



Office of the Inspector General

SOCIAL SECURITY ADMINISTRATION

Audit Report

The Social Security Administration's Information on the Office of Management and Budget's Information Technology Dashboard

A-14-18-50435 | October 2021



Office of the Inspector General

SOCIAL SECURITY ADMINISTRATION

MEMORANDUM

Date: October 15, 2021

Refer To: A-14-18-50435

To: Kilolo Kijakazi
Acting Commissioner

From: Gail S. Ennis, 
Inspector General

Subject: The Social Security Administration's Information on the Office of Management and Budget's Information Technology Dashboard

The attached report presents the results of the Office of Audit's review. The objective was to determine whether the information the Social Security Administration reported to the Office of Management and Budget's Information Technology Dashboard was reliable.

If you wish to discuss the final report, please call me or have your staff contact Michelle L. Anderson, Assistant Inspector General for Audit.

Attachment

The Social Security Administration's Information on the Office of Management and Budget's Information Technology Dashboard A-14-18-50435



October 2021

Office of Audit Report Summary

Objective

To determine whether the information the Social Security Administration (SSA) reported to the Office of Management and Budget's (OMB) Information Technology (IT) Dashboard was reliable.

Background

On June 1, 2009, OMB launched the IT Dashboard, which allows Federal agencies and the public to view details of Federal IT investments and track their progress. The IT Dashboard displays general information on Federal IT investments, including non-major investments and detailed data for those investments agencies classify as major. Users can also download data from the IT Dashboard.

Agencies' Chief Information Officers regularly evaluate and update the reported data and rate each major IT investment based on his/her best judgment and a set of pre-established criteria.

In May 2019, SSA reported 60 investments (including 7 major investments), totaling \$1.9 billion, for Fiscal Year 2019. Additionally, SSA reported it was using 80 percent of its data centers' capacity and had achieved \$541 million in cumulative cost savings between 2012 and 2018.

Conclusion

The information SSA reported to the IT Dashboard was reliable. SSA provided documentation to support the information it reported to the IT Dashboard for the investments we sampled. However, SSA over-reported cost savings for the Data Center Optimization Initiative by approximately \$100,000. This happened because, in some instances, the Agency calculated the cost savings twice.

We are not making recommendations since the information SSA reported to the IT Dashboard was reliable, and the Agency plans to update the cost savings it over-reported in its upcoming OMB reporting.

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ABBREVIATIONS

eCPIC	Electronic Capital Planning and Investment Control
IMT	Investment Management Tool
IT	Information Technology
OIG	Office of the Inspector General
OMB	Office of Management and Budget
SSA	Social Security Administration

OBJECTIVE

Our objective was to determine whether the information the Social Security Administration (SSA) reported to the Office of Management and Budget's (OMB) Information Technology (IT) Dashboard was reliable.

BACKGROUND

The *Federal Information Technology Acquisition Reform Act* requires that SSA report to OMB information about each major IT investment's cost, schedule, and performance.¹ Agencies should update this report each month.² On June 1, 2009, OMB launched the IT Dashboard, which allows Federal agencies and the public to view details of Federal IT investments online and track their progress over time. The IT Dashboard displays general information on Federal IT investments and detailed data for investments that agencies classify as major. According to OMB, major IT investments require more management attention because they are important to the Government's mission or function.³ The investment information on the IT Dashboard is publicly available, and users can download the required reporting information.

Additionally, agencies' Chief Information Officers regularly evaluate and update the reported data. The Chief Information Officer rates each major IT investment based on his/her best judgment and a set of pre-established criteria. The rating reflects the Chief Information Officer's assessment of risk and how well the investment accomplishes its goals.⁴ The data agencies publish on performance and spending on IT investments include, but are not limited to,

- spending,
- accumulated cost savings,
- data center closures, and
- data center optimization metrics.

As of May 2019, SSA had reported 60 individual investments (including 7 major investments), totaling \$1.9 billion, for Fiscal Year 2019. Additionally, SSA reported it was using 80 percent of its data centers' capacity⁵ and had achieved \$541 million in cumulative cost savings between 2012 and 2018.

¹ Title VIII, subtitle D, *Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015*, Pub. L. No. 113-291, 128 Stat 3292 (2014).

