



## Report Summary

Social Security Administration  
Office of the Inspector General



### ***The Social Security Administration's Response to Congressional Inquiry Concerning New Data Center Site Selection (Limited Distribution) (A-14-10-20170)***

The *American Recovery and Reinvestment Act* (ARRA) provided \$500 million to the Social Security Administration (SSA) to replace the National Computer Center (NCC). The Office of the Inspector General (OIG) was tasked with providing oversight for the development and implementation of the NCC replacement. As part of our oversight function, we initiated this review to evaluate the sufficiency and reliability of the site information on which SSA based its decision on where to build the new data center. The review served as an independent assessment of whether building on or off the Woodlawn campus site is the most cost-effective and best suited to meet SSA's requirements. OIG contracted with Strategic e-Business Solutions, Inc., (SeBS) and its subcontractor, Fortress International Group, to assist with this review.

The U.S. House of Representatives' Ways and Means Committee, Subcommittee on Social Security, posed questions to the General Services Administration (GSA) and SSA regarding the NCC replacement project schedule and cost-efficiency. GSA contracted Jacobs Engineering (Jacobs) to assist to develop a detailed program of requirements (scope of work) and perform an assessment of the off- and on-campus (Woodlawn, Maryland) options available to SSA for building a new data center.

SeBs found Jacobs' study did not address construction costs and future use of the current NCC, include an assessment of the NCC project's full life-cycle cost, incorporate the costs of transition and occupancy into the overall analysis, and incorporate a costing analysis of the alternatives available to mitigate the impact of potential schedule delays in the construction of the new data center.

SeBs made several recommendations: that SSA, working with GSA, should (1) continue the off-campus site selection, (2) reassess the new data center program required for the on-campus scenario, (3) assess the impact of schedule delays, and (4) revise Jacobs' study to incorporate additional considerations that were excluded from the original submission. SSA agreed with Recommendations 1 and 3. SSA disagreed with Recommendations 2 and 4.

**This report may contain Federal procurement sensitive source selection information. The disclosure of such information is restricted by section 27 of the *Procurement Integrity Act*.**