At \$13 billion, 2010 was the costliest census in U.S. history. Without changes, future enumerations could be fiscally unsustainable. GAO's past work noted that early planning, leading management practices, and strong congressional oversight, can help reduce the costs and risks of the enumeration. GAO also identified four key lessons learned from 2010 that could help secure a more cost-effective 2020 Census. The Bureau agreed and is taking steps to address them. As requested, this testimony focuses on the Bureau's progress on these lessons learned and what remains to be done going forward. It is based on GAO's completed work, including an analysis of Bureau documents, interviews with Bureau officials, and field observations of census operations in urban and rural locations across the country.

What GAO Recommends

GAO is not making new recommendations in this testimony, but past reports recommended that the Bureau strengthen its testing of key IT systems, develop policies and procedures for its cost estimates, and take actions to make 2020 Census planning more consistent with leading management practices. The Bureau generally agreed with GAO's findings and recommendations and is taking steps to implement them.

View [GAO-12-905T](#) or key components. For more information, contact Robert Goldenkoff at (202) 512-2757 or goldenkoffr@gao.gov.

July 18, 2012

2020 CENSUS

Sustaining Current Reform Efforts Will Be Key to a More Cost-Effective Enumeration

What GAO Found

Overall, the U.S. Census Bureau's (Bureau) planning efforts for 2020 are off to a good start, as the Bureau made noteworthy progress within each of the four lessons learned from the 2010 Census. Still, additional steps will be needed within each of the lessons learned in order to sustain those reforms.

1. Reexamine the nation's approach to taking the Census. The Bureau has used a similar approach to count most of the population for decades. However, the approach has not kept pace with changes to society. Moving forward, the Bureau has begun to rethink its approach to planning, testing, implementing, and monitoring the census. For example, the Bureau is researching how it can use administrative records, such as data from other government agencies, to locate and count people including nonrespondents. Use of administrative records could help reduce the cost of field operations, but data quality and access issues must first be resolved.

2. Assess and refine existing operations focusing on tailoring them to specific locations and population groups. The 2010 Census had several operations tailored to specific population groups or locales. For example, the Bureau mailed bilingual English/Spanish forms to some areas and sent a second questionnaire to areas with historically lower response rates. Preliminary evaluations show these targeted efforts contributed to an increased awareness of the census and higher mail-back response rates. For 2020, the Bureau is considering expanding these efforts. Designing future studies to better isolate the return on investment of key census operations would help the Bureau further target its operations to specific population groups and locations and potentially gain significant cost savings.

3. Institutionalize efforts to address high-risk areas. Focus areas for the Bureau include improving its ability to manage information technology (IT) investments and develop a reliable cost estimates. In January 2012, GAO reported that the Bureau did not have policies and procedures for developing the 2020 Census cost estimate. In moving forward, it will be important for the Bureau to improve its IT acquisition management policies and develop better guidance to produce more reliable cost estimates.

4. Ensure that the Bureau's management, culture, and business practices align with a cost-effective enumeration. In May 2012, GAO reported that the Bureau's early planning efforts for the 2020 Census were consistent with most leading practices for organizational transformation, long term planning, and strategic workforce planning. Nevertheless, GAO found that additional steps could be taken to build on these early efforts. For example, the Bureau's schedule does not include milestones for key decisions to support the transition between planning phases. These milestones are important and could help with later downstream planning.

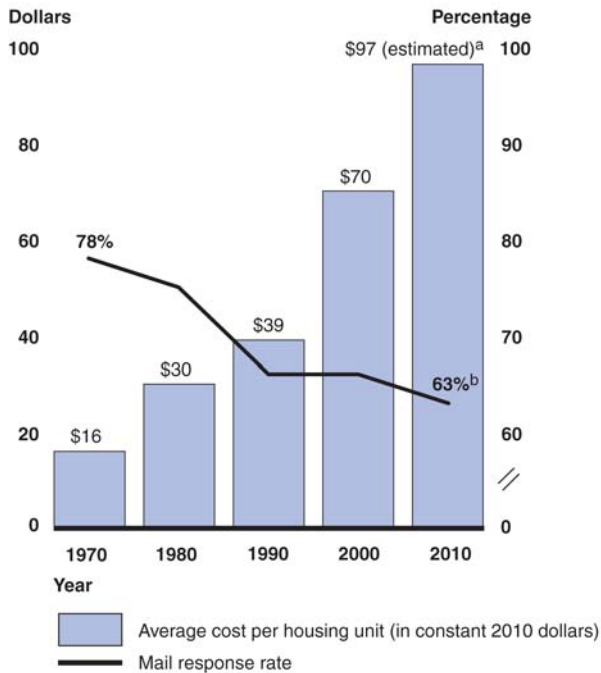
Chairman Carper, Ranking Member Brown, and Members of the Subcommittee:

I am pleased to be here today to provide a progress report on the U.S. Census Bureau's (Bureau) planning and reform initiatives for the 2020 Census. As you well know, the nation's population has been growing steadily larger, more diverse, increasingly difficult to count, and less willing to participate in the census. The bottom line is that securing an accurate count in the face of these trends has greatly raised the difficulty and cost of the enumeration. Unless changes to the census are made going forward, future headcounts could be fiscally unsustainable.

With a life-cycle cost of around \$13 billion, the 2010 Census was the most expensive population count in U.S. history, costing over 50 percent more than the \$8.1 billion 2000 Census (in constant 2010 dollars). While some cost growth is to be expected, in part because there are more people to count with each decennial, enumeration costs grew more than three times faster than the workload between 2000 and 2010 with a 39 percent increase in costs to count each housing unit compared to a 12 percent increase in workload. These trends do not bode well for future costs. Indeed, the Bureau estimates that if it used the same approach to count people in 2020 as it did in 2010, it would cost \$151 to count each housing unit compared to 2010's \$97 (assuming real costs grow at the same rate they did between 1990 and 2010).

Moreover, as shown in figure 1, while census costs have steadily increased since 1970, the mail response rate—a key performance measure because of its implications for both cost and accuracy—declined over this same period from 78 percent in 1970 to around 63 percent in 2010.

Figure 1: The Average Cost of Counting Each Housing Unit Escalated Each Decade While Mail Response Rates Declined



Source: GAO analysis of U.S. Census Bureau data.

^aThe 2010 life cycle runs from 2002 through 2013, meaning that costs for the 2010 Census are not yet final.

^bIn the 2010 Census, the Bureau used only a short-form questionnaire. For this report, we use the 1990 and 2000 Census short-form mail response rate when comparing 1990, 2000, and 2010 mail-back response rates. Census short-form mail response rates are unavailable for 1970 and 1980, so we use the overall response rate for both the short- and long-form questionnaires.

In terms of quality, a post-census Bureau evaluation found that the 2010 Census generally accurately counted the total population of the country as well as each state. As in past enumerations, renters, young children, young adult males, Blacks, Hispanics, and American Indians on reservations were more likely to be undercounted, while home owners, older persons, females, and White non-Hispanics were more likely to be included more than once in the census. Moreover, despite some significant initial setbacks that raised the cost of the enumeration, the Bureau eventually developed workarounds to the challenges facing the 2010 Census and it was ultimately an operational success as the Bureau generally completed its peak census data collection activities consistent with its plans and released the state population counts used to apportion Congress on December 21, 2010, several days ahead of the legally mandated end-of-year deadline.

Mr. Chairman, these trends, facts, and figures all point to one simple fact: the basic design of the decennial census—mail-out and mail-back of the census form with in-person follow-up for nonrespondents (the same general approach the Bureau has used since 1970)—is no longer capable of a cost-effective enumeration. Thus, going forward, the singular challenge for Bureau officials will be balancing the need to control the cost of future enumerations with the need to assure their accuracy.

The Bureau is well aware of the need for reforms, and its business plan—which describes its efforts for the early research and testing phase of the 2020 Census—notes that the Bureau is committed to conducting a census that costs no more than the approximately \$100 per housing unit that was spent on the 2010 Census, and has already developed six broad design alternatives for 2020. This is a noteworthy goal. However, fulfilling it will be an ambitious task as the Bureau’s research and planning efforts over the next few years will take place in an uncertain environment owing to the extent and magnitude of the reforms being considered, budget constraints, and the planned August 2012 resignation of the current Bureau Director with the likelihood that it may be a number of months before a permanent replacement takes office.

When we last testified before this Subcommittee in April 2011, we discussed four lessons learned from the 2010 and earlier decennials that could help secure a more cost-effective enumeration in 2020.¹ They included:

1. reexamining the nation’s approach to taking the census;
2. assessing and refining existing operations, tailoring them to specific locations and population groups;
3. institutionalizing efforts to address high-risk areas; and
4. ensuring that the Bureau’s management, culture, and business practices align with a cost-effective enumeration.

