



# Report In Brief

U.S. Department of Commerce Office of Inspector General

August 2009



## Why We Did this Review

The Supplemental Appropriations Act of 2008 gave the Census Bureau an additional \$210 million to help cover spiraling 2010 decennial costs stemming from the bureau's problematic efforts to automate major field operations via handheld computers, major flaws in its cost-estimating methods, and other issues. The act's explanatory statement required the bureau to submit to the Senate and House Committees on Appropriations a detailed plan and time line of decennial milestones and expenditures, and a quantitative assessment of associated program risks within 30 days.

OIG was also required to provide quarterly reports on the bureau's progress against this plan. The objective of this report was to determine the limitations in the bureau's ability to oversee the systems and information for tracking schedule activities, cost, and risk management activities.

## Background

Since first conducted in 1790, the constitutionally mandated decennial census field activities have largely been administered via paper and pencil. The 2010 Census plan included significant expansion of automation, using handheld computers to verify addresses (address canvassing), conduct in-person surveys with households that did not return their questionnaires (nonresponse follow-up), and collect data from a nationwide sample to evaluate the accuracy of the decennial count (coverage measurement). Nonresponse follow-up is the most expensive and labor-intensive operation of the decennial census. Increasing costs and automation problems prompted the bureau's decisions to abandon the handheld computers for nonresponse follow-up and coverage measurement operations, but to still use the handheld computers for address canvassing.

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### *2010 Census: First Quarterly Report to Congress (OIG-19791-1)*

## What We Found

In our review, we discovered that the bureau's ability to effectively oversee decennial progress has long been hampered by inherent weaknesses in its systems and information for tracking schedule activities, cost, and risk management activities. The overarching problem is that these systems and information are not integrated in a manner that allows for effective program management measured against earned value metrics—in other words, the bureau does not have a direct link between the schedule of specific activities, the cost of those activities, and the work actually accomplished. This makes it difficult to forecast cost overruns and underruns because of this inability to generate earned value measures.

The bureau implemented a risk management process that was an improvement over the prior decennial, but issues remain. Specific limitations that impact the bureau's management of the decennial census include the following:

- not using critical path management
- no thorough up-front review of project start and end dates
- limited integration of major contractor activities
- no integration of schedule activities and budget plan/expenditure information
- unreliable cost estimate
- lack of transparency in use of contingency funds
- lack of systematically documented program and funding decisions
- risk management activities that are behind schedule
- varying quality and content of mitigation plans

In addition, we found that the bureau did not clearly and accurately report on the status of the risk associated with the Field Data Collection Automation (FDCA) system, which includes the handheld computers, and ceased reporting it as a key issue in the Monthly Status Report (MSR), even though the issue had not been adequately resolved.

## What We Recommended

This report does not provide recommendations. We will forward in a separate document to the Census Bureau recommendations based on our work, which include

- strengthening its process for preparing and reviewing MSRs to ensure that all key issues and significant risks—as well as other information—are fully and accurately reported;
- for the 2020 Census, using its project management software to integrate planned budget and expenditure information with schedule activities to better track the status of available funds, forecast impending overruns and underruns so that funds can be reallocated promptly, and improve the transparency of decennial status to oversight and stakeholders; and
- for the 2020 Census, developing a robust and transparent process to document significant decisions and trade-offs in order to understand estimated costs.