² Covered agencies shall continue updating risks, performance metrics, and project and activity data for major IT investments on the IT Dashboard as soon as the data become available or at least once each calendar month. OMB, *Management and Oversight of Federal Information Technology, M-15-14*, p. 6 (2015).

³ OMB, *Management and Oversight of Federal Information Technology, M-15-14*, p. 18 (2015).

⁴ OMB, *Fiscal Year 2019 IT Budget – Capital Planning Guidance*, p. 38 (2017). Ratings are based on a 5-point descending risk scale (for example, a rating of 5 represents Low Risk, a rating of 1 represents High Risk, etc.). *Frequently Asked Questions*, OMB, <https://itdashboard.gov/> (last visited May 20, 2021).

⁵ Capacity refers to the portion of total floor area in data centers that an agency is actively using for equipment.

OMB requires that SSA (1) update its major investments on the IT Dashboard to reflect the most current information available for performance metrics, risks, projects, and/or activities⁶ and (2) report such detailed investment information as projects and activities, risks, and cost and schedule data.⁷ For non-major IT investments, OMB requires that SSA update the IT Dashboard to reflect the most current information available; however, it is not required to report detailed information (such as projects and activities, risks, and cost and schedule variances).⁸

Government Accountability Office standards require that agency management process data into quality information that supports the organization's internal control system.⁹ Management must use the quality information to make informed decisions and evaluate the agency's performance in achieving key objectives and addressing risks. SSA uses its Investment Management Tool (IMT)¹⁰ to collect and process IT investment data and its Electronic Capital Planning and Investment Control (eCPIC) application¹¹ to submit the information to the IT Dashboard. SSA's Office of Information Technology Financial Management and Support is responsible for IT Dashboard reporting. Most investment data are migrated from IMT into eCPIC;¹² however, SSA relies on several manually performed controls in the reporting process. For example, an SSA employee manually reviews and inputs IMT data into eCPIC to be reported to the IT Dashboard.

Additionally, SSA has Project IDs on the IT Dashboard and separate Project IDs in IMT.¹³ These Project IDs are unique numbers that identify the projects within each investment. SSA's reported investments include multiple projects, and each project includes multiple activities.

Finally, the Data Center Optimization Initiative requires that agencies develop and report on strategies to consolidate inefficient data center infrastructure; optimize existing facilities; improve security posture; achieve cost savings; and transition to more efficient infrastructure, such as cloud services and inter-agency shared services.¹⁴ Agencies are required to report all realized cost savings and avoidance under the Data Center Optimization Initiative.¹⁵ SSA's Office of Systems Operations and Hardware Engineering under the Office of the Deputy

⁶ OMB, *Fiscal Year 2019 IT Budget – Capital Planning Guidance*, section 2.3, p. 13 (2017).

⁷ OMB, *Fiscal Year 2019 IT Budget – Capital Planning Guidance*, Major IT Business Case Detail, p. 51 (2017).

⁸ OMB, *Fiscal Year 2019 IT Budget – Capital Planning Guidance*, pp. 18 through 34 (2017).

⁹ Quality information is appropriate, current, complete, accurate, accessible, and timely. Government Accountability Office, *Standards for Internal Control in the Federal Government*, GAO-14-704G, p. 59 (2014).

¹⁰ IMT is SSA's system of records for IT Investments and provides a framework for using one application to define and track all aspects of projects.

¹¹ The eCPIC system is a Government-owned, Web-based application Federal agencies use to support their Capital Planning and Portfolio Management processes. This includes managing investment portfolios and preparing budget data to be submitted to OMB.

¹² Office of Information Technology Financial Management and Support personnel manually input the information into eCPIC using data from IMT.

¹³ SSA began aligning IMT Project IDs with both the IT Dashboard Structure IDs and Unique Project IDs for new projects and activities on the Information Technology Dashboard in Fiscal Year 2020.

¹⁴ OMB, *Data Center Optimization Initiative*, M-16-19, p.2 (2016).

¹⁵ OMB M-19-19 superseded OMB M-16-19; however, M-16-19 was the applicable Federal guidance during our audit period. OMB, *Update to Data Center Optimization Initiative*, M-19-19, p. 2 (2019).