The Bureau generally agreed with these lessons and is taking steps to address them. As requested, in my remarks today, I will focus on the Bureau’s progress in each area and what remains to be done going forward. In summary, while the Bureau’s preparations are off to a good start—as evidenced, for example, by its use of leading practices in such

¹GAO, *2010 Census: Preliminary Lesson Learned Highlight the Need for Fundamental Reforms*, [GAO-11-496T](#) (Washington, D.C.: Apr. 6, 2011).

key management areas as organizational transformation, long-term project planning, and strategic workforce planning, moving forward, sustaining those efforts, focusing on priorities, winnowing down design options, and keeping the entire enterprise on-track—all within tight timeframes—will be a tremendous challenge. Furthermore, it will be important for Congress to hold the Bureau accountable for results through strong and continuing involvement in preparations for the 2020 Census, including weighing in on key Bureau decisions and providing the necessary funding.

My testimony today is based on our completed work related to key 2010 Census operations, on 2010 Census cost drivers and the 2020 life-cycle cost estimate, and the Bureau's planning efforts for 2020.² For this body of work, we analyzed key documents—such as budgets, plans, procedures, and guidance—for selected decennial activities; interviewed cognizant Bureau officials; reviewed existing leading practices for organizational transformation, long-term project planning, and workforce planning that we and other organizations have previously developed; and identified leading practices that are most relevant to the Bureau's early planning for the 2020 Census.

Additionally, for our work on 2010 operations, we made on-site observations of key census-taking activities across the country including such urban locations as Los Angeles, California; Atlanta, Georgia; Brooklyn, New York; Philadelphia, Pennsylvania; New Orleans, Louisiana; and Washington, D.C.; as well as such less populated areas as Meridian, Mississippi, and New Castle, Delaware. We selected these locations because of their geographic and demographic diversity, among other factors. More detail on our scope and methodology is provided in each of our issued products.

On June 29, 2012, we provided the Bureau with a statement of facts related to the information included in this statement, and Bureau officials provided technical comments, which we included as appropriate. The work on which this statement is based was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions

²See related GAO products at the end of this statement.

based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

At first glance, it might seem premature to discuss preparations for the decennial census; after all, Census Day, April 1, 2020, is still almost 8 years away. However, our reviews of the 1990, 2000, and the 2010 Censuses have shown that early planning, the use of leading management practices, and strong congressional oversight can help reduce the costs and risks of the national headcount. Indeed, the characteristics of the decennial census—long-term, large-scale, complex, high-risk, and politically sensitive—together make a cost-effective enumeration of the nation’s population and housing a monumental project-planning and management challenge.

Despite the complexity, cost, and importance of the census, however, recent enumerations were not planned well. Indeed, shortcomings with managing and planning the 2000 and 2010 enumerations led to acquisition problems, cost overruns, and other issues, and, as a result, we placed both enumerations on our list of high-risk programs.³

For example, leading up to the 2010 Census, we found that additional costs and risks associated with the data capture technologies used in the 2010 Census were related to a failure to adequately link specifications for key information technology systems to requirements.⁴ Additionally, the lack of skilled cost estimators for the 2010 Census led to unreliable life-cycle cost estimates, and some key operations were not tested under census-like conditions.

Importantly, some of the operational problems that occurred during the 2010 and prior censuses are symptomatic of deeper organizational issues. For example, a Bureau self-assessment carried out in October 2008 found that its organizational structure made overseeing a large

³GAO, *Information Technology: Significant Problems of Critical Automation Program Contribute to Risks Facing 2010 Census*, [GAO-08-550T](#) (Washington, D.C. Mar. 5, 2008), and *High-Risk Series: Quick Reference Guide*, [GAO/HR-97-2](#) (Washington, D.C.: February 1997).

⁴GAO, *Information Technology: Census Bureau Needs to Improve Its Risk Management of Decennial Systems*, [GAO-08-79](#) (Washington, D.C.: Oct. 5, 2007).

program difficult and hampered accountability, succession planning, and staff development.

Since then, we and other organizations—including the Bureau itself—have stated that fundamental changes to the design, implementation, and management of the census must be made in order to address these operational and organizational challenges.⁵ For its part, the Bureau has stated that to contain costs and maintain quality, bold innovations in both planning and design of the 2020 Census will be required, and has launched a number of change initiatives. Some of these efforts are directed at transforming the Bureau’s organization, while others focus on reexamining the fundamental approach to the 2020 Census.

