



INFORMATION TECHNOLOGY

Census Bureau Needs to Improve Its Risk Management of Decennial Systems

Highlights of [GAO-08-79](#), a report to 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

Automation and information technology (IT) are expected to play a critical role in the 2010 decennial census. The Census Bureau plans to spend about \$3 billion on automation and technology that are to improve the accuracy and efficiency of census collection, processing, and dissemination. The Bureau is holding what it refers to as a Dress Rehearsal, during which it plans to conduct operational testing that includes the decennial systems. In view of the importance of IT acquisitions to the upcoming census, GAO was asked to (1) determine the status and plans for four key IT acquisitions, including schedule and cost, and (2) assess whether the Bureau is adequately managing associated risks. To achieve its objectives, GAO analyzed acquisition documents and the projects' risk management activities and compared these activities to industry standards.

What GAO Recommends

GAO is recommending that the Bureau strengthen its systems testing and risk management activities, including risk identification and oversight. The Bureau agreed to examine additional ways to manage risks, but disagreed with the view that a full complement of systems would not be tested in a census-like environment, stating it planned to do so during the Dress Rehearsal or later; however, the test plans have not been finalized and it remains unclear whether this testing will be done.

To view the full product, including the scope and methodology, click on [GAO-08-79](#). For more information, contact David A. Powner at (202) 512-9286 or pownerd@gao.gov.

What GAO Found

Three key systems acquisitions for the 2010 Census are in process, and a fourth contract was recently awarded. The ongoing acquisitions show mixed progress in meeting schedule and cost estimates. Currently, two of the projects are not on schedule, and the Bureau plans to delay certain functionality. The award of the fourth contract, originally scheduled for 2005, was awarded in September 2007. In addition, one project has incurred cost overruns and increases to its projected life-cycle cost. As a result of the schedule changes, the full complement of systems and functionality that were originally planned will not be available for the Dress Rehearsal operational testing. This limitation increases the importance of further system testing to ensure that the decennial systems work as intended.

The Bureau's project teams for each of the four IT acquisitions have performed many practices associated with establishing sound and capable risk management processes, but critical weaknesses remain. Three project teams had developed a risk management strategy that identified the scope of the risk management effort. However, not all project teams had identified risks, established mitigation plans, or reported risks to executive-level officials. For example, one project team did not adequately identify risks associated with performance issues experienced by mobile computing devices. In addition, three project teams developed mitigation plans that were often untimely or included incomplete activities and milestones for addressing the risks. Until the project teams implement key risk management activities, they face an increased probability that decennial systems will not be delivered on schedule and within budget or perform as expected.

Performance of Risk Management Activities by Key Census Acquisition Projects

Specific practices	Acquisition projects			
	1	2	3	4
Preparing for risk management				
Determine risk sources and categories	○	●	●	●
Define risk parameters	●	●	●	●
Establish and maintain a risk management strategy	○	●	●	●
Identify and involve the relevant stakeholders	○	○	●	○
Identify and analyze risks				
Identify and document the risks	●	○	●	○
Evaluate, categorize, and prioritize risks	○	●	●	●
Mitigate risks				
Develop risk mitigation plans	○	○	●	○
Monitor status and implement risk mitigation plans	○	○	●	○
Executive oversight				
Review status with executive-level management	○	○	●	●

● practice fully implemented ○ practice partially implemented ○ practice not implemented

Source: GAO analysis of Census project data against industry standards.