



Report to the Chairman, Subcommittee
on Social Security, Committee on Ways
and Means, House of Representatives

July 2017

SOCIAL SECURITY ADMINISTRATION

Improvements Needed in Facilities Planning and Service Delivery Evaluation

Accessible Version

GAO Highlights

Highlights of [GAO-17-597](#), a report to the Chairman, Subcommittee on Social Security, Committee on Ways and Means, House of Representatives

Why GAO Did This Study

SSA has one of the largest physical footprints of any federal agency. It has about 1,500 facilities nationwide, including field offices where customers can meet with SSA staff to apply for benefits and conduct other business. SSA is re-examining its footprint in light of expanding online and other remote service options and a 2012 government-wide initiative to make more efficient use of physical space. GAO was asked to examine SSA's changing footprint and service delivery.

This report (1) describes the trends in SSA's physical footprint and service delivery, (2) assesses the steps SSA is taking to reconfigure its footprint, and (3) assesses the steps SSA is taking to address any challenges to expanding remote service delivery. GAO reviewed SSA documents and data on facilities and service delivery for fiscal years 2006 to 2016; interviewed officials from SSA and other federal agencies; and visited SSA facilities in four states, chosen for diversity in geographic location, visitor to staff ratio, and proportion of local residents with Internet access, among other factors.

What GAO Recommends

GAO is making five recommendations, including that SSA develop a facility plan for reconfiguring its footprint as it expands remote service delivery, track staff follow-ups of online applications, and develop performance goals for alternate service approaches. SSA agreed with GAO's recommendations.

View [GAO-17-597](#). For more information, contact Barbara Bovbjerg at (202) 512-7215 or bovjberg@gao.gov or David Wise at (202) 512-2834 or wised@gao.gov.

July 2017

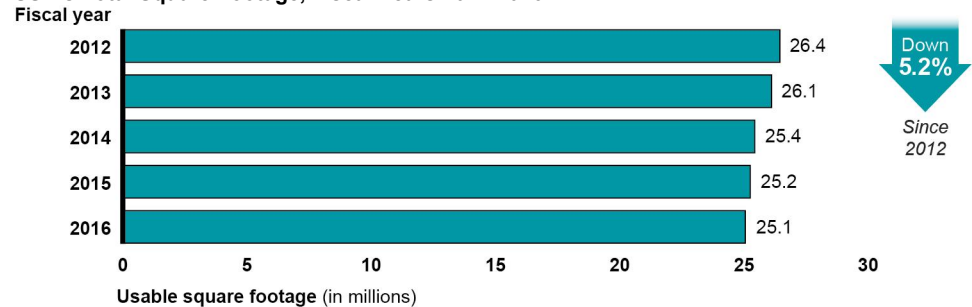
SOCIAL SECURITY ADMINISTRATION

Improvements Needed in Facilities Planning and Service Delivery Evaluation

What GAO Found

The Social Security Administration (SSA) has reduced its physical footprint and expanded delivery of services remotely, including online. SSA reduced the total square footage of its facilities by about 1.4 million square feet (or about 5 percent) from fiscal years 2012 to 2016, according to GAO's analysis, by applying new standards for determining the size of offices and consolidating facilities (see figure). SSA has also expanded the services it offers remotely, and online use has increased for certain services such as disability and retirement applications. Despite this increase, in-person contacts at field offices have not changed substantially, with about the same number in fiscal year 2016 as in fiscal year 2007 (approximately 43 million). This may be due to growing demand for services as well as certain services not yet being fully available online.

SSA's Total Square Footage, Fiscal Years 2012-2016



Source: GAO analysis of U.S. Social Security Administration (SSA) data. | GAO-17-597

SSA's steps to reconfigure its footprint do not fully incorporate changes in service delivery, such as the expansion of remote service delivery. As mentioned above, SSA has been expanding the services it delivers online. While SSA has a strategic goal of re-thinking its footprint as it expands remote service delivery, it lacks a facility plan that links to this goal, as called for by facility planning criteria. Without a plan that considers the increasing use of online services and wide variation in online service use across field offices, SSA may miss opportunities to further reduce its footprint.

SSA is taking steps to make remote services easier to use, for example by adding new features to its website and offering alternate approaches for accessing services, but does not consistently evaluate them, which could limit its ability to shift more services online and further reconfigure its footprint. For example, SSA has added features allowing online customers to interact directly with SSA staff. However, SSA does not track staff follow-ups to deal with any errors in online benefit applications in order to improve them, as called for by federal internal control standards. To enhance access to remote services, SSA has introduced alternate service approaches such as videoconferencing in third-party sites; however, it does not have performance goals for these approaches. GAO has previously identified performance goals as a best practice, which may help agencies improve their customer service.

Contents

Letter	1
Background	2
SSA Has Reduced Its Physical Footprint and Expanded Remote Service Delivery	7
SSA's Steps to Reconfigure Its Physical Footprint Do Not Fully Incorporate Changes in Service Delivery and Also Face External Constraints	18
SSA Has Taken Steps to Make Remote Services Easier to Use, but Does Not Consistently Evaluate These Services	27
Conclusions	33
Recommendations for Executive Action	34
Agency Comments and Our Evaluation	34
Appendix I: Objectives, Scope and Methodology	36
Appendix II: Descriptions of Select Field Offices	43
Hazard Kentucky	44
Poughkeepsie, New York	45
San Francisco, California	46
Appendix III: Comments from the Social Security Administration	44
Appendix IV: GAO Contacts and Staff Acknowledgments	47
Appendix V: Accessible Data	48
Data Tables	48
Agency Comment Letter	52
Related GAO Products	56
Tables	
Table 1: Primary Service Delivery Channels for Some Commonly Used Social Security Administration (SSA) Services	4
Table 2: Social Security Administration Field Office Locations Selected For Site Visits or Interviews	41

Data Table for Highlights figure, SSA's Total Square Footage, Fiscal Years 2012-2016	48
Data Table for Figure 1: Social Security Administration's Total Square Footage, Fiscal Years 2012-2016	48
Data Table for Figure 2: Total Number of Buildings Occupied by the Social Security Administration, Fiscal Years 2012-2016	48
Data Table for Figure 3: Social Security Administration's Total Rental Costs and Rent per Square Foot, Fiscal Years 2012-2016	49
Data Table for Figure 4: Inventory of Social Security Administration's Buildings According to Majority Use, Fiscal Year 2016	49
Data Table for Figure 5: Social Security Administration's Retirement, Disability, and Benefit Verification Letter Transactions through Different Service Delivery Channels, Fiscal Years 2007-2016	50
Data Table for Figure 6: Percentage of Retirement Claims Received Online in Selected Social Security Administration Field Offices, Fiscal Year 2016	51
Data Table for Figure 7: Social Security Administration's Field Office Visits, Field Office Phone Calls, and National 800 Number Calls, Fiscal Years 2007-2016 (Number in millions)	52

Figures

Figure 1: Social Security Administration's Total Square Footage, Fiscal Years 2012-2016	9
Figure 2: Total Number of Buildings Occupied by the Social Security Administration, Fiscal Years 2012-2016	10
Figure 3: Social Security Administration's Total Rental Costs and Rent per Square Foot, Fiscal Years 2012-2016	11
Figure 4: Inventory of Social Security Administration's Buildings According to Majority Use, Fiscal Year 2016	12
Figure 5: Social Security Administration's Retirement, Disability, and Benefit Verification Letter Transactions through Different Service Delivery Channels, Fiscal Years 2007-2016	14
Figure 6: Percentage of Retirement Claims Received Online in Selected Social Security Administration Field Offices, Fiscal Year 2016	16

Figure 7: Social Security Administration’s Field Office Visits, Field Office Phone Calls, and National 800 Number Calls, Fiscal Years 2007-2016	18
Figure 8: Reception Areas in the Social Security Administration Hazard, Kentucky, and San Francisco–Downtown Field Offices, 2016	21
Figure 9: Self Help Computers at Far End of Interviewing Area, Social Security Administration Wilmington, Delaware, Field Office, 2016	22
Figure 10: Social Security Administration’s New Service Delivery Technologies	31

Abbreviations

DI	Disability Insurance
GSA	General Services Administration
IRS	Internal Revenue Service
OASI	Old Age and Survivors Insurance
ODAR	Office of Disability Adjudication and Review
OFLM	Office of Facilities and Logistics Management
OMB	Office of Management and Budget
REALT	Real Estate and Lease Tracking
SSA	Social Security Administration
SSI	Supplemental Security Income

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.



July 25, 2017

The Honorable Sam Johnson
Chairman
Subcommittee on Social Security
Committee on Ways and Means
House of Representatives

Dear Mr. Chairman:

The Social Security Administration (SSA) provides benefits and services that touch the lives of nearly all Americans. For example, in February 2017, SSA provided benefit payments to over 66 million people through the major programs it administers. SSA also issues Social Security numbers and maintains worker earnings information in support of its benefit programs. SSA occupies about 1,500 facilities nationwide—it has one of the largest physical footprints of any federal agency—most of which are field offices that customers can visit to access services. However, SSA is considering changes to its physical footprint in light of several factors. It has stated in strategic planning documents that it will evaluate and potentially reconfigure or reduce its footprint to reflect the availability of remote service delivery options, including Internet access. In addition, Office of Management and Budget's (OMB) policy requires federal agencies to reduce the total square footage of their real property inventories. Finally, SSA has cited growing facility costs as a reason to re-think its footprint. The agency's major benefit programs face long-term budgetary challenges.

You asked us to review SSA's physical footprint and service delivery. This report (1) describes trends in SSA's physical footprint and how it delivers its services, (2) assesses the steps SSA is taking to reconfigure its physical footprint, and (3) assesses the steps SSA is taking to address any challenges to expanding remote service delivery.

To address these objectives, we reviewed SSA documents related to facilities and service delivery planning, including strategic plans, procedures for local facility planning, and surveys of customers' use of SSA's online services. We analyzed SSA data on SSA facilities for fiscal years 2006 to 2016 including square footage, number of facilities, and rent. We analyzed SSA data on service delivery for fiscal years 2006 to 2016, including the number of benefit applications and other transactions completed online and through field offices and the number of visits to field

offices. We assessed the reliability of these data through electronic testing and interviews with SSA staff, and found them to be sufficiently reliable for our reporting objectives. We interviewed SSA headquarters staff involved in facilities and service delivery planning, as well as officials at the General Services Administration (GSA), OMB, and three other federal agencies that have co-located their offices with SSA or are also taking steps to reduce their footprints. We visited seven field offices as well as some other SSA facilities, such as hearing offices, where we interviewed local managers and staff and observed interactions with customers. We also conducted phone interviews with senior managers responsible for these seven field offices plus an additional six field offices. In sum, we interviewed managers who oversee 13 of SSA's approximately 1,200 field offices. These offices were selected to achieve diversity in geography, visitor to staff ratio, and proportion of local residents with Internet access, among other factors. The results of these site visits and interviews are not generalizable to SSA's full portfolio of field and hearing offices. To assess SSA's efforts related to its facilities and remote services, we applied criteria previously identified by GAO for facility planning and customer service standards, as well as standards for internal control in the federal government. Finally, we reviewed pertinent federal laws and regulations. For further details on our scope and methodology, see appendix I.

We conducted this performance audit from March 2016 to July 2017 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

SSA Programs and Services

SSA provides financial assistance to eligible individuals through three major benefit programs:¹

¹SSA may also assist individuals with applications for Medicare and the Supplemental Nutrition Assistance Program.

-
- Old-Age and Survivors Insurance (OASI)—provides retirement benefits to eligible older workers and their families and to survivors of deceased workers.
 - Disability Insurance (DI)—provides benefits to eligible workers who have qualifying disabilities, and their eligible family members.
 - Supplemental Security Income (SSI)—provides income for aged, blind, or disabled individuals with limited income and resources.

In administering these programs, SSA provides a range of services to the public. For example, SSA calculates retirement benefits for individuals based on factors including earnings history and the age at which an individual chooses to start receiving benefits. Also, SSA staff determine whether DI and SSI benefit applicants meet the agency's non-medical eligibility criteria.² Applicants who are not satisfied with the initial decision on their claim may appeal, which can include a hearing before an SSA administrative law judge. Recipients of SSA benefits can work with the agency to manage their benefits in various ways, including obtaining letters verifying that they receive benefits, changing their address and telephone number, and starting or changing their direct deposit of benefits.

SSA has other responsibilities in addition to administering benefit programs. Its mission includes issuing Social Security numbers, which are currently used for many non-Social Security purposes. Most original Social Security cards are issued at birth during the Enumeration at Birth process, which is completely electronic. SSA also issues both original cards not issued at birth and replacement cards. In addition, SSA uses and stores a great deal of sensitive information, including financial and medical records as well as Social Security numbers.