Although bold reform plans are critical steps in the right direction, the Bureau’s past experience has shown that the more difficult challenge will be sustaining those efforts throughout the course of the decade. Indeed, preparations for both the 2000 and 2010 Censuses started with ambitious plans that gave reason for optimism that major improvements were on the way. However, in the subsequent ramp-up to those enumerations, the Bureau had difficulty identifying and implementing promising innovations, progress on reforms slowed, and as Census Day drew closer, the success of those head-counts became an open question.

Lesson Learned 1: Reexamine the Nation’s Approach to Taking the Census

In our April 2011 testimony, we noted that based on the results of prior enumerations, simply refining current methods—some of which have been in place for decades—will not bring about the reforms needed to control costs while maintaining accuracy given ongoing and newly emerging societal trends such as concerns over personal privacy and an increasingly diverse population.⁶ Consequently, the Bureau will need to reconsider the nation’s approach to the census including rethinking such activities as how it plans, tests, implements, monitors, and evaluates enumeration activities. The Bureau concurred and its 2020 Census business plan states that the Bureau needs substantial innovation to achieve its cost and quality targets and to meet its strategic goals.

⁵GAO-11-496T.

⁶GAO-11-496T.

As one example, with respect to its research and testing efforts, the Bureau plans to use the American Community Survey—an ongoing Bureau survey of population and housing characteristics that is administered monthly throughout the decade—as a vehicle to test certain decennial census processes and information technology (IT) systems. According to the Bureau, this approach will enable it to conduct many small tests throughout the decade in a production environment instead of relying on a small number of large, expensive tests as was the case in past decennial planning cycles. According to the Bureau, refining systems in the American Community Survey reduces the risk of building one-use systems for the decennial that need to operate flawlessly the first time they are put into production.

With respect to implementing the census, among other activities, the Bureau is researching potential electronic methods of promoting the census and collecting data, including with the Internet via social networking sites, e-mail, and text messages, as well as with automated phone systems. For the 2010 Census, the Bureau initially investigated the use of an Internet response option but dropped plans based on concerns over information technology security, and after completing a cost-benefit analysis that led the Bureau to conclude that Internet data collection would not significantly improve the overall response rate or reduce field data collection.

The Bureau is also researching how it can use administrative records to reduce the cost of certain decennial activities. Administrative records from government agencies, including driver licenses and school records, can be used to identify persons associated with a particular household address. Administrative records could save the Bureau money because they could help reduce the need for certain costly and labor-intensive door-to-door visits by Bureau employees to collect data in-person from non-respondents. During the 2010 Census, the Bureau made only limited use of administrative records. Expanding their use to supplement respondent data on a national level will present a certain degree of risk, and issues concerning data quality and access to records must first be resolved.

With so many innovations underway at the Bureau, strong and continuing stewardship at the senior level will be critical for ensuring they stay on track moving forward. However, the announced resignation of the Director coming up this August could mean that it will be a number of months before an agency head appointed by the President and confirmed by the Senate will be in place.

As with the heads of all federal agencies, it will be important for the Bureau Director to possess the requisite leadership and management skills and background to successfully address the challenges facing the Bureau in the years ahead. On the basis of our knowledge of past and present census operations and a review of readily available literature, certain general stewardship roles that the Director, as a senior executive, will play in managing the institution, and their related qualifications, merit particular attention in this regard. These roles and qualifications are not necessarily unique to the Bureau, and it is unlikely that any one person will excel in all of these areas. That said, based on our knowledge of past and present census operations and review of available literature on leadership—particularly of federal agencies—we identified the following characteristics of a successful leader:

- *Strategic leader.* As the head of the Census Bureau, the Director is responsible for, among other activities, (1) leading change and (2) leading people. In leading change, the Director will be expected to build a shared vision or long-term view for the organization among its stakeholders, as well as be a catalyst for developing and implementing the Bureau's mission statement and strategic goals, and be cognizant of the forces affecting the Bureau. Moreover, in addition to the decennial census, the Bureau is also responsible for a number of other vital national data gathering and statistical programs such as the American Community Survey. As a result, it will be important for the Director to ensure the Bureau's information products continue to meet the current and emerging needs of its numerous and diverse customers, including Congress, state, local and federal government organizations, and a wide array of other public and private organizations.

