

Report Summary

Social Security Administration Office of the Inspector General

September 2011



Objective

To review the services provided under Blanket Purchase Agreement (BPA) SS00-09-40002 and the related costs charged to the Social Security Administration (SSA) for adherence to the negotiated terms and applicable regulations and to ensure SSA received the goods and services for which it paid.

Background

In December 2008, SSA awarded a 5-year BPA, estimated at \$131 million to ASAP Software Express, Inc., (subsequently acquired by Dell Marketing, L.P.) to purchase licenses for Microsoft products and provide technical and maintenance support for the existing suite of Microsoft products.

To view the full report, visit <http://www.ssa.gov/oig/ADO/BEPDF/A-06-10-10175.pdf>

Contract with Dell Marketing, L.P., for Microsoft Licensing and Maintenance (A-06-10-10175)

Our Findings

Amounts paid for services provided under the BPA were in accordance with negotiated prices, and SSA received the goods and services for which it paid. Invoices for Microsoft products and services were allowable, accurate, properly approved, and paid timely.

However, since 2008, SSA had spent about \$3.2 million to purchase approximately 7,300 more Client Access licenses than necessary to support SSA software users. Our review of contract files suggested that, contrary to the terms of the licensing agreement, SSA purchased Client Access licenses based on the number of computers instead of the number of software users.

SSA also appeared to purchase thousands more Operating System and Office Professional licenses than needed to support SSA software users. SSA could not fully explain or justify the purchase of more than six Operating System and four Office Professional licenses for each net employee added since 2004.

Our Recommendations

We recommended that SSA ensure future Client Access license purchases are based on the actual number of SSA users and document the process used to determine the number of licenses purchased, and maintain and update that documentation as needed for future contracts

SSA agreed with our recommendations.