SSA Service Delivery

Customers access SSA services primarily through four delivery channels:

- In-person at SSA facility: Customers can access a wide range of services at SSA's field offices, including applying for benefits, managing benefits, and obtaining Social Security cards. Customers can also obtain Social Security cards at SSA's card centers.³

²Separate state agencies review applicants' medical eligibility.

³SSA had 14 card centers as of June 2016.

Individuals who are appealing SSA’s decision on their disability applications may participate in an in-person hearing before an administrative law judge at one of SSA’s hearing offices.

- By phone with field office staff: Customers can access many of the services that are available in-person at field offices through phone calls with field office staff, including applying for and managing their benefits, according to SSA officials.
- By phone through national 800 number: Customers can manage their benefits and obtain informational services through the national 800 number. They have the option of conducting business through an automated system or by speaking directly with an SSA staff person at a teleservice center.
- Online: Many services are available online. Customers can apply for retirement and DI through SSA’s website. The majority of online retirement benefit applications are reviewed by SSA staff at one of 16 Workload Support Units, while most online DI applications are reviewed by staff at field offices, according to SSA officials. Also, the *mySocialSecurity* online portal allows customers with an account to manage their benefits and view information online such as their earnings record.

See table 1 for a summary of how some of the more commonly used SSA services may be accessed.

Table 1: Primary Service Delivery Channels for Some Commonly Used Social Security Administration (SSA) Services

	In-person at SSA facility	By phone with field office staff	By phone through national 800 number	Online
Benefit applications and appeals				
Apply for retirement benefits ^a	Yes	Yes	No	Yes
Apply for Disability Insurance benefits	Yes	Yes	No	Yes
Apply for Supplemental Security Income (SSI) benefits ^b	Yes	Yes	No	Yes
Appeal a benefit decision	Yes	No	No	Yes
Benefit management				
Change address	Yes	Yes	Yes	Yes
Manage direct deposit	Yes	Yes	Yes	Yes
Obtain benefit verification letter	Yes	Yes	Yes	Yes
Social Security cards				
Obtain original Social Security card	Yes	No	No	No
Obtain replacement Social Security card ^c	Yes	No	No	Yes

Source: GAO analysis of SSA and other documents and interviews with SSA officials. | GAO-17-597

^aRetirement benefits include those available under the Old-Age and Survivors Insurance program.

^bAs of April 2017, SSI applicants who meet certain conditions may file their applications online.

^cIndividuals who meet certain conditions may obtain replacement Social Security cards online in some states. As of April 2017, this option was available in 17 states and Washington, D.C.

SSA Facilities

SSA's facilities include:

- Its headquarters, located mainly in the Baltimore, Maryland, and Washington, D.C., metropolitan area.
- A network of field offices, Social Security card centers, teleservice centers, and other facilities that deliver services directly to the public. These services are managed by SSA's Office of Operations, which is further organized into 10 regional offices around the country, each with a regional commissioner, and 51 area offices, each with an area director who reports to a regional commissioner.
- A network of hearing offices around the country where claimants can participate in hearings before administrative law judges. The Office of Disability Adjudication and Review (ODAR) manages the appeals process for disability applications out of its headquarters in Falls Church, Virginia, and through a network of regional offices.

SSA leases all of its facilities from the GSA through occupancy agreements—a signed agreement between GSA and SSA to the financial terms and conditions for occupying a GSA-controlled space.⁴ GSA-controlled space can be in privately-owned or federally-owned buildings; approximately two-thirds of SSA's space is in privately-owned buildings.⁵

SSA Facility Planning

Overall, the Office of Facilities and Logistics Management (OFLM), within SSA's Office of the Deputy Commissioner for Budget, Finance, Quality, and Management, is responsible for planning and implementing the agency's policies related to its physical footprint. In fiscal year 2012, SSA

⁴For the purposes of this report, we use the term "lease" when referring to an occupancy agreement between SSA and GSA as well as a lease between GSA and an owner of a private building in which SSA has office space.

⁵The federally-owned buildings can include buildings originally purchased with monies from SSA's trust funds.

began centralizing its facility planning process, moving responsibility for this process from the regional offices to OFLM. This shift included establishing one signatory for all requests for office space and monitoring changes to the amount of office and warehouse space in its inventory.

SSA's facility planning is guided by factors including:

(1) Leasing cycle. SSA's typical leasing cycle, according to interviews with SSA officials as well as agency documentation, begins approximately 36 months before a lease expires. SSA begins developing alternatives for future space use, which could mean renewing the lease for the current space, moving to a new location, or adjusting the current space (e.g., consolidating or co-locating offices).⁶ Facilities officials at each SSA regional office work with area directors and field office managers to determine an office's space needs. For field offices, regional facilities officials then apply space allocation standards (space standards) to determine the size of the office based on the current number of staff on board.⁷ After determining the space needs and applying the space standards, OFLM officials provide final approval before a request is submitted to GSA. Then GSA officials work directly with SSA regional facilities officials to complete the process for renewing a lease, including identifying potential sites if a field office needs to change location due to, for example, a shift in the service area population.

(2) Service area review. SSA policy requires area directors to conduct service area reviews—which assess the need for office changes based on service delivery conditions—at least every 10 years for each field office in their area of responsibility to determine whether the service area's needs are being met by the field office. However, area directors can decide to conduct these reviews on an ad hoc basis, such as when an office's lease is expiring. Service area reviews consider a wide variety of factors, including demographics, workload, and the physical accessibility of the office. They can result in an internal recommendation

⁶According to SSA, consolidation is to combine two or more offices from the same component into one or more facilities (e.g., combining two field offices). Co-location is to combine offices from two or more components from the same agency into one facility (e.g., field office and hearing office).

⁷In addition to field office space standards, SSA also has Large Site Space Allocation Standards, which it applies to its headquarters facilities, among others as well as ODAR space standards, which it applies to its hearing offices and remote sites, among other facilities.

that, among other things, an office be consolidated with another office or move location. Recommendations to change location or consolidate, made by the area director, must be approved by the regional commissioner and, as needed, headquarters officials. Headquarters officials would approve, for example, a recommendation to establish a new field office or change the location of an existing field office to a new congressional district. For approved location changes or consolidations, SSA then works with GSA as described above to identify sites for its potential use.

(3) Space reduction initiatives. Two OMB government-wide initiatives also guide SSA's facilities planning. The Freeze the Footprint (2012) and Reduce the Footprint (2015) policies were developed to help federal agencies more efficiently use their excess and underutilized properties in light of a fiscally-constrained environment and changes in how agencies conduct business, including the utilization of technology to deliver services to the public.⁸ The policies required SSA to initially avoid increasing the square footage in domestic offices and warehouses beyond a baseline established in 2012, and then to set and meet annual reduction goals. The Freeze the Footprint policy was in effect until 2015; the Reduce the Footprint policy took effect in 2016. SSA determines its annual reduction goals in consultation with GSA and OMB. In fiscal year 2015, OMB and GSA re-categorized over half of SSA's facilities as "public-facing"—primarily used to serve and interact with the public—and exempted these facilities from its Reduce the Footprint baseline and reduction targets. As a result of this change, the fiscal year 2016 reduction target for SSA's facilities was lowered from 260,000 to 120,000 square feet.

SSA Has Reduced Its Physical Footprint and Expanded Remote Service Delivery

SSA Has Reduced Its Total Square Footage and Number of Facilities Since 2012

SSA reduced its square footage and the number of its facilities from fiscal year 2012, when the overall federal effort began to limit agencies'

⁸The Freeze the Footprint and Reduce the Footprint policies apply to the 24 Chief Financial Officer Act agencies, which includes SSA.

physical footprint, to fiscal year 2016. SSA is continuing to reduce its footprint to align with these federal efforts and to reduce costs, according to agency documents and interviews with agency officials.⁹

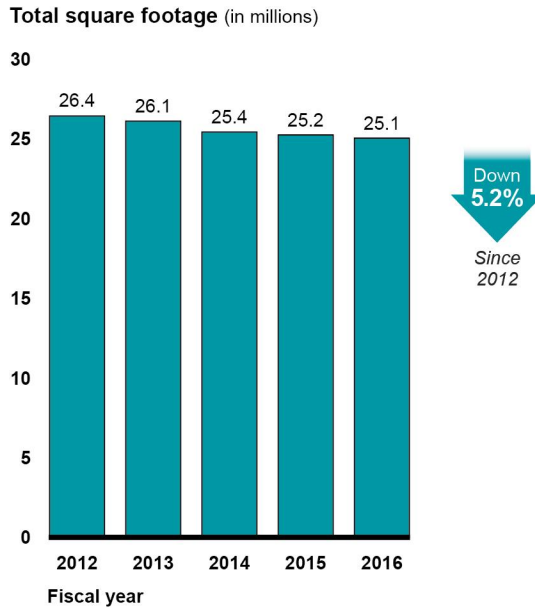
SSA reduced its footprint by about 1.4 million square feet (or 5.2 percent) from fiscal year 2012 to fiscal year 2016, according to our analysis (see fig. 1).¹⁰ These space reductions met both its Freeze the Footprint and Reduce the Footprint goals, according to SSA. SSA officials said over 600,000 square feet of its space reduction since 2012 was in field offices, with the remainder in headquarters space. According to SSA, the agency issued revised space standards for its field offices in 2012 in response to OMB's Freeze the Footprint policy; the revised standards contributed to these reductions. The application of the revised standards as field office leases come up for renewal has helped reduce SSA's overall field office space. While the revised standards expand the space in public reception areas, the standards' larger reductions in space for personnel and support space reduce the overall field office footprint.¹¹ For example, the 2006 space standards allocated 125 square feet per SSA staff member, which the 2012 standards reduced to 120 square feet; the 2006 standards allocated 7 square feet per filing cabinet, while the 2012 standards include no space for filing cabinets as SSA's digitization of data has reduced the need to store paper. Similarly, the revised standards applied to large facilities, such as the headquarters facilities, reduce office space needs by lowering allocations for personnel and support space.

⁹According to SSA's FY 2017 Budget Justification, rental payments to GSA in fiscal year 2016 represented approximately 6 percent of SSA's fiscal year 2016 total administrative obligations.

¹⁰For the purposes of this report, we use the term "square feet" when referring to the usable square feet of a building or office, which is the portion of a building that is available for occupants and excludes common areas such as bathrooms and lobbies.

¹¹Support space can include, for example, area for storage or equipment. Reductions in support space are helped by the move to electronic files, which results in less need to store paper files. SSA officials said the overall reduction in space is primarily associated with the reduced space required for file cabinets.

Figure 1: Social Security Administration’s Total Square Footage, Fiscal Years 2012-2016



Source: GAO analysis of U.S. Social Security Administration (SSA) data. | GAO-17-597

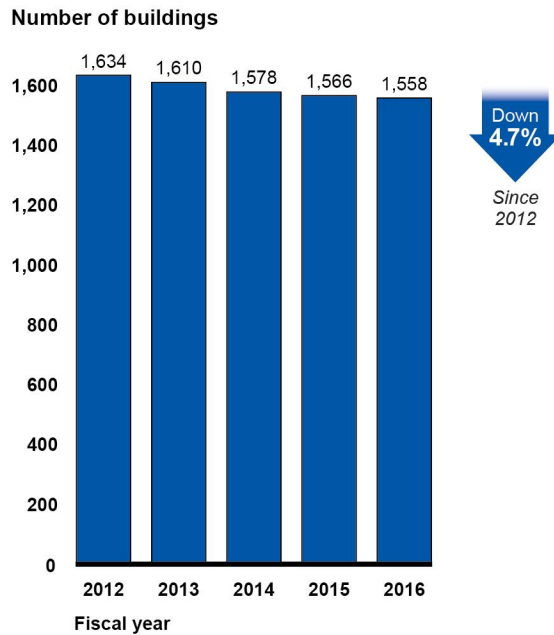
SSA also decreased the number of occupied buildings by 4.7 percent (1,634 to 1,558) from fiscal year 2012 to fiscal year 2016, according to our analysis of SSA facilities data (see fig. 2).¹² For example, SSA decreased the number of field offices through consolidations from 1,273 in fiscal year 2012 to 1,245 in fiscal year 2014, with no further reductions from fiscal year 2014 to fiscal year 2016.¹³ Additional reductions in space and the number of occupied buildings resulted in part from consolidating leased office and warehouse facilities into federally-owned facilities at headquarters.¹⁴

¹²SSA can have multiple leases or office spaces within a given building.