In leading people, the Director should ensure that human resource strategies, including recruitment, retention, training, incentive, and accountability initiatives are designed and implemented in a manner that supports the achievement of the organization's mission and goals and addresses any mission critical skill gaps. In particular, it will be important for the Director to motivate headquarters, field, and temporary staff to ensure they function as an integrated team rather than a stovepiped bureaucracy.

- *Technical professional.* It is logical to expect that the Director would have at least a general background in statistics or a related field. Although no one person will have the full range of knowledge needed to answer the many methodological and technical questions that the

Director may face, it is important that he or she have sufficient technical knowledge to direct the Bureau's statistical activities. In addition, the Director should manage for results by developing and using performance measures to assess and improve the Bureau's operations.

- *Administrator.* Like other agency heads, the Director is responsible for acquiring and using the human, financial, and information technology resources needed to achieve its goals and mission. The Director should, for example, be capable of setting priorities based on funding levels. Further, because the Bureau's product is information, the Director should ensure that the Bureau leverages technology, such as the Internet, to improve the collection, processing, and dissemination of census information.
- *Collaborator.* It will be important for the Director to continually expand and develop working relationships and partnerships with those in governmental, political and professional circles to obtain their input, support, and participation in the Bureau's activities. For example, it will be important for the Director to continue working with local government officials to have them play a more active role in taking the census.

Lesson Learned 2: Assess and Refine Existing Operations Focusing on Tailoring Them to Specific Locations and Population Groups

We previously found that leveraging such data as local response rates, census socio-demographic information, as well as other data sources and empirical evidence, might help control costs and improve accuracy by providing information on ways the Bureau could more efficiently allocate its resources. For example, some neighborhoods might require a greater level of effort to achieve acceptable results while in other areas those same results might be accomplished with fewer resources.⁷

The 2010 Census had several census-taking activities tailored to specific population groups. As one example, the Bureau budgeted around \$297 million on paid media to raise awareness and encourage public participation in the census. To determine where paid media efforts might have the greatest impact, the Bureau developed predictive models based on 2000 Census data and other sources. Other efforts included mailing a

⁷[GAO-11-496T](#).

bilingual English/Spanish questionnaire in some areas, and sending a second “replacement” census questionnaire to about 53 million households in areas with historically lower response rates. Preliminary Bureau evaluations suggest that some of these targeted efforts contributed to an increased awareness of the census and were associated with higher questionnaire mail-back response rates.

For the 2020 Census, the Bureau is considering expanding its targeting efforts to activities such as address canvassing, an operation where Bureau employees go door-to-door across the country verifying street addresses and identifying possible additions or deletions to its address list. This operation is important for building an accurate address list. In the 2010 Census, address canvassing was conducted at the vast majority of housing units. For the 2020 Census, the Bureau believes it might be able to generate cost savings by using existing address records for those neighborhoods that have been stable, and only canvass those areas where significant changes have occurred.

We previously found that studying the value added of a particular operation, such as the extent to which it reduced costs and/or enhanced data quality, could help the Bureau make more cost-effective use of its resources. As one example, in addition to address canvassing, the Bureau has several other operations to help it build a complete and accurate address list. This is to help ensure that housing units missed in one operation get included in a subsequent operation. However, the extent to which each individual operation contributes to the overall accuracy of the address list is uncertain. This in turn makes it difficult for the Bureau to fully assess the extent to which potential reforms such as targeted address canvassing or other operations might affect the quality of the address list. Indeed, the Bureau’s formal program of assessing and evaluating various 2010 Census operations and activities, with which it expects to have completed over 100 studies by early in 2013, has only a few studies designed to produce information describing the return on investment. Designing future studies to better isolate the return on investment would help the Bureau further tailor its operations to specific population groups and locations and potentially generate substantial cost savings.

Lesson Learned 3: Institutionalize Efforts to Address High-Risk Areas

A key priority for the Bureau will be to continue to address those shortcomings that led us to designate the 2010 Census a high-risk area in 2008, including strengthening its ability to develop reliable life-cycle cost estimates and following key practices important for managing information technology (IT) so that they do not recur in 2020.⁸ In February 2011, we removed the high-risk designation from the 2010 Census because of the Bureau's progress and strong commitment to and top leadership support for addressing problems, among other actions.⁹ The Bureau has made progress in these areas. However, additional efforts are needed.

