

# Legacy Systems Modernization and Movement to Cloud Services

## 142312



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Office of Audit Report Summary

### Objective

To determine the extent to which (1) the Social Security Administration (SSA) had improved its cyber-security posture by defining and implementing plans to modernize or replace and retire its legacy information technology (IT) systems and (2) SSA's efforts and plans to move to cloud services are consistent with Federal guidance.

### Background

In October 2017, SSA initiated a 5-year IT modernization plan to replace its core systems, reduce IT and other operating costs, and re-engineer business processes. SSA is developing its next modernization plan, the *Digital Modernization Strategy*.

In addition, SSA established the Benefits Modernization Program Management Office to retire core legacy systems and implement modern claims intake and adjudication software.

Under a contract the Office of Audit monitored, Ernst & Young LLP (Ernst & Young), an independent certified public accounting firm, conducted this audit.

### Results

Ernst & Young concluded SSA's modernization program was not effectively designed or, in some instances, SSA had not implemented or complied with its own policies, procedures, and practices to fully address Federal requirements.

Ernst & Young found SSA:

- did not have an approved strategy or guidance for defining and implementing plans to modernize, replace, or retire its legacy IT systems;
- had not developed a sufficient process that enables the creation of a comprehensive strategy to identify and track legacy systems;
- in some instances, had not maintained modernization planning and execution as well as cost documentation for sampled system transition projects; and
- had not determined whether cost and return on investment goals were being realized in some instances.

### Recommendations

Ernst & Young made eight recommendations that, if implemented, could reduce the risks to the confidentiality, integrity, and availability of the Agency systems and data as well as improve its IT investment management.

### Agency Comments

SSA agreed with Ernst & Young's recommendations.