¹³SSA does not consider consolidations to be office closure, since it reapporions staff and workloads to other SSA field offices.

¹⁴Of the facilities occupied by SSA at the end of fiscal year 2016, approximately 90 percent were in leased space and 10 percent in federally owned space. GAO has noted long-standing challenges with managing federal real property, including overreliance on costly leasing. Managing federal real property has been designated a high-risk area since January 2003. GAO, *High-Risk Series*, [GAO-17-317](#) (Washington, D.C.: Feb. 15, 2017).

Figure 2: Total Number of Buildings Occupied by the Social Security Administration, Fiscal Years 2012-2016

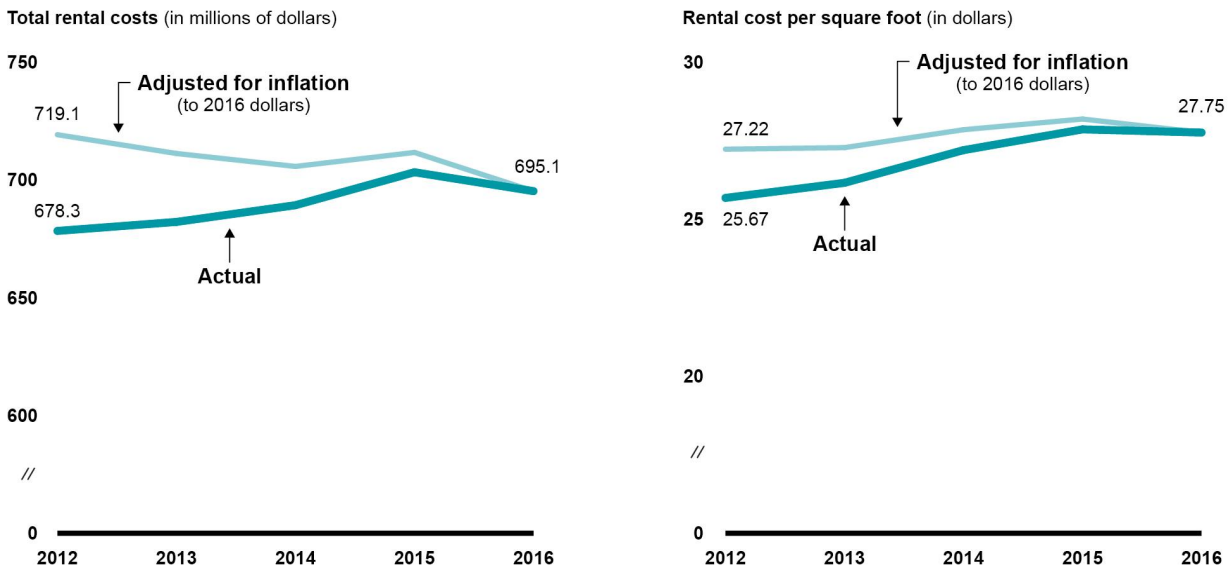


Source: GAO analysis of U.S. Social Security Administration (SSA) data. | GAO-17-597

Despite the overall decrease in space, SSA's inflation-adjusted rental costs remained essentially steady until fiscal year 2016, when they decreased, according to our analysis of SSA data. The total inflation-adjusted cost of SSA's leases was 3 percent lower in fiscal year 2016 than in fiscal year 2012. However, the cost per square foot was slightly higher in fiscal year 2016 than in fiscal year 2012, according to our analysis (see fig. 3).¹⁵ For example, the cost of a lease might increase, due to increased market rates, even if it is renegotiated for less space. In Queens, New York, annual rent for a field office increased by 15 percent in 2015 despite its using 12 percent less space under the terms of a renegotiated lease.

¹⁵Actual rental costs (i.e., not adjusted for inflation) decreased from fiscal year 2015 to fiscal year 2016, the only year-to-year decrease in the time period examined.

Figure 3: Social Security Administration’s Total Rental Costs and Rent per Square Foot, Fiscal Years 2012-2016



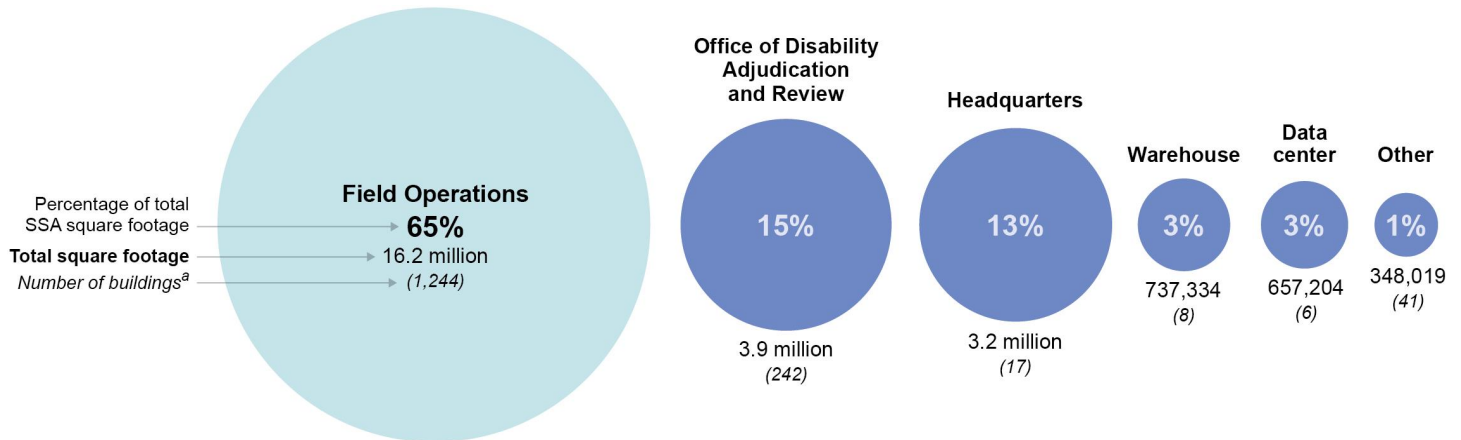
Source: GAO analysis of U.S. Social Security Administration (SSA) data. | GAO-17-597

Note: Rent is reported in real dollar values and inflation-adjusted rent is reported using the GDP price deflator, rebased in 2016.

As of the end of fiscal year 2016, our analysis of SSA data indicates 65 percent of the total square footage in SSA’s inventory is in buildings where the majority use was field operations (see fig. 4).¹⁶ Field Operations includes, for example, field offices and card centers. Square footage in buildings whose majority use was ODAR (15 percent) and headquarters (13 percent) represent the next largest space users. However, we were not able to calculate the exact number and square footage of different types of offices (such as field offices or hearing offices) due to limitations with SSA’s facility data, which we describe in greater detail later in this report. These limitations also preclude the presentation of comprehensive data on how the composition of SSA’s offices has changed over time.

¹⁶SSA may be the sole tenant in some buildings and one of multiple tenants in others. In cases where SSA is one of multiple tenants, we refer only to SSA-occupied space in that building.

Figure 4: Inventory of Social Security Administration’s Buildings According to Majority Use, Fiscal Year 2016



Source: GAO analysis of U.S. Social Security Administration (SSA) data. | GAO-17-597

^aBuildings include those where SSA is the sole tenant and those where SSA is one of multiple tenants. In less than 1 percent of the buildings, we categorized use based on the largest amount of SSA space because no single office had the majority use.

SSA Is Expanding Benefit Application and Management Services It Offers Remotely, but Overall Demand for Field Office Services Has Not Decreased

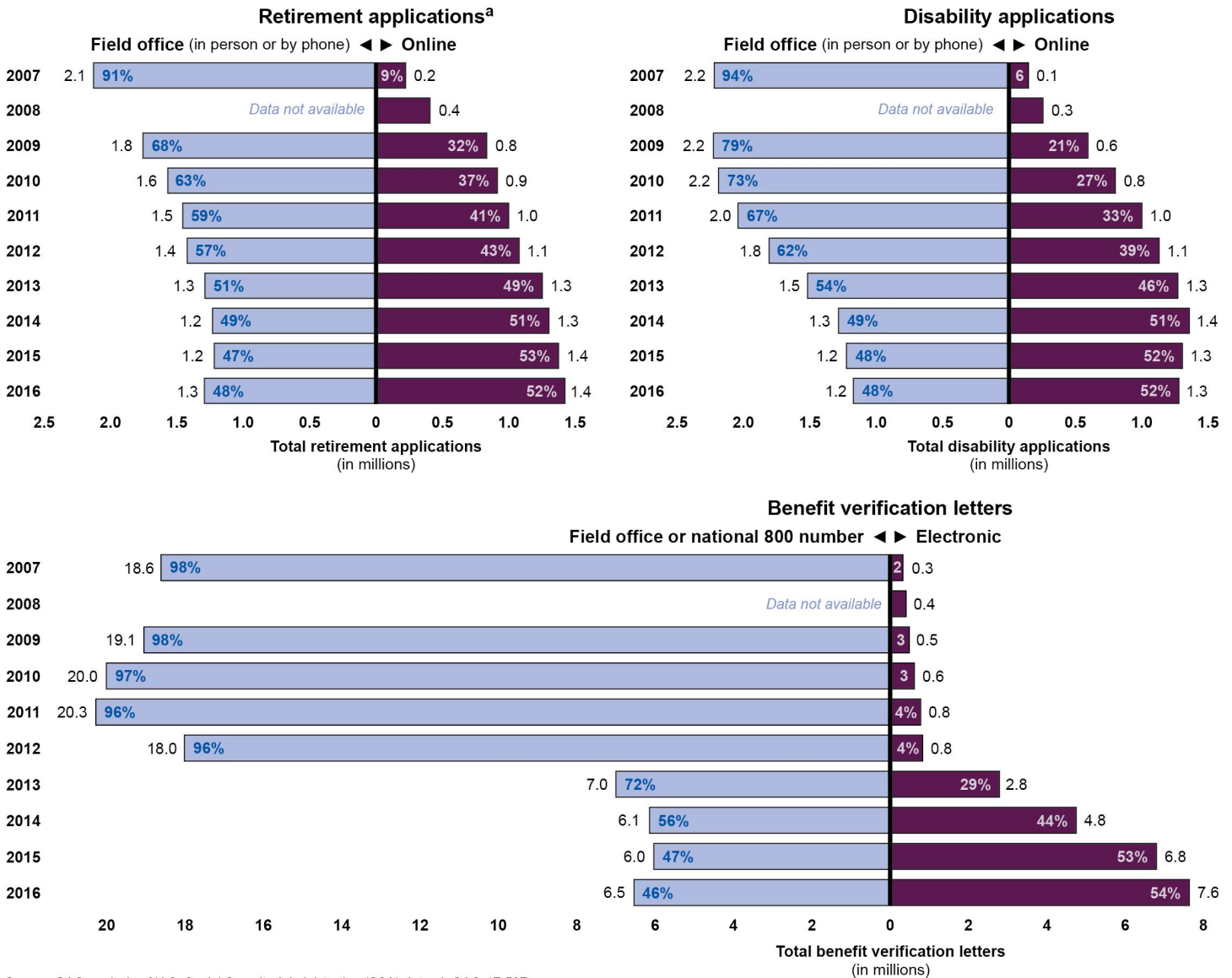
SSA is expanding its remote delivery of services—such as online and other new technologies to connect with the agency—to provide more choices to its customers and because of overall trends in Americans’ use of online services. SSA has had online services available for a number of years, introducing online retirement and disability applications in 2000 and 2002, respectively. It continues to move more services online. For example, SSA launched an online Medicare Only application in 2010 and a new online portal for managing benefits (*mySocialSecurity*) in 2012.¹⁷ SSA officials said they have plans to introduce online options for other high-volume workloads in the coming years. For example, there were 10.6 million requests for replacement Social Security cards in fiscal year 2016, and as of April 2017 SSA was piloting online requests for replacement cards in 17 states and Washington, D.C., with plans to expand to additional states. There were also over 2 million SSI

¹⁷A Medicare Only application allows someone who is of eligible age to apply only for Medicare benefits while delaying application for retirement or spouse benefits.

applications in 2016, and in April 2017 SSA introduced an online SSI application for individuals who meet certain conditions.

The number of online transactions completed by SSA customers for benefit applications and certain benefit management services has increased as SSA has expanded the types of services available. For example, from fiscal year 2007 to fiscal year 2016, the number of retirement applications submitted online increased from approximately 220,000 (9 percent of total retirement applications) to approximately 1.4 million (52 percent of applications), according to our analysis of SSA data (see fig. 5).