Commissioner of Systems prepares, reviews, approves, and submits accumulated cost savings to the IT Dashboard.

To accomplish our objective, we reviewed Federal requirements and SSA policies, procedures, and internal control documentation. In addition, we interviewed Agency personnel responsible for reporting information to the IT Dashboard and its underlying processes for reporting to the IT Dashboard. Finally, we reviewed supporting documentation for a sample of major and non-major IT investments the Agency had reported on the IT Dashboard as of May 13, 2019. For purposes of our review, we considered the information the Agency reported to the IT Dashboard to be reliable if SSA provided supporting documentation that matched what it reported. See Appendix A for additional information about our scope and methodology.

RESULTS OF REVIEW

The information SSA reported to the IT Dashboard was reliable. As shown in Table 1, SSA provided documentation to support the information it reported to the IT Dashboard for IT investments we sampled. Finally, the Agency inaccurately reported information related to the Data Center Optimization Initiative.

Table 1: IT Investments – Sample Results

Investment	Type	Chief Information Officer Evaluation (May 2019)	Total Planned Fiscal Year 2019 Spending	Our Conclusion of Data SSA Reported to the IT Dashboard
Anti-Fraud Enterprise Solution	Major	3 – Medium Risk	\$5.7 Million	Supported
Customer Engagement Tools	Major	3 – Medium Risk	\$3.6 Million	Supported
Disability Case Processing System	Major	5 – Low Risk	\$27.9 Million	Supported
IT Modernization	Major	3 – Medium Risk	\$166.5 Million	Supported
Data Center and Cloud Standard Investment	Non-major	N/A	\$450.2 Million	Supported
End User Standard Investment	Non-major	N/A	\$202.4 Million	Supported
IT Security and Compliance	Non-major	N/A	\$159.5 Million	Supported
Network Standard Investment	Non-major	N/A	\$477.9 Million	Supported

IT Investments

We selected four major IT Investments from the seven SSA had reported on the IT Dashboard as of May 2019. We traced the cost data SSA reported on the IT Dashboard to the corresponding IMT data the Agency provided. With this information and assistance from Agency personnel, we reconciled investment costs from the IT Dashboard with the corresponding IMT investment activities for the major investments we sampled. We also selected 4 non-major IT investments from the 48 SSA had reported on the IT Dashboard as of May 2019. SSA provided support for the information it reported on the IT Dashboard with respect to the investments we sampled.

Data Center Optimization Initiative

SSA defines its data centers according to OMB guidance.¹⁶ SSA has 12 data centers that meet this definition. Three were tiered data centers:¹⁷ the National Support Center in Maryland; Second Support Center in North Carolina; and Electronic Vault in Colorado. The Agency's other nine data centers provide support services at SSA's field, regional, and other sites.

SSA provided evidence to support the Facility Utilization and Energy Metering progress it reported. However, when SSA was preparing its response to our request for evidence regarding its National Support Center energy savings data from June 2016 through March 2020, the Agency found it had over-reported cost savings by \$100,000 because it calculated some cost savings twice.¹⁸

We are not making recommendations since the information SSA reported to the IT Dashboard was reliable, and the Agency plans to update the cost savings it over-reported in its upcoming OMB reporting.

¹⁶ Data centers are rooms with at least one server that provide services (whether in a production, test, staging, development, or any other environment). Rooms that contain only print servers, routing equipment, switches, security devices (such as firewalls), or other telecommunications components are not considered data centers. OMB, *Data Center Optimization Initiative, M-16-19*, pp. 4 and 5 (2016).

¹⁷ Tiered data centers are defined as those that use (1) a separate physical space for IT infrastructure; (2) an uninterruptible power supply; (3) a dedicated cooling system or zone; and (4) a back-up power generator for prolonged power outages. All other data centers shall be considered non-tiered data centers. OMB, *Data Center Optimization Initiative, M-16-19*, p. 5 (2016).

¹⁸ The \$100,000 discrepancy represents .02% of the \$541 million in cumulative savings identified in the Background section of this report.

AGENCY COMMENTS

SSA corrected the cost savings data and implemented a new process with several approval checkpoints that will ensure it submits accurate data to OMB in the future. See Appendix B for the full text of the Agency's comments.



