



Report Summary

Social Security Administration
Office of the Inspector General



The Social Security Administration's Use of Site Selection Industry Best Practices for its New Data Center Under the American Recovery and Reinvestment Act (Limited Distribution) (A-14-10-21043)

The American Recovery and Reinvestment Act provided \$500 million to replace the National Computer Center (NCC). The Office of the Inspector General (OIG) has been tasked to provide oversight for the development and implementation of the NCC replacement. As part of our oversight function, we initiated a review to evaluate the appropriateness of the site or potential sites selected for the new data center and determine whether best practices were followed in the development of the overall project plan and milestones. OIG contracted with Strategic e-Business Solutions, Inc. (SeBS) and its subcontractor, Fortress International Group, to assist with this review. SeBS and the subcontractor provided expertise in the areas of systems engineering and critical facility infrastructure, which allowed OIG to evaluate the process for selecting NCC replacement strategy and efforts to implement this strategy.

SeBS evaluation found that in general, the Social Security Administration (SSA) developed a highly sophisticated set of selection criteria with which to evaluate general geographic areas of consideration and prospective individual properties. The Agency's decision criteria avoided major areas that potentially are hazardous to the operation of a data center (including both natural and man-made risks). In addition, the criteria define major site and data center construction issues that would ultimately have a significant impact on the site property to be selected. However, questions remain concerning SSA's process employed in narrowing the site properties down to a short list. In addition, the initial mandatory selection criteria applied to the geographic regions under consideration may have excluded too many locales. In particular, when developing the mandatory selection criteria, it does not appear that consideration was given to the serious fiscal impact that exclusions would have in the electrical power cost arena over the life cycle of the data center. Finally, in evaluating the telecommunications criteria concepts, SeBS found only limited information. SeBS made 25 recommendations related to site selection industry best practices. SSA agreed with 22 of 25 recommendations.

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.