Figure 5: Social Security Administration’s Retirement, Disability, and Benefit Verification Letter Transactions through Different Service Delivery Channels, Fiscal Years 2007-2016



Source: GAO analysis of U.S. Social Security Administration (SSA) data. | GAO-17-597

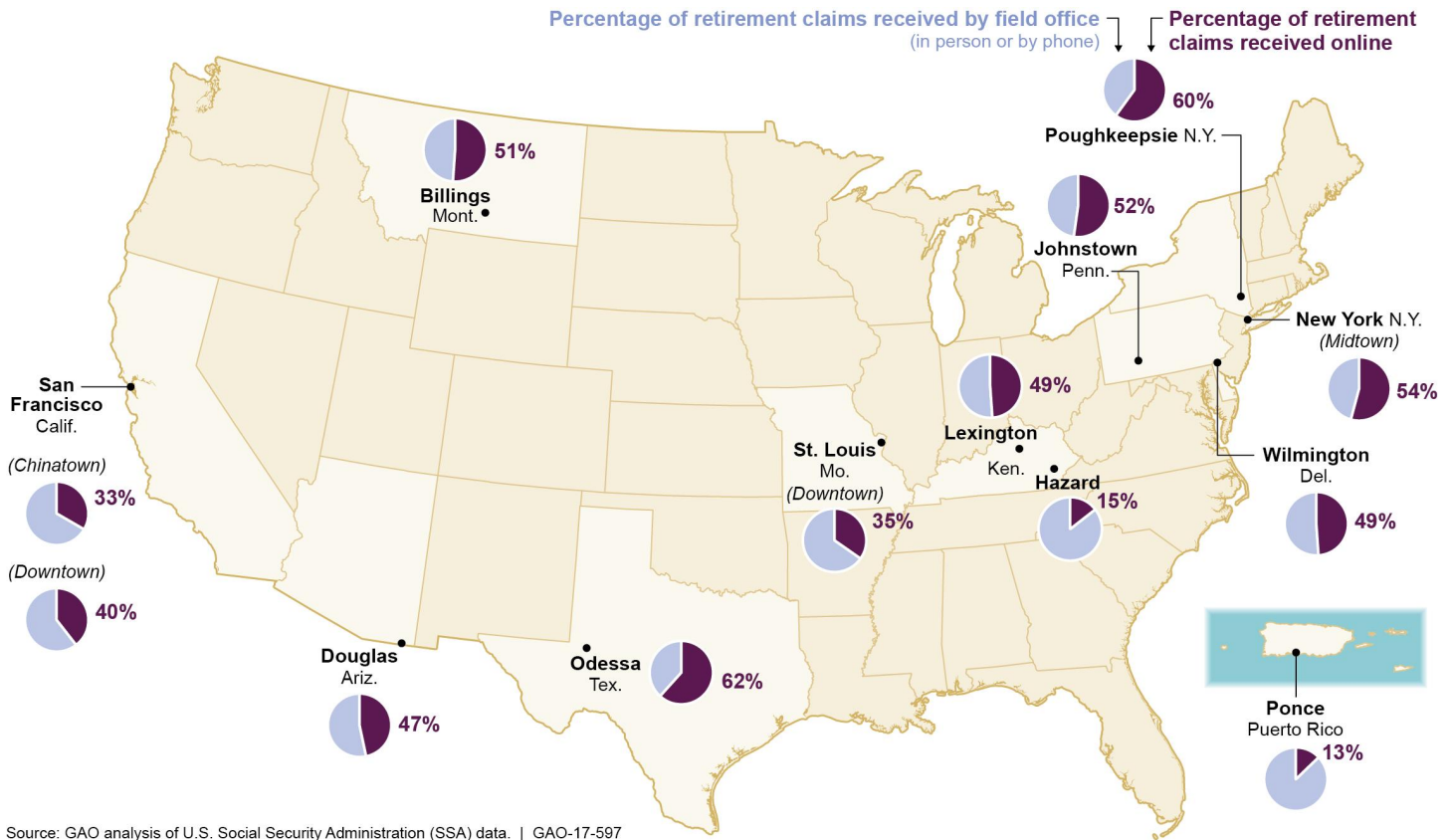
Note: SSA data distinguish between transactions completed online and through other service channels, but do not distinguish between specific non-online service channels such as field office in-person and field office by phone. Also, SSA records for fiscal year 2008 do not include data allowing us to calculate the number of transactions conducted through service channels other than online.

^aRetirement applications include only applications for Old-Age insurance benefits, not Survivors or Spouse benefits.

There is wide variation in the use of these online services between field offices, however, with customers in certain areas continuing to conduct the majority of services directly with SSA staff either in person at field offices or over the phone with field office staff. The use of online services varied across the 13 field offices included in this review,¹⁸ including for benefit verification letters (4 percent to 36 percent), disability claims (31 percent to 62 percent), and retirement claims (13 percent to 62 percent), according to our analysis of SSA service delivery data for fiscal year 2016 (see fig. 6). SSA officials attribute this variation across service areas to particular population demographics and needs (e.g., computer literacy). For example, SSA field offices in San Francisco, California, have a relatively low percentage of online claims due to large non-English speaking and homeless populations, SSA officials said.

¹⁸These field offices were selected judgmentally and the results of this analysis are not generalizable to SSA's field offices overall.

Figure 6: Percentage of Retirement Claims Received Online in Selected Social Security Administration Field Offices, Fiscal Year 2016



Source: GAO analysis of U.S. Social Security Administration (SSA) data. | GAO-17-597

In addition to its main service delivery methods (in person, phone, online), SSA has rolled out a variety of technologies for customers to conduct business with the agency, many of which are self-service. For example, in 2008 SSA introduced self-help personal computers in field offices, which allow customers to complete transactions online at these locations, according to SSA officials. Visitors completed over 390,000 online transactions on these computers in fiscal year 2016.¹⁹ SSA has also increased use of video service delivery, which allows SSA staff to take claims or conduct hearings remotely, either in SSA facilities or in third-party locations such as senior centers.²⁰ For example, the proportion of

¹⁹In its service delivery data, SSA counts these as online transactions as opposed to in-person visits.

²⁰SSA also uses video service delivery technology to help distribute workloads across offices, according to agency officials.

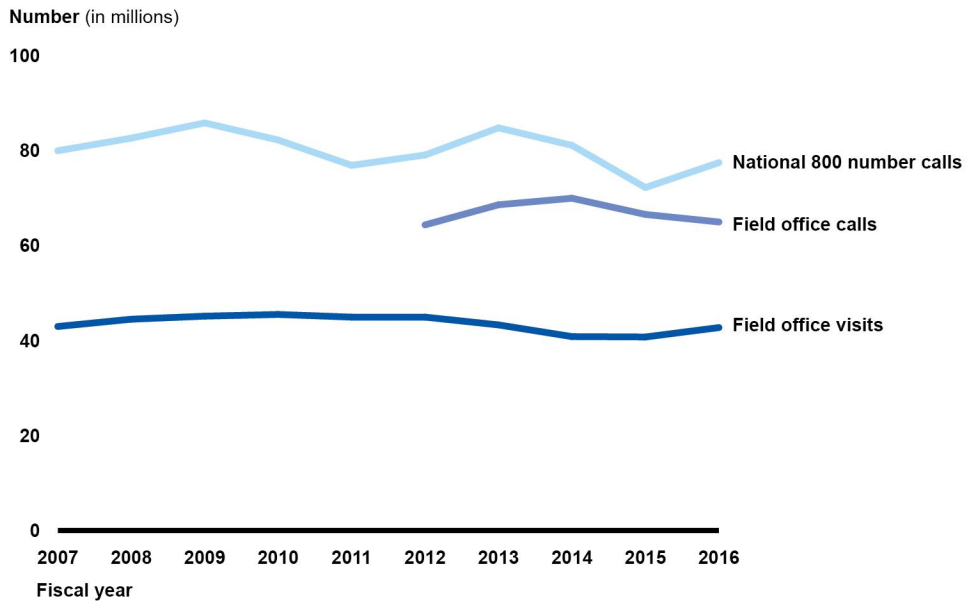
hearings on disability claims that were conducted by video increased from 11 percent in fiscal year 2007 to 26 percent in fiscal year 2016, according to SSA data. Another emerging service delivery approach is the desktop icon, which provides a shortcut to access SSA online services on computers in third-party locations, such as libraries or social service agencies. Customers completed about 94,000 transactions by clicking on these icons during fiscal year 2016, according to SSA data. SSA also recently ended a trial of customer service station kiosks in seven SSA field offices and third-party locations, which allowed customers to complete online transactions, print and scan documents, and interact with SSA staff through a video connection.²¹

Despite the increase in online transactions relative to field office transactions for certain benefit application and management services, overall demand for field office services has not decreased. As indicated above, our analysis of SSA data for disability and retirement applications and benefit verification letters shows an increasing proportion of these services being completed online. However, our analysis of separate SSA data on total visits to field offices and phone calls to SSA for all services shows that the number of these contacts has not decreased. For example, the number of in-person visits to field offices in fiscal year 2007 (42.9 million) was about the same as in fiscal year 2016 (42.7 million), according to SSA data. The demand for services with SSA staff over the phone has not decreased either (see fig. 7). SSA officials said this may be due to increased demand for certain services and customer preference. For example, overall demand for retirement and some related benefits increased 20 percent from 2009 to 2016, as evidenced by SSA claims data. SSA officials said that given the rise in the overall U.S. population over the last decade—the population increased by 7 percent between 2007 and 2016, according to data from the Census Bureau—the expanded use of online services has likely prevented a substantial increase in visits to field offices, even if in-person visits have not actually declined. SSA expects overall demand for SSA services to continue increasing as the U.S. population ages.²² In addition, there are still SSA services with significant workloads, such as SSI claims, that are not yet fully available online.

²¹ SSA officials told us the agency ended a proof of concept phase for the customer service stations on December 31, 2016, and would determine over the next few years whether to more widely implement this technology.

²² According to an SSA strategic planning document, the number of Americans age 55 and older is expected to increase by over 10 million between 2015 and 2020.

Figure 7: Social Security Administration’s Field Office Visits, Field Office Phone Calls, and National 800 Number Calls, Fiscal Years 2007-2016



Source: U.S. Social Security Administration (SSA) data. | GAO-17-597

Note: Field office calls received were not available prior to fiscal year 2012.

SSA’s Steps to Reconfigure Its Physical Footprint Do Not Fully Incorporate Changes in Service Delivery and Also Face External Constraints

While SSA Has Developed Strategic Goals, It Does Not Always Consider Evolving Service Delivery or Collect Needed Information

SSA has developed strategic goals for expanding remote service delivery while reconfiguring its physical footprint and is beginning to implement initiatives that may help reduce space; however, SSA has not integrated its facility plan with its strategic plan, provided flexibility for individual offices, or compiled accurate facility data as suggested by standards for internal control and leading practices for facility planning.

Integrating Facility and Strategic Plans

SSA's 2014-2018 Strategic Plan and *Vision 2025*—the latter, published in 2015, lays out SSA's priorities and vision for the agency over 10 years—emphasize the agency's goal to expand remote service delivery options and adjust its physical footprint to reflect the emphasis on remote services. Also, in 2016 SSA developed a 5-year *Real Property Efficiency Plan* in response to OMB's Reduce the Footprint requirements. This plan includes information on, among other things, annual space reduction targets; progress made in reducing domestic office and warehouse space; initiatives to help continue space reductions; and challenges to further reduction.

Leading practices for facility planning state that such plans should reflect a decision-maker's priorities for the future and should meet the goals and objectives in the agency's strategic plans, including identifying the proper mix of existing and future facilities needed to fulfill its goals.²³ SSA's 2014-2018 Strategic Plan and *Vision 2025* set broad goals, but neither is a facility plan nor includes specific steps to reduce facilities as the agency expands remote service delivery beyond identifying a small number of co-location opportunities. Furthermore, SSA's *Real Property Efficiency Plan* is driven by OMB requirements, which are distinct from SSA's strategic goal to expand remote service delivery, and does not explicitly detail how SSA will change its physical footprint in relation to its strategic goal to expand remote service delivery options. SSA has developed targets for online use by customers, for example increasing the number of online transactions completed by 25 million each year, but it is unclear how those inform its facility planning decisions. In addition, though we found high online usage rates in some of the field offices we analyzed, SSA headquarters officials said a high percentage of online service use by SSA customers has not been a determining factor in local-level decisions on facility space because not all services are available online.