Michelle L. Anderson
Assistant Inspector General for Audit

APPENDICES

Appendix A – SCOPE AND METHODOLOGY

To accomplish our objectives, we:

- Reviewed applicable Federal laws, regulations, and guidance related to information technology (IT) investment reporting to the Office of Management and Budget's IT Dashboard, including the following:
 - *Government Performance and Results Modernization Act of 2010;*
 - *Carl Levin and Howard P. 'Buck' McKeon National Defense Authorization Act for Fiscal Year 2015;*
 - *Federal Acquisition Streamlining Act of 1994;*
 - *Clinger–Cohen Act of 1996;*
 - *Office of Management and Budget, Circular A-11: The Fiscal Year 2019 IT Budget – Capital Planning Guidance; and*
 - *Office of Management and Budget Memorandum M-15-14 Management and Oversight of Federal Information Technology.*
- Reviewed the Social Security Administration's (SSA) policies and procedures pertaining to IT investment reporting including, but not limited to,
 - SSA's Guide to Information Technology Capital Planning and Investment Control and
 - SSA's Information Technology Capital Planning and Investment Control Policy.
- Interviewed or contacted SSA staff from components related to the IT Dashboard reporting process and systems, including the Offices of Systems, Associate Commissioner, and IT Financial Management and Support.
- Reviewed supporting documentation for a judgmental sample of major and non-major IT investments the Agency had reported on the IT Dashboard as of May 13, 2019.
 - For major IT investments, we considered the total projected cost of major IT Investments and selected investments with total projected costs over \$20 million. The four major IT investments we selected were
 - Disability Case Processing System (\$484.90 million),
 - IT Modernization (\$354.64 million),
 - Customer Engagement Tools (\$38.73 million), and
 - Anti-Fraud Enterprise Solution (\$22.27 million).
 - For non-major IT investments reported on the IT Dashboard, we considered the total Fiscal Year 2019 spending and selected other investments with total Fiscal Year 2019 spending over \$150 million. The four non-major IT Investments we selected were
 - Network Standard Investment (\$477.96 million),
 - Data Center and Cloud Standard Investment (\$450.2 million),
 - End User Standard Investment (\$202.36 million), and
 - IT Security and Compliance (\$159.5 million).

- Reviewed sampled IT investments by tracing the Agency Project ID to the Dashboard Project ID and comparing the reported data to determine whether it was supported. For the items we could not trace, we asked the Agency for assistance.
- Reviewed the Data Center Optimization Metrics under the Data Center Optimization Initiative.

Between September 2019 and August 2021, we requested supporting documentation from SSA. While the Agency responded to these requests, the documentation provided did not support some items reported to the IT Dashboard for our sampled IT investments. It was not until our Exit Conference on July 12, 2021 with SSA that documentation was provided to us to support the information reported to the IT Dashboard.

We conducted our audit at SSA Headquarters in Baltimore, Maryland, from May 2019 through August 2021. The principal entity reviewed was the Office of Information Technology Financial Management and Support under the Office of the Deputy Commissioner for Systems. We conducted this performance audit 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 based on our audit objectives. SSA provided documentation to support the information it reported for investments we sampled; therefore, for purposes of our review, we concluded the information the Agency reported to the IT Dashboard was reliable. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix B – AGENCY COMMENTS



SOCIAL SECURITY

MEMORANDUM

Date: October 7, 2021

Refer To: TQA-1

To: Gail S. Ennis
Inspector General

A handwritten signature in blue ink, appearing to read "Scott Frey".

From: Scott Frey
Chief of Staff

Subject: Office of the Inspector General Draft Report, OIG Draft Report "The Social Security Administration's Information on the Office of Management and Budget's Information Technology Dashboard" (A-14-18-50435)—INFORMATION

Thank you for the opportunity to review the draft report. We corrected the cost savings data on the Office of Management and Budget's (OMB) Information Technology Dashboard. Additionally, we implemented a new process with several approval checkpoints that will ensure we submit accurate data to OMB in the future.

Please let me know if I can be of further assistance. You may direct staff inquiries to Trae Sommer at (410) 965-9102.



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