- *Processes for developing a life-cycle cost estimate.* In our January 2012 report, we found that the Bureau had not yet established policies, procedures, or guidance for developing the 2020 Census life cycle cost estimate and is at risk of not following related best practices.¹⁰ A reliable cost estimating process, according to our *Cost Estimating and Assessment Guide*, is necessary to ensure that cost estimates are comprehensive, well documented, accurate, and credible.¹¹ The Bureau intends to use our cost guide as it develops cost estimates for 2020 and follow best practices wherever practicable; however, as we reported, the Bureau has not yet documented how it plans to conduct its cost estimates and could not provide a specific time when such documentation would be finalized. Developing this necessary guidance will help ensure the Bureau has a reliable life-cycle cost estimate, which in turn will help ensure that Congress, the administration, and the Bureau itself can have reliable information on which to base decisions.
- *IT management issues.* As the Bureau prepares for 2020, it will be important for it to continue to improve its ability to manage its IT investments. Leading up to the 2010 Census, we made numerous recommendations to the Bureau to improve its IT management procedures by implementing best practices in risk management,

⁸[GAO-08-550T](#).

⁹GAO, *High-Risk Series: An Update*, [GAO-11-278](#) (Washington, D.C.: Feb. 16, 2011).

¹⁰GAO, *Decennial Census: Additional Actions Could Improve the Census Bureau's Ability to Control Costs for the 2020 Census*, [GAO-12-80](#) (Washington, D.C.: Jan. 24, 2012).

¹¹GAO, *GAO Cost Estimating and Assessment Guide: Best Practices for Developing and Managing Capital Program Costs*, [GAO-09-3SP](#) (Washington, D.C.: Mar. 2, 2009).

requirements development, and testing.¹² The Bureau implemented many of our recommendations, but not our broader recommendation to institutionalize these practices at the organizational level. The challenges experienced by the Bureau in acquiring and developing IT systems during the 2010 Census further demonstrate the importance of establishing and enforcing a rigorous IT systems development and management policy Bureau-wide. In addition, it will be important for the Bureau to improve its ability to consistently perform key IT management practices, such as IT investment management, system development and management, and enterprise architecture management. The effective use of these practices can better ensure that future IT investments will be pursued in a way that optimizes mission performance. We have ongoing reviews of the Bureau's early 2020 Census planning for its IT investment management, as well as its information security program, which we expect to report out in the months ahead.

Lesson Learned 4: Ensure that the Bureau's Management, Culture, and Business Practices Align with a Cost-Effective Enumeration

As we noted in our May 2012 report, the Bureau's early planning and preparation efforts for the 2020 Census are consistent with most leading practices in each of three management areas we reviewed—organizational transformation, long-term planning, and strategic workforce planning.¹³ For example, the Bureau is in the middle of a major organizational transformation of its decennial operations, and consistent with our leading practices, top Bureau leadership has been driving the transformation through such activities as issuing a strategic plan for the 2020 Census, incorporating annual updates of its business plan, and chartering an organizational change management council comprised of Bureau-wide executives and senior managers. The Bureau also has focused on a key set of principles as it begins to roll-out the transformation strategy to staff, and has created a timeline to build momentum and show progress. Although the decennial directorate is progressing with its organizational transformation, the person responsible for this effort—the Bureau's organizational change manager—is

¹²For example, GAO, *Information Technology: Census Bureau Testing of 2010 Decennial Systems Can Be Strengthened*, [GAO-09-262](#) (Washington, D.C.: Mar. 5, 2009); [GAO-08-79](#); and *Census Bureau: Important Activities for Improving Management of Key 2010 Decennial Acquisitions Remain to be Done*, [GAO-06-444T](#) (Washington, D.C.: Mar. 1, 2006).

¹³GAO, *2020 Census: Additional Steps Are Needed to Build on Early Planning*, [GAO-12-626](#) (Washington, D.C.: May 17, 2012).

responsible for a number of tasks, including transformation planning and implementation, and leading two working groups. At this point in the process, the amount of change-related activity the Bureau is considering may exceed the resources the Bureau has allocated to plan, coordinate, and carry it out. As a result, the planned transformation efforts could be difficult to sustain.

We also noted in May 2012 that the Bureau is taking steps consistent with many of the leading practices for long-term project planning, such as issuing a series of planning memorandums in 2009 and 2010 that laid out a high-level framework documenting goals, assumptions, and timing of the remaining four phases of the 2020 Census.¹⁴ The Bureau also created a high-level schedule of program management activities for the remaining phases, documented key elements such as the Bureau's decennial mission, vision, and guiding principles, and produced a business plan to support budget requests, which is being updated annually. These are important steps forward that, if continued, could help the Bureau's planning stay on track for 2020. However, the Bureau's schedule does not include milestones or deadlines for key decisions needed to support transition between the planning phases which could result in later downstream planning activity not being based on evidence from such sources as early research and testing.

Also in the area of long-term planning, to help incorporate lessons learned, in 2011 the Bureau created a recommendation follow-up process, built around a database it created containing various oversight and internal Bureau recommendations. Not having a formal process for recommendation follow-up for prior censuses made it difficult to ensure that recommendations were considered by those at the Bureau best able to act on them. The Bureau has provided these recommendations to relevant Bureau research and testing teams and is beginning to take steps to hold the teams accountable for reporting on how they are considering them.

The Bureau is also taking steps consistent with leading practices for strategic workforce planning, including identifying current and future critical occupations with a pilot assessment of the competencies of selected information technology 2020 Census positions. However, the

¹⁴[GAO-12-626](#).

Bureau has done little yet either to identify the goals that should guide workforce planning or to determine how to monitor, report, and evaluate its progress toward achieving them, which could help the Bureau identify and avoid possible barriers to implementing its workforce plans.

While the Bureau's efforts are largely consistent with leading practices in each of these areas, in our May 2012 report, we noted that additional steps could be taken going forward to build on these early planning efforts. Specifically, we recommended that the Director take a number of actions to make 2020 Census planning more consistent with key practices in the three management areas, such as examining planned transformation activity to ensure its alignment with resources, developing a more-detailed long-term schedule to smooth transition to later planning phases, and setting workforce planning goals and monitor them to ensure their attainment. The Department of Commerce concurred with our findings and recommendations and has taken steps to address our recommendations. For example, to support to its organizational transformation activities the Bureau has added additional staff and contractor support.

Concluding Observations

The Bureau is moving forward along a number of fronts to secure a more cost-effective 2020 enumeration. Many components are already in place, a number of assessment and planning activities are underway, and the Bureau has been responsive to our past recommendations. Further, the Bureau is generally applying key leading practices in the areas of organizational transformation, long-term project planning, and strategic workforce planning, although additional efforts are needed in the months ahead. In short, the Bureau continues to make noteworthy progress in reexamining both the fundamental design of the census as well as its own management and culture.

While this news is encouraging, it is still early in the decade, and the Bureau's experience in planning earlier enumerations has shown how ambitious preparations at the start of the census life-cycle can derail as Census Day draws near. Thus, as the Bureau's 2020 planning and reform efforts gather momentum, the effectiveness of those efforts will be determined in large measure by the extent to which they enhance the Bureau's ability to control costs, ensure quality, and adapt to future technological and societal changes. Likewise, it will be important for Congress to hold the Bureau accountable for results, weighing-in on key design decisions, providing the Bureau with resources the Congress believes are appropriate to support that design, and ensuring that the

progress made to date stays on track. The Bureau's initial preparations for 2020 are making progress. Nonetheless, continuing congressional oversight remains vital.

Chairman Carper, Ranking Member Brown, and Members of the Subcommittee, this concludes my prepared statement. I would be pleased to respond to any questions that you may have at this time.

GAO Contacts and Staff Acknowledgements

If you have any questions on matters discussed in this statement, please contact Robert Goldenkoff at (202) 512-2757 or by e-mail at goldenkoffr@gao.gov. Other key contributors to this testimony include Richard Hung, Ty Mitchell, Lisa Pearson, Mark Ryan, and Timothy Wexler.

Related GAO Products

2020 Census: Additional Steps Are Needed to Build on Early Planning. [GAO-12-626](#). Washington, D.C.: May 17, 2012.

Decennial Census: Additional Actions Could Improve the Census Bureau's Ability to Control Costs for the 2020 Census. [GAO-12-80](#). Washington, D.C.: January 24, 2012.

2010 Census: Preliminary Lessons Learned Highlight the Need for Fundamental Reforms. [GAO-11-496T](#). Washington, D.C.: April 6, 2011.

2010 Census: Data Collection Operations Were Generally Completed as Planned, but Long-standing Challenges Suggest Need for Fundamental Reforms. [GAO-11-193](#). Washington, D.C.: December 14, 2010.

2010 Census: Follow-up Should Reduce Coverage Errors, but Effects on Demographic Groups Need to Be Determined. [GAO-11-154](#). Washington, D.C.: December 14, 2010.