As SSA continues to expand remote service delivery and develop plans to reflect the priorities of *Vision 2025*, there may be more opportunities for it to reconfigure its physical footprint. SSA has recently started making

²³GAO, *Federal Buildings Fund: Improved Transparency and Long-term Plan Needed to Clarify Capital Funding Priorities*, [GAO-12-646](#) (Washington, D.C.: July 12, 2012); and *FAA Facilities: Improved Condition Assessment Methods Could Better Inform Maintenance and Capital-Planning Efforts*, [GAO-13-757](#) (Washington, D.C.: Sept. 10, 2013)

several additional services available online that represent significant workloads, such as the SSI application, which may reduce the number of in-person visits over time and the associated space needs. Further, SSA officials said they are currently developing the Strategic Plan for 2018-2022, which will implement the long-term *Vision 2025* priorities to adjust its physical footprint in anticipation of delivering a greater number of services remotely. However, because SSA lacks a long-term facility plan that identifies the needed composition of its facilities as it moves to emphasize remote service delivery, SSA could be missing opportunities to achieve its strategic goals, including identifying opportunities to reconfigure or reduce some field offices.²⁴

Providing Flexibility for Individual Offices

SSA's policies and procedures for making space planning decisions have helped achieve space reductions, but may not always provide sufficient flexibility to adapt to changing service demands. Currently, SSA uses service area reviews—conducted periodically—and space standards to inform its decisions about needed space. At the local level, a service area review for an individual field office considers several factors, such as customers' use of online services, accessibility of the office, and office workload trends, on which to base recommendations for changes, such as, for example, field office consolidations.²⁵ Unlike service area reviews, space standards are automatically applied to all offices when a lease is expiring to determine how much space each office requires. The space standards, revised in 2012, take into account changing needs to some extent. For example, the revised standards eliminated space for filing cabinets due to the digitization of records and added space to the reception areas because of the continued demand for in-person services (see fig. 8).

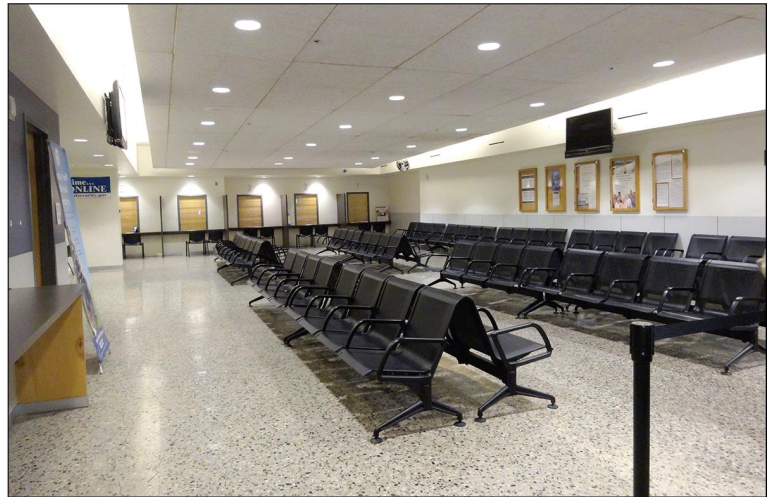
²⁴We previously recommended SSA determine if realigning its facilities structure, including field offices, could yield increases in the agency's effectiveness and efficiency through assessing the utility and feasibility of such a realignment or consolidation. At the time, SSA officials said they would begin exploring their office structure to find ways to increase efficiency and effectiveness; however, as of May 2017, this recommendation remains unimplemented. GAO, *Social Security Administration: Long-term Strategy Needed to Address Key Management Challenges*, [GAO-13-459](#) (Washington, D.C.: May 29, 2013).

²⁵As mentioned, area directors are required to conduct a service area review once every 10 years to determine whether a service area's needs continue to be met by its field office; however, the reviews can also be conducted on an ad hoc basis, such as when an office lease nears expiration.

Figure 8: Reception Areas in the Social Security Administration Hazard, Kentucky, and San Francisco–Downtown Field Offices, 2016



Hazard, Ken. field office



Downtown San Francisco, Calif. field office

Source: GAO photos. | GAO-17-597

While the application of the revised space standards has helped reduce SSA's overall field office space, some SSA officials said the standards do not provide flexibility for individual offices. SSA headquarters officials said the standards are used to determine the amount of space to lease for an office, and after an office is acquired, planning and design efforts are conducted to configure the space. However, three of five regional commissioners we interviewed said the space standards did not provide flexibility to accommodate equipment for emerging technologies, such as an area for self-help personal computers for customers. The standards allot 100 square feet for equipment for emerging technologies in general because, according to SSA headquarters officials, some technologies were not available when the standards were being revised so the actual amount of space needed for them could not have been known. However, offices may not be able to be configured to accommodate the equipment at the time it is delivered without making trade-offs affecting other services. For example, some field offices use interviewing windows, which are needed for in-person service, as a place for self-help computers. In the Wilmington, Delaware, field office, the self-help computers take up two interviewing stations and are located at the end of a long hallway requiring an escort for customers who want to use them (see fig. 9).

Figure 9: Self Help Computers at Far End of Interviewing Area, Social Security Administration Wilmington, Delaware, Field Office, 2016



Source: GAO photo. | GAO-17-597

The space standards also may not provide sufficient flexibility to accommodate unanticipated staff growth, according to 8 of 10 area directors we interviewed. The pre-2012 space standards allowed field offices to request 10 percent more space for potential staff growth; the current standards allot space only for current on-board staff. SSA headquarters officials as well as 4 of 10 area directors said long-term leases make it difficult for SSA to adjust field office space as needs arise,

such as to accommodate changes in staff levels.²⁶ For example, one area director said two field offices in Utah were understaffed at the time of their lease renewal, which resulted in insufficient space in the new location to add staff to meet the office's service demands.

According to SSA officials, the field office space standards currently meet the agency's needs. Furthermore, they have no plans to reassess the space standards at this time, though they may do so in the future if, for example, changes to service delivery require it. According to federal standards for internal control, management should identify, analyze, and respond to significant internal and external changes to the agency, such as changes in personnel and technology.²⁷ Absent the flexibility to adjust space to accommodate changes in staff levels or incorporate new service delivery technologies, the quality of service at some field offices may decline because of increased wait times and decreased availability of potentially time-saving service delivery technologies. Therefore, reassessing the space standards as it expands service delivery options could better position SSA to maintain its current level of customer service.

Compiling Accurate Facility Data

Currently, SSA cannot obtain an accurate, automated inventory of the space used by its organizational components in its buildings. As currently configured, SSA's data system associates a building's use with the organizational component (e.g., the office type such as field office or hearing office) that occupies the majority of its space. As a result, in cases where more than one office occupies a building, SSA's data system only counts the office using the majority of the space. Since fiscal year 2015, SSA has been annually developing a list of its buildings and their associated office types, and using this list to meet OMB reporting requirements. However, to develop that list, SSA must manually match records from multiple data sources and OFLM and organizational

²⁶According to GSA officials, its leases have varying terms ranging from 5 to 20 years with longer terms yielding a lower rental rate. According to our analysis of SSA's fiscal year 2016 data, 44 percent of the leases are 15 years or longer. We previously reported that GSA officials said increasing the length of the terms of its leases is a key part of GSA's efforts to reduce leasing costs. GAO, *Federal Real Property: GSA Could Decrease Leasing Costs by Encouraging Competition and Reducing Unneeded Fees*, [GAO-16-188](#) (Washington, D.C.: Jan. 13, 2016).

²⁷GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: Sept. 2014).

component staff must coordinate. These are resource-intensive actions that may introduce error in the resulting list. Furthermore, because the list does not identify all offices in each building, it provides partial information on SSA's inventory.

SSA officials said having an easy-to-access inventory of offices would allow them to concentrate their efforts on analyzing data to help with facility planning—for example, determining the number and location of offices for each organizational component. Along these lines, SSA officials said the Real Estate and Lease Tracking (REALT) application they are developing may provide this functionality at a future time.²⁸ However, SSA officials said they have not yet defined requirements and a timeline to implement changes that would enable REALT to have this functionality. According to our guidance on leading practices for capital decision-making, a critical step to facility planning is to maintain a baseline of current assets using quality information.²⁹ As SSA develops the REALT application, it will be important to ensure that it is structured to provide the information needed by SSA officials to make effective facility planning decisions. Without ensuring REALT can provide a complete and descriptive inventory of SSA offices using an automated process, SSA will lack useful baseline information to inform its planning efforts.

Implementing Initiatives That May Further Reduce Space

SSA is implementing two co-location initiatives that may help reduce its physical footprint. SSA has co-located approximately 10 percent of its field offices with ODAR permanent remote sites, as of May 2017.³⁰ SSA recently initiated a co-location pilot program with the Internal Revenue Service (IRS), and is taking steps to evaluate the results to determine the utility of the pilot agency-wide. The goal of the co-location pilot, which combines SSA field offices with IRS Taxpayer Assistance Centers, is to lower each agency's infrastructure costs. Since it began in January 2017,

²⁸REALT has been in development since 2013. According to SSA's project timeline, a version of REALT should be released in September 2017. The application will draw on leasing data provided by GSA. Eventually, it will also draw on data from an SSA database that will provide information on the type of office (e.g., field office, hearing office) associated with a space.

²⁹GAO, *Executive Guide: Leading Practices in Capital Decision-Making*, [GAO/AIMD-99-32](#) (Washington, D.C.: Dec. 1998).

³⁰A permanent remote site is a location where ODAR hearings can be held in-person with a traveling administrative law judge or by video.

four IRS staff have moved into SSA field offices.³¹ According to an IRS official the pilot will continue through January 2018. The two agencies are collecting customer service information based on visitor data, weekly surveys of SSA field office managers, and customer surveys; they plan to use the results to determine whether to expand the pilot and pursue additional co-location opportunities. The weekly visitor data includes the number of visitors to the pilot locations and the wait times. SSA's field office managers participating in the pilot complete surveys weekly to determine how much time SSA staff spend on co-location-related activities, such as notifying an IRS employee when customers arrive. SSA officials said they intend to end the co-location pilot if the service deteriorates or proves to be a security risk.

SSA has two additional initiatives that could help reduce space, but it is too early to assess whether these efforts could provide space reduction. SSA introduced telework at some field and hearing offices. Telework has the potential to further reduce needed desk space and SSA plans to expand telework agency-wide. However, it may not be possible for some time in field offices due to the nature of SSA programs and the continued high demand for in-person services, according to 7 of 10 area directors we interviewed.³² SSA is developing two model field offices, which will help SSA further reduce its physical footprint, according to the agency's 2016 *Real Property Efficiency Plan*. SSA officials said these model field offices will test, among other things, emerging technologies and new service delivery methods; SSA will incorporate successful processes into existing field offices. One model field office is under construction and the other office is in a design phase.

³¹Taxpayer Assistance Centers are where taxpayers can get face-to-face services by appointment that include accounts inquiries, tax law inquiries, forms, payments, and authentication.

³²SSA headquarters officials said that according to agency guidelines developed in conjunction with the union representing field office staff, field office staff may telework up to two days per week. Officials said under the agency's labor agreements, space reductions may occur when staff telework more than two days per week.

SSA's Ability to Further Reconfigure Its Physical Footprint Is Constrained by Rental Markets and Stakeholder Concerns

SSA field officials we spoke with said reconfiguring SSA's facilities can be constrained by finding suitable space in some locations due to high rent prices or limited building stock, and by concerns of community members and SSA staff. For example, it took SSA longer than expected to find an office location in Mountain View, California, that met the agency's space needs because of the high rental costs. The Douglas, Arizona, area director stated the office is challenged to find an alternate location because Douglas is a small town with a limited number of buildings and the cost of renovating an existing building to suit a field office's needs would be too high. Similarly, the Hazard, Kentucky, field office currently has excess space, but the limited building options in downtown are in a higher crime area and, therefore, are not acceptable for an SSA field office, according to the field office manager. SSA headquarters officials mentioned other constraints, including a complicated federal leasing process and that some property owners may not want SSA in their space due to the high number of visitors and lack of available public parking.

SSA also works within constraints that can come from addressing the concerns of community stakeholders and unions.³³ Elected officials or community leaders may sometimes oppose SSA's plans to consolidate field offices. For example, though the San Francisco Chinatown and Downtown offices are approximately 1.5 miles apart and SSA's internal analysis supported consolidation, SSA officials stated the agency decided not to do so due to community concerns about access if the Chinatown office was eliminated. In Kingston, New York, SSA initially retained a contact station after the field office was consolidated with the Poughkeepsie field office, which is approximately 20 miles away, in response to political concerns about Kingston losing an office, according to a local manager.³⁴ Also, according to SSA officials, employee unions negotiate office layout and design if conditions of employment of the bargaining unit employees are impacted by proposed changes. Additionally, they noted that unions provide input on the impact and

³³According to SSA policy, the agency solicits feedback from the public whenever there is a proposal to consolidate offices. SSA may modify the proposal in response to feedback.

³⁴A contact station is a temporary SSA facility in a location at which SSA employees can conduct SSA business.

implementation of space changes, including ergonomics and security of the field offices.³⁵ SSA headquarters officials said while the interactions with its employee unions are positive, there are times these interactions can cause delays to individual projects. For example, four of the five regional commissioners we spoke with said union concerns can complicate efforts to co-locate field and hearing offices, requiring buy-in from all three employee unions and increasing the length of the leasing process.

SSA Has Taken Steps to Make Remote Services Easier to Use, but Does Not Consistently Evaluate These Services

SSA Is Trying to Make Its Online Services More User-Friendly, but Lacks Comprehensive Data on Issues with Online Claims

The complexity of SSA's programs can make it challenging for customers to complete certain processes online, especially disability applications, according to SSA officials. Customers' difficulties with online applications could limit SSA's ability to shift more of its business online and further reconfigure its physical footprint. More than half the regional commissioners and field office managers we interviewed, as well as front-line staff in three of the four field offices where we interviewed these staff, said this complexity is a challenge; many cited the complexity of disability programs in particular.³⁶ The online application for disability benefits requires claimants to provide detailed information on their medical and work histories and, according to SSA officials, to navigate through over 10

³⁵SSA negotiates with three unions: American Federation of Government Employees (AFGE), International Federation of Professional and Technical Employees, and the National Treasury Employees Union.

³⁶In a prior report we have also identified challenges with the online application for retirement benefits, specifically that the application does not inform claimants that benefits are based on the highest 35 years of earnings or that life expectancy is an important consideration when deciding when to retire. See *GAO, Social Security: Improvements to Claims Process Could Help People Make Better Informed Decisions about Retirement Benefits*, [GAO-16-786](#) (Washington, D.C.: Sept. 14, 2016).

separate web pages.³⁷ Several staff we interviewed—three of five regional commissioners and three of seven field office managers—believe the online applications could be improved. For example, one regional commissioner said the online disability application asks the same questions multiple times and this can be confusing. In our observations of in-person disability claims at field offices, we saw examples of the assistance that SSA staff may provide with benefit claims. In one instance, an SSA staff member asked the applicant a number of questions to try and determine the date the claimant stopped working, and ultimately got permission to contact the claimant’s employer. The staff member told us that if the application had been done online, SSA staff almost certainly would have had to follow up with the claimant to complete the application. On the other hand, a number of SSA staff—including five of seven field office managers and front-line staff in four field offices—said some processes such as changes of address or managing direct deposit are simpler and more suited to being completed online.

SSA is trying to improve its online services and make them more user-friendly, which may promote greater use of these services and less reliance on in-person services at field offices. For example, SSA is adding new features that make it possible for online customers to interact with SSA staff to resolve problems. It has introduced a click-to-callback option allowing online customers to request a call from an SSA staff member, and a click-to-chat option for a live online conversation; and in fiscal year 2018 or later, SSA plans to introduce click-to-video for a live conversation with video image. In 2015, SSA surveyed customers who had started but failed to complete online benefit applications, with the goal of identifying difficulties and ways to address them, according to SSA officials.³⁸ The survey found, for example, that the most common reason disability benefit applicants failed to complete an online claim was that they did not understand what the questions meant (30 percent of respondents listed this as a reason). SSA officials told us that, aside from adding a reminder to the final screen of the online application to click “submit,” the survey has not led to any other enhancements to the online application.

³⁷As we have reported previously, SSA’s disability programs have complex eligibility rules, including both non-medical and medical components. See [GAO-13-459](#).

³⁸SSA Office of Budget, Finance, Quality, and Management, *Report on the Fiscal Year 2015 Abandoned iClaim Survey* (May 2015).

Furthermore, despite anecdotal evidence that online claims submitted to SSA contain errors, SSA does not track these issues on an on-going basis. Six of seven field office managers and front-line staff in four field offices told us at least some online benefit claims have issues that require staff to follow up with claimants. Front-line staff in several field offices said such follow-ups are common, and staff in one field office said it often takes longer to process an online claim than one submitted in-person as a result. Staff in two field offices cited problems with missing medical release forms and with the start dates claimants gave for their disabilities.³⁹ SSA officials said they do not collect any data on which online claims require staff follow-up, because staff must decide in each case what is needed and it would be complex to track each time this happens. Standards for internal control in the federal government state agency management should identify, analyze, and respond to risks to meeting agency objectives, including risks related to complex programs and new technologies.⁴⁰ Without data on the number and nature of errors in online claims, SSA may miss opportunities for improvements that make the claims process easier for customers and the agency, and that could help SSA further reconfigure its footprint to the extent that more customers migrate to online services.

Another challenge with SSA's online services is data security, which the agency is taking steps to address. Several SSA staff we interviewed—two of five regional commissioners and 3 of 10 area directors—told us customers' concerns about the security of their personal information are an obstacle to wider use of online services. For example, one area director said data security breaches affecting government agencies have raised public concerns about the security of personal information on the Internet. In a 2015 survey of SSI recipients about their Internet use, SSA found that among responding adult recipients, 74 percent were not very or not at all comfortable with providing their Social Security number online—which is required to use a *mySocialSecurity* account.⁴¹ SSA

³⁹SSA found in a 2012 study that disability claims submitted on-line took less time for the agency to process than those submitted in-person or over the phone, but also required more follow-up contacts with applicants to address issues such as missing medical information. SSA Office of Quality Performance, *Fiscal Year 2012 Title II Claims Study* (October 2012).

⁴⁰[GAO-14-704G](#).

⁴¹SSA Office of Budget, Finance, Management, and Quality, *Report on the Fiscal Year 2015 Supplemental Security Income Internet Use Survey* (May 2016). SSA conducted this survey to gauge the interest of SSI recipients in conducting business with SSA online.

officials told us a major component of their effort to protect customers' data involves complying with federal data security requirements.⁴² Officials said the agency completed a risk assessment of its *mySocialSecurity* portal in 2016, and as a result is developing stronger identity proofing and new multi-factor authentication options. For example, customers with cell phones can now use their phones to further confirm their identities when logging into *mySocialSecurity*, but SSA is also developing—and plans to introduce in 2017—other multi-factor authentication options, according to SSA officials.

SSA Has Introduced New Approaches to Enhance Access to Remote Delivery of Services, but Lacks Performance Goals

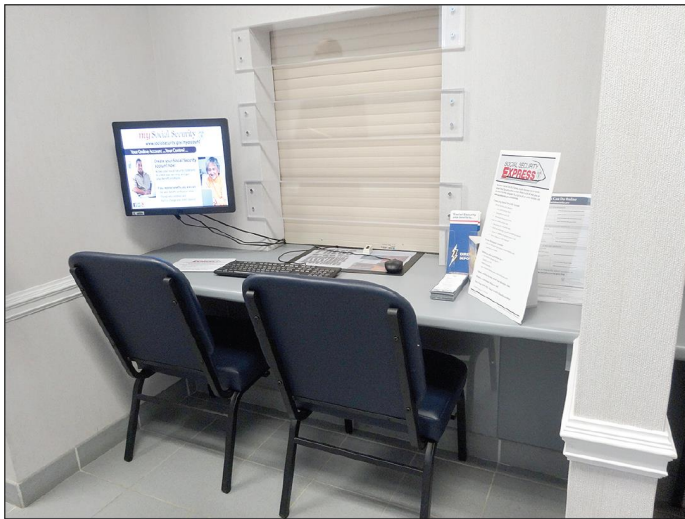
Some of SSA's customers may have difficulty accessing online services, according to SSA staff and data from an SSA survey, which may also limit the agency's ability to further reconfigure its footprint. Lack of access to the Internet or to a computer was mentioned as an obstacle to wider use of SSA's online services by four of five regional commissioners and 7 of 10 area directors. One regional commissioner said the major obstacle to expanding remote service delivery is lack of broadband Internet access in rural areas. Additionally, an area director told us low levels of Internet access and computer literacy are challenges in low-income urban areas. According to SSA's 2015 survey of recipients of SSI—a program for people with limited income—only 34 percent of adult respondents said they use the Internet. Among adult respondents who do not use the Internet, close to half (43 percent) said they either lack a computer or lack Internet access. Some SSA customers simply prefer interacting directly with an SSA staff member to conducting business on-line, according to 9 of 10 area directors and six of seven field office managers we interviewed. Several of these officials said older people and non-English speakers in particular may feel more comfortable with in-person services.

A key part of SSA's strategy to address customers' challenges with access to online delivery of services has been to make these services available in more locations, from SSA field offices to community-based sites such as public libraries, according to agency officials. As noted

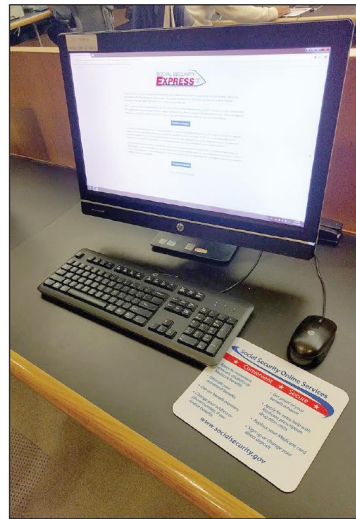
⁴²Specifically, SSA officials cited Executive Order 13681, which requires federal agencies that make personal data accessible to citizens through digital applications to implement multifactor authentication and appropriate identify-proofing, as appropriate.

previously, in recent years SSA has rolled out self-help personal computers in field offices, giving visitors the option of completing business online on an SSA computer; desktop icons on computers in third-party locations such as public libraries, to link users to SSA services online; and a small number of customer service stations in third-party locations, which offer both online and video connections with SSA (see fig. 10 for images of these technologies). Additionally, SSA uses video service delivery to conduct business such as claims and hearings with customers in remote locations.

Figure 10: Social Security Administration’s New Service Delivery Technologies



Self-help computer for public use
(Hazard, Ken. field office)



Desktop computer with Social Security Express Icon
(New York City Public Library)



Customer service station
(Washington, D.C. field office)

Source: GAO photos. | GAO-17-597

Some SSA staff and a staff member at a community organization shared the benefits of these new approaches. For example one area director said the self-help personal computers in field offices give customers the option of taking care of their business quickly rather than waiting to speak with an SSA staff member. A field office manager said these computers can help educate the public about the online option for accessing SSA services. With regard to video service delivery, one area director told us it is used to conduct claims and other business with Native Americans on remote reservations, who prefer the personal interaction with SSA provided by the video. A staff member at a community organization that hosts a desktop icon site said that for older, non-English speakers, it has been a helpful alternative to visiting a crowded SSA field office. Staff said they walk these clients through each step of using SSA’s online services.

SSA officials also reported some implementation challenges with these new technologies and approaches. Most area directors (6 of 10) and field office managers (five of seven) we spoke with said there have been challenges with the use of self-help personal computers, such as customers who may lack technological skills and need assistance to use the computers. SSA has also experienced some difficulties in working with other organizations to host these new technologies. For example, several SSA staff and a staff member at a host site said some entities have had concerns about including desktop icons on their computers due to issues such as data security and increasing workloads for staff at host sites.