2010 Census: Key Efforts to Include Hard-to-Count Populations Went Generally as Planned; Improvements Could Make the Efforts More Effective for Next Census. [GAO-11-45](#). Washington, D.C.: December 14, 2010.

2010 Census: Plans for Census Coverage Measurement Are on Track, but Additional Steps Will Improve Its Usefulness. [GAO-10-324](#). Washington, D.C.: April 23, 2010.

2010 Census: Data Collection Is Under Way, but Reliability of Key Information Technology Systems Remains a Risk. [GAO-10-567T](#). Washington, D.C.: March 25, 2010.

2010 Census: Key Enumeration Activities Are Moving Forward, but Information Technology Systems Remain a Concern. [GAO-10-430T](#). Washington, D.C.: February 23, 2010.

2010 Census: Census Bureau Continues to Make Progress in Mitigating Risks to a Successful Enumeration, but Still Faces Various Challenges. [GAO-10-132T](#). Washington, D.C.: October 7, 2009.

2010 Census: Census Bureau Should Take Action to Improve the Credibility and Accuracy of Its Cost Estimate for the Decennial Census. [GAO-08-554](#). Washington, D.C.: June 16, 2008.

Information Technology: Significant Problems of Critical Automation Program Contribute to Risks Facing 2010 Census. [GAO-08-550T](#). Washington, D.C.: March 5, 2008.

Information Technology: Census Bureau Needs to Improve Its Risk Management of Decennial Systems. [GAO-08-259T](#). Washington, D.C.: December 11, 2007.

2010 Census: Census Bureau Has Improved the Local Update of Census Addresses Program, but Challenges Remain. [GAO-07-736](#). Washington, D.C.: June 14, 2007.

Information Technology Management: Census Bureau Has Implemented Many Key Practices, but Additional Actions Are Needed. [GAO-05-661](#). Washington, D.C.: June 16, 2005.

21st Century Challenges: Reexamining the Base of the Federal Government. [GAO-05-325SP](#). Washington, D.C.: February 1, 2005.

Information Technology Investment Management: A Framework for Assessing and Improving Process Maturity. [GAO-04-394G](#). Washington, D.C.: March 1, 2004.

Comptroller General's Forum, High-Performing Organizations: Metrics, Means, and Mechanisms for Achieving High Performance in the 21st Century Public Management Environment. [GAO-04-343SP](#). Washington, D.C.: February 13, 2004.

2010 Census: Cost and Design Issues Need to Be Addressed Soon. [GAO-04-37](#). Washington, D.C.: January 15, 2004.

Human Capital: Key Principles for Effective Strategic Workforce Planning. [GAO-04-39](#). Washington, D.C.: December 11, 2003.

2000 Census: Lessons Learned for Planning a More Cost-Effective 2010 Census. [GAO-03-40](#). Washington, D.C.: October 31, 2002.

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.

GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's website (www.gao.gov). Each weekday afternoon, GAO posts on its website newly released reports, testimony, and correspondence. To have GAO e-mail you a list of newly posted products, go to www.gao.gov and select "E-mail Updates."

Order by Phone

The price of each GAO publication reflects GAO's actual cost of production and distribution and depends on the number of pages in the publication and whether the publication is printed in color or black and white. Pricing and ordering information is posted on GAO's website, <http://www.gao.gov/ordering.htm>.

Place orders by calling (202) 512-6000, toll free (866) 801-7077, or TDD (202) 512-2537.

Orders may be paid for using American Express, Discover Card, MasterCard, Visa, check, or money order. Call for additional information.

Connect with GAO

Connect with GAO on [Facebook](#), [Flickr](#), [Twitter](#), and [YouTube](#). Subscribe to our [RSS Feeds](#) or [E-mail Updates](#). Listen to our [Podcasts](#). Visit GAO on the web at www.gao.gov.

To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Website: www.gao.gov/fraudnet/fraudnet.htm

E-mail: fraudnet@gao.gov

Automated answering system: (800) 424-5454 or (202) 512-7470

Congressional Relations

Katherine Siggerud, Managing Director, siggerudk@gao.gov, (202) 512-4400, U.S. Government Accountability Office, 441 G Street NW, Room 7125, Washington, DC 20548

Public Affairs

Chuck Young, Managing Director, youngc1@gao.gov, (202) 512-4800 U.S. Government Accountability Office, 441 G Street NW, Room 7149 Washington, DC 20548