While these new service delivery approaches are integral to SSA's efforts to expand remote service delivery, the agency lacks clear performance goals or targets for them. SSA is collecting data on the use of some of these approaches. For example, it collects data on the number of different types of transactions—such as benefit claims and registrations for *mySocialSecurity* accounts—completed through the self-help personal computers, the number of transactions completed by clicking on desktop icons, and some data on use of video services. However, SSA has not established performance goals for all of these new approaches. In prior work we have identified setting performance goals and collecting performance information related to these goals as key elements of effective customer service.⁴³ Without setting meaningful performance goals, for example, for speed, quality, or customer satisfaction, and measuring progress towards these goals, SSA may miss opportunities to improve its service delivery and potentially encourage more customers to use remote services rather than visit field offices. This may be especially relevant in light of the implementation issues raised by some SSA staff. SSA officials told us they have not established set criteria for assessing the desktop icon sites—such as what level of usage indicates success—because each site is different and must be assessed individually. Officials also said there is little cost to the agency for installing these sites apart from staff time. Similarly, officials said they have no set criteria for the success of video services in third-party locations because each site has different needs and must be evaluated individually. They said they rely on

⁴³We identified key elements of customer service standards, including establishing performance goals or targets, based on the GPRA Modernization Act of 2010 and several executive orders. See GAO, *Managing for Results: Selected Agencies Need to Take Additional Efforts to Improve Customer Service*. [GAO-15-84](#) (Washington, D.C.: Oct. 24, 2014).

anecdotal information from local video service coordinators to determine if each site makes sense. However, strategies do exist for developing performance goals that account for local variation. In a prior report we have recognized this challenge in developing national performance goals, and identified strategies to address it such as providing guidance to local sites but letting them develop their own individualized performance goals.⁴⁴

Conclusions

Reconfiguring its physical footprint is critical for SSA, as it strives to meet government-wide goals for reducing the federal footprint and as SSA faces long-term budgetary challenges. The agency has recently made progress in streamlining its space needs, but faces several challenges with its efforts to reconfigure its footprint. Until recently, a significant impediment to reducing or downsizing field offices has been the continuing demand for in-person services, but this trend could change as SSA shifts more and more services online. Without a long-term facilities plan for reconfiguring its field office structure as it expands options for customers to access services remotely and in light of the wide variation in remote service use across offices, SSA could miss opportunities to further reduce its footprint. The agency's 2012 space standards have contributed to space reductions, yet the standards may in some cases impede effective customer service because they do not provide sufficient flexibility in how SSA uses space to meet local staffing or technology needs. Finally, SSA's capacity to conduct long-term facilities planning will likely be hampered as long as it lacks a facilities data system that it can use to accurately track the composition of offices in its buildings over time.

Similarly, despite SSA's success in expanding remote services, it could be missing opportunities to make additional progress or improve its customer services. If the agency can encourage greater use of remote services, it will potentially make further reconfiguration of its physical footprint more feasible. For example, SSA does not have data on the incidence and cause of staff follow-ups required with online applicants to inform SSA about how to make these processes better. In addition, unless it establishes clear performance goals and collects related data for

⁴⁴GAO, *Veterans Justice Outreach Program: VA Could Improve Management by Establishing Performance Measures and Fully Assessing Risks*, [GAO-16-393](#) (Washington, D.C.: Apr. 28, 2016).

alternative service approaches such as desktop icons and video service at third-party sites, SSA risks foregoing opportunities to improve service delivery for customers.

Recommendations for Executive Action

We recommend that the Acting Commissioner of the Social Security Administration direct the agency to take the following actions:

1. Develop a long-term facility plan that explicitly links to SSA's strategic goals for service delivery, and includes a strategy for consolidating or downsizing field offices in light of increasing use of and geographic variation in remote service delivery.
2. Reassess and, if needed, revise its field office space standards to ensure they provide sufficient flexibility to accommodate both unexpected growth in the demand for services and new service delivery technologies.
3. Ensure the REALT application has the capacity to accurately track the composition of SSA's office inventory over time.
4. Develop a cost-effective approach to identifying the most common issues with online benefit claims that require staff follow-up with applicants, and use this information to inform improvements to the online claims process.
5. For its alternative customer services approaches, including desktop icons and video services in third-party sites, develop performance goals and collect performance data related to these goals.

Agency Comments and Our Evaluation

We provided a draft of this report to SSA, OMB, and GSA for review and comment, and also provided a relevant excerpt to IRS. See appendix III for SSA's written comments. In its written comments, SSA agreed with our recommendations and noted steps it plans to take to enable further reduction in its footprint, such as expanding the use of video and co-locating field and hearing offices. SSA and IRS also provided technical comments on our draft report, which we incorporated as appropriate. OMB and GSA did not provide comments.

As agreed with your office, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the

report date. At that time, we will send copies of this report to appropriate congressional committees, the Acting Commissioner of the Social Security Administration, and other interested parties. In addition, this report will be available at no charge on GAO's website at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact Barbara Bovbjerg at 202-512-7215 or bovbjergb@gao.gov or David Wise at 202-512-2834 or wised@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff members who made key contributions to this report are listed in appendix IV.

Sincerely yours,



Barbara Bovbjerg
Managing Director, Education, Workforce, and Income Security Issues



David Wise
Director, Physical Infrastructure Issues

Appendix I: Objectives, Scope and Methodology

The objectives of this report were to (1) describe the trends in the Social Security Administration's (SSA) physical footprint and how it delivers services, (2) assess the steps SSA is taking to reconfigure its physical footprint, and (3) assess the steps SSA is taking to address any challenges to expanding remote service delivery. To address these objectives, we reviewed SSA documents including agency-wide strategic planning documents, facility planning documents, procedures for identifying local facility needs, and SSA studies of customers' use of online services. We determined that the methodologies of SSA internal studies were sufficient to allow us to report certain findings from these studies. We interviewed headquarters officials at SSA who are responsible for facility and service delivery planning, as well as officials from the General Services Administration (GSA), which works with SSA on facility planning; the Office of Management and Budget, which has established a government-wide space reduction initiative; the Internal Revenue Service, which according to agency officials has a pilot co-location initiative with SSA; and the Department of Veterans Affairs and U.S. Postal Service, which are also taking steps to reduce their footprints. We also interviewed officials and reviewed documents from external organizations including the Social Security Advisory Board, the National Academy of Social Insurance, the National Academy of Public Administration, and the American Federation of Government Employees. We applied criteria previously identified by GAO for facility planning and customer service standards, as well as standards for internal control in the federal government. In addition, we analyzed SSA administrative data and conducted field work through site visits and phone interviews (see below for more information on these methodologies). Finally, we reviewed pertinent federal laws and regulations.

Analysis of SSA and GSA Administrative Data

Facility Data

To describe trends in the composition of SSA's facilities and develop an inventory of the majority use of buildings SSA occupies for fiscal year 2016, we obtained data from SSA on its facilities for fiscal years 2006 to 2016. SSA's facility data are compiled from two data sources. First, the office name, location, usable and rentable square feet, annual rent, lease

start and expiration dates are from GSA's Rent on the Web database, which is a public database. The office code and office type are from an SSA internal database. The data for each fiscal year are based on the facilities SSA had as of the September 15 billing date of that year. We assessed the reliability of these data by conducting electronic data tests and interviewing knowledgeable officials about how data are collected and maintained and their appropriate uses. We found the data we reported to be sufficiently reliable for purposes of our reporting objectives.

Nonetheless our analysis was constrained due to limitations with SSA's facility data. We could not develop an exact count of all of SSA's offices, such as area offices, field offices, and hearing offices, in fiscal year 2016 because of the structure of the data set. Specifically, the records in the data set represent individual leases.¹ Each lease is categorized according to a "space type" denoting a type of SSA office, such as area office, field office, and hearing office. Leases may be associated with a single SSA office or with multiple offices. In cases when a lease is associated with multiple offices, the lease's "space type" is categorized according to the office representing the largest amount of square footage among the offices associated with the lease. For example, if a lease is associated with an area office and a field office, and the area office occupies more space, then the lease's "space type" is set to area office as the majority use of the space—and we would not know that the lease is also associated with a field office. Thus, rather than presenting an inventory of SSA offices by "space type," we presented an inventory of buildings occupied by SSA according to the majority use of the SSA-occupied space in the building. We categorized each building according to the majority-use "space type" of the SSA lease associated with the building. When a building is associated with multiple SSA leases, we identified the lease's space type representing the largest amount of square footage, and categorized the building according to that lease's "space type." In almost all cases, when there are multiple leases associated with a building, we identified one lease that represented the majority of the SSA-occupied square footage in the building. In less than 1 percent of the buildings, there was no office representing the majority use, so we categorized the building according to the office with the largest amount of space.

¹Throughout this report we use the term "lease" when referring to an occupancy agreement between SSA and GSA, as well as a lease between GSA and an owner of a private building in which SSA has office space.

Service Delivery Data

To describe trends in how SSA delivers services to the public, we used data from several SSA sources. The time frames for the data vary among the sources, ranging up to 11 years of historical data (fiscal years 2006 to 2016). Unless otherwise noted, we obtained data at the national, aggregate level.

- To examine trends in how the public accesses specific SSA services—such as retirement applications, disability applications, and benefit verification letters—we used SSA’s eService Statistics Quarterly Tracking Reports. These reports are drawn from a variety of SSA data sets and tools, including Management Information Central, Google Analytics, and the Executive and Management Information System. They provide data on the number and percentage of customer transactions for various services that were provided through the Internet each year. We also used the reports to calculate the number and percentage of transactions that were provided through all service channels other than the Internet. Other service channels include in-person visits to field offices, phone calls to field offices, and calls to the national 800 number; the reports do not distinguish between these specific non-Internet service channels. We obtained and analyzed reports for fiscal year 2007 to 2016.
- To examine trends in the number of in-person visits to field offices, we used data from the SSA Unified Measurement System Customer Service Record. We obtained annual data on in-person visits for fiscal years 2006 to 2016.
- To examine trends in the number of phone calls received by field offices, we used data from SSA’s Avaya Reporting System. Data on phone calls received by field offices were only available for fiscal years 2012 to 2016.
- To examine trends in the number of phone calls to SSA’s national 800 number, we used data from the Cisco Unified Intelligent Contact Management (Unified ICM) System. We obtained annual data on the number of calls received for fiscal years 2006 to 2016.
- To examine trends in the proportion of hearings conducted by video, we used data from the Case Processing Management System. We obtained annual data on total hearings held and hearings held by video for fiscal years 2007 to 2016.
- To examine geographical variation in how customers access services, we used data from SSA’s Local Management Information, which

draws from several SSA databases. We obtained data for the 13 field offices that were covered in our site visits and interviews. For these offices, we obtained fiscal year 2016 data on the number of retirement applications, disability applications, and benefit verification letter requests completed online and through other service channels (which can include field offices and in some cases the national 800 number).

- To examine the number of times customers used certain self-service delivery technologies, we used data from two different SSA systems. We used data on the number of transactions through self-help personal computers during fiscal year 2016 from a MySQL database that SSA uses to record these transactions. We used data on the number of times customers accessed desktop icons during fiscal year 2016 from a Google Analytics tool that SSA developed to record these transactions.
- To examine the workload for certain SSA services that are not yet fully available online, we obtained data from different sources. We used data on the number of Supplemental Security Income applications during fiscal year 2016 from the agency's District Office Workload Report, which draws from several other SSA databases. We used data on the number of replacement Social Security card requests during fiscal year 2016 from the SSA Unified Measurement System Counts Data Warehouse.

We assessed the reliability of these data by interviewing and obtaining written responses from SSA officials and by reviewing documentation such as data dictionaries. We determined the data to be sufficiently reliable for our reporting purposes.

Site Visits and Interviews with SSA Managers and Staff in the Field

We conducted site visits to four states and interviewed 10 area directors and 5 regional commissioners, using field offices as our unit of selection.²

²In order to test our data collection protocols, we visited the Wilmington, Delaware, field office. While it was ultimately selected based on the criteria, our visit was conducted before the selection process. We included the Philadelphia regional commissioner because Wilmington is in that region.

We used a four-step process to identify field office locations.³ We began with a list of all SSA field offices as of June 2016. This list was used to identify offices that had been part of an office consolidation since fiscal year 2013 or had a service area review conducted between January 2014 and June 2016.

Step 1: We narrowed the list to identify offices with a lease expiration date between January 1, 2015, and December 31, 2019.

Step 2: We used the fiscal year 2015 visitor to staff ratio to divide the resulting list of 65 field offices into five equal groups.

Step 3: We selected a non-generalizable sample of three field offices from each group to obtain a range of regions, Internet use, and urban/rural designation. Because there were more field offices with service area reviews than office consolidations we selected one “consolidation” field office and two “service area review” field offices from each group.

Step 4: From the list of 15 field offices, we selected 10 for interviews with area directors based on the purpose of the service area review (when applicable) and “unique” characteristics. For example, we selected the downtown St. Louis, Missouri, field office because the service area review was conducted to explore the possibility of consolidating the office with the St. Louis Central West End office.

One reason we chose the Billings, Montana, field office is because it has one of the largest service areas (45,000 square miles), resulting in potentially very long distances to reach the field office.

In addition to the Wilmington, Delaware, field office, our pilot site visit location, we chose three additional site visit locations from the 10 selected field offices based on (1) unique services provided at the selected field office or in the surrounding area such as being co-located with an ODAR permanent remote site or having a video unit linked to an external location (e.g., another city or town) and (2) geographic diversity. To be consistent with the selection process above, we chose one office

³We obtained the data for this selection process from multiple sources. SSA provided the data on field office locations, fiscal year 2015 staff and visitors, the lease expiration date, and whether the field office was part of a consolidation or a service area review. We collected data on Internet use and the rural or urban categorization from the U.S. Census Bureau.

that had been part of a consolidation and two that had a service area review.⁴

At each of the three site visit locations aside from Wilmington, Delaware, we visited two field offices, a hearing office, and a third-party location that provided remote service delivery (e.g., a Korean community organization with a Social Security Express desktop icon). The first field office was selected from the original list of 10 offices discussed above. The second field office in each location was chosen based on its proximity to the first field office or a hearing office that we visited. For example, we selected the Lexington, Kentucky, field office because it is located in the same building as the hearing office we visited. As a result, in total we visited or interviewed the area director associated with 13 field offices (see table 2). During each visit we interviewed the field office manager, hearing office manager, and chief Administrative Law Judge, and conducted a group interview with a random selection of field office staff. In total we spoke with 30 field office staff. We also observed staff-customer interactions at the field offices that were selected; observed hearings; and toured each field and hearing office. The results of our site visits and interviews with field staff are not generalizable to all of SSA’s field and hearing office staff.

Table 2: Social Security Administration Field Office Locations Selected For Site Visits or Interviews

Field office location	Site visit	Area director and regional commissioner interviews
Hazard, Kentucky	Yes	Yes
Lexington, Kentucky ^a	Yes	Yes
Poughkeepsie, New York	Yes	Yes
New York City (Midtown), New York	Yes	Yes
San Francisco (Downtown), California	Yes	Yes
San Francisco (Chinatown), California	Yes	Yes
Wilmington, Delaware ^b	Yes	Yes
Billings, Montana	No	Yes
Douglas, Arizona	No	Yes
Johnstown, Pennsylvania	No	Yes

⁴As mentioned, these three locations were chosen in addition to the Wilmington, Delaware, field office.

Appendix I: Objectives, Scope and Methodology

Field office location	Site visit	Area director and regional commissioner interviews
Odessa, Texas	No	Yes
Ponce, Puerto Rico	No	Yes
Saint Louis, Missouri	No	Yes

Source: GAO. | GAO-17-597

^aThe Lexington, Kentucky; New York City-Midtown; and San Francisco-Chinatown field offices were visited as part of the site visits to the Hazard, Kentucky; Poughkeepsie, New York; and San Francisco-Downtown offices, respectively.

^bWilmington, Delaware was chosen as a pilot site visit location.

Finally, we interviewed five regional commissioners. We interviewed the regional commissioners for the four offices selected for site visits, including the regional commissioner for the Wilmington, Delaware, office, as well as the commissioner for one region where a high number of service area reviews had been conducted.

Appendix II: Descriptions of Select Field Offices

Appendix II provides additional information about the three field offices chosen as site visit locations based on our site selection process. See appendix I for more information on our site selection process.

Hazard Kentucky

Field office with excess space in a rural area with a declining population



Office at a glance

- **Staff:** 19 (as of June 2016)
- **Footprint:** 10,678 sq. ft. (fiscal year 2016)
- **Square footage per staff:** 562
- **Annual Visitors:** 19,013 (fiscal year 2015)

Service area

The field office serves a rural, mountainous section of eastern Kentucky, with poverty levels above the national average in recent years. According to SSA documentation, as of 2015 the population of the service area was in decline, and this trend was expected to continue as limited economic opportunities prompt outward migration.

Facility

The field office is the sole tenant of a privately-owned building leased by GSA. The office has interviewing workstations at a barrier wall, where SSA staff interact with the public through Plexiglas windows, as well as separate cubicles for staff. It has three self-help personal computers and a video service unit.

Major challenges facing the field office

- The office has experienced a decline in staff and has excess space, according to local officials. However, officials said there have been challenges with downsizing the office space. For example, officials explained that SSA has been unable to identify another agency component—such as a hearing office—to share the building occupied by the field office.
- Many customers in the service area prefer direct interaction with SSA staff to online services, due to factors including poor internet access in the area, according to a local official.

Figure 11: Images of Social Security Administration Field Office in Hazard, Kentucky



Exterior of the Hazard, Ken. Field Office

◀ Video service unit, which according to a Social Security Administration official allows customers in Hazard to conduct business (including hearings) with other locations



Interviewing workstations (Separate from staff cubicles)

Source: GAO. | GAO-17-597

Poughkeepsie, New York

Crowded field office dealing with challenges of absorbing workload from consolidation efforts



Office at a glance

- **Staff:** 28
(as of June 2016)
- **Footprint:** 11,800 sq. ft.
(fiscal year 2016)
- **Square footage per staff:** 421
- **Annual Visitors:** 35,873
(fiscal year 2015)

Service area

The field office is located in downtown Poughkeepsie, and is responsible for a service area that covers three counties, is somewhat rural, and includes people with a mix of income levels, according to the field office manager.

Facility

The office occupies part of a GSA-leased space in a privately-owned building. The staff workstations are adjacent to the barrier wall separating the back office and reception areas, so their personal workstations are also where they interview customers. The office has a self-help personal computer and a video service unit. In addition, the field office is co-located with a facility for conducting hearings, with which it shares a reception area, according to the field office manager.

Major challenges facing the field office

- The Kingston, New York, field office was consolidated into the Poughkeepsie field office in March 2014, with the Poughkeepsie office absorbing Kingston staff and customers, according to SSA officials. The consolidation has created challenges for the Poughkeepsie field office, as there is higher walk-in traffic but further expansion of the office space is not possible, according to the field office manager. Additionally, according to staff at a Kingston social service agency, it can be challenging for some individuals in their area to get to the Poughkeepsie field office due to poor public transit connections.
- Leaks and water damage from the apartments directly above the field office have been disruptive and caused several closures in recent years, according to field office staff.

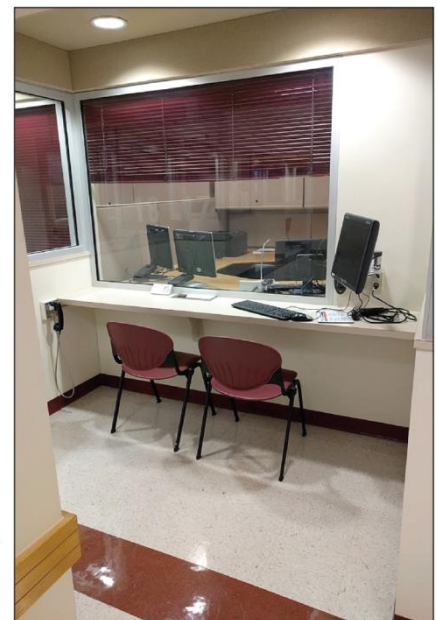
Figure 12: Images of Social Security Administration Field Office in Poughkeepsie, New York



Staff workstation at barrier wall



Exterior of the Poughkeepsie, New York field office



Self-help personal computer available to walk-in customers

Source: GAO and U.S. Social Security Administration. | GAO-17-597

San Francisco, California

Downtown field office with security concerns serving a diverse population



Office at a glance

- **Staff:** 37 (as of June 2016)
- **Footprint:** 20,573 sq. ft. (fiscal year 2016)
- **Square footage per staff:** 556
- **Annual Visitors:** 63,499 (fiscal year 2015)

Service area

The field office is in a densely-populated urban area with diverse populations—both economically and linguistically. In addition to affluent neighborhoods, the office serves a large number of homeless individuals. The service area population is expected to continue growing.

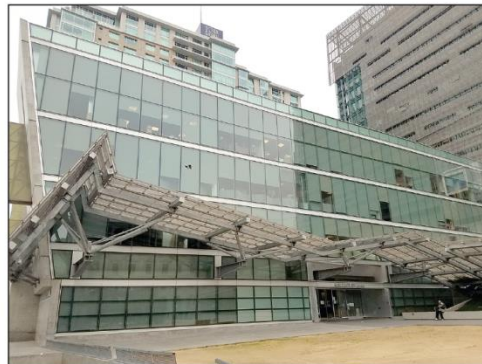
Facility

Built in 2007, the office is an annex to a federal building with its own entrance and security. It is located within 3 miles of two other field offices. It has two self-help computers and a video unit. The office is a training site for the San Francisco Bay Area and is used to pilot agency initiatives. The interview stations and video unit are located in one large room with wide aisles. The office, which is currently undergoing a remodel to build a barrier wall, has excess space.

Major challenges facing the field office

- Though the office has excess space, it has not consolidated with either of the other two field offices in San Francisco. It cannot accommodate the Mission District's 30 staff; the Chinatown office customers will not visit the Downtown office because of safety concerns and because they do not think they will find a Chinese-speaking staff member, according to the manager.
- There are security concerns, and the office has a banning policy for threatening or violent behavior. According to the manager, approximately 25 customers have been banned from the office since 2015.
- The office has one of the highest numbers of walk-in visitors in the Bay Area due to a large number of homeless individuals and limited English speakers. Over half of the office staff members are bilingual.

Figure 13: Images of Social Security Administration Field Office in San Francisco, California



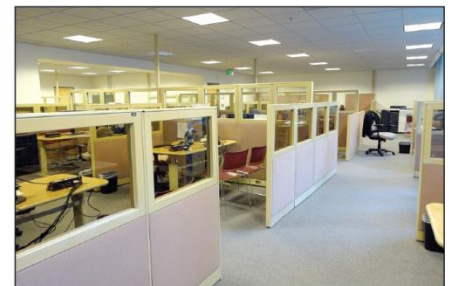
The downtown San Francisco, Calif. field office is in a federal building



Welcome signs in seven languages



Interviewing stations, where U.S. Social Security Administration staff interact with customers



Wide aisles lead to interviewing stations

Source: GAO. | GAO-17-597

Appendix III: Comments from the Social Security Administration



SOCIAL SECURITY
Office of the Commissioner

June 27, 2017

Ms. Barbara Bovbjerg
Managing Director, Education, Workforce, and Income Security Issues
United States Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Ms. Bovbjerg:

Thank you for the opportunity to review the draft report, "SOCIAL SECURITY ADMINISTRATION: Improvements Needed in Facilities Planning and Service Delivery Evaluation" (GAO-17-597). Please see our enclosed comments.

If you have any questions, please contact me at (410) 965-9704. Your staff may contact Gary S. Hatcher, Senior Advisor for the Audit Liaison Staff, at (410) 965-0680.

Sincerely,

A handwritten signature in blue ink that reads "Stephanie Hall".

Stephanie Hall
Acting Deputy Chief of Staff

Enclosure

COMMENTS ON THE GOVERNMENT ACCOUNTABILITY OFFICE DRAFT REPORT, "SOCIAL SECURITY ADMINISTRATION: IMPROVEMENTS NEEDED IN FACILITIES PLANNING AND SERVICE DELIVERY EVALUATION" (GAO-17-597)

GENERAL COMMENTS

Thank you for the opportunity to provide our comments. We appreciate GAO's acknowledgement of our effective space management and utilization techniques. We also appreciate acknowledgement of our innovative approaches to enhance service delivery. We are committed to serving our customers when and where they need us while also reducing our facilities footprint. Despite an increasing need for our services and our commitment to maintain a physical presence in local communities nationwide, we have maintained a proven record of accomplishment in real property efficiency. In addition, we have documented our commitment in our Real Property Efficiency Plans in support of the Government-wide initiative to improve the management and utilization of real property.

While we consider how to merge our strategies to reduce our footprint with our service delivery obligations, we must be mindful not to sacrifice the needs of our customers. As noted in your report, we provide services in diverse demographic areas and are unable to take a "one size fits all" approach. The many initiatives we already have in place, such as our online services, have reduced the need for the public to visit our field offices. The availability of these online services allowed us to prepare for the significant increase in the United States population (22 million) since 2007, as well as the increase in the number of Baby Boomers filing for retirement, disability, Medicare and other benefits. In fiscal year 2016 alone, we processed 1.4 million (52 percent) of retirement claims the public filed online.

Moving forward, we will continue to focus on customer service delivery enhancements that will support a reduction in our facilities footprint, such as expanding video hearing capacity, collocating field offices and hearing offices, reducing warehouse space, and working within the existing Memorandum of Understanding to conduct a proof of concept on space sharing by employees who telework. Below are our responses to the recommendations.

Recommendation 1

Develop a long-term facilities plan that explicitly links to SSA's strategic goals for service delivery, and includes a strategy for consolidating or downsizing field offices in light of increasing use of and geographic variation in remote service delivery.

Response

We agree.

Recommendation 2

Reassess and, if needed, revise its field office space standards to ensure they provide sufficient flexibility to accommodate both unexpected growth in the demand for services and new service delivery technologies.

Response

We agree.

Recommendation 3

Ensure the REALT application has the capability to accurately track the composition of SSA's office inventory over time.

Response

We agree.

Recommendation 4

Develop a cost-effective approach to identifying the most common issues with online benefit claims that require staff follow-up with applicants, and use this information to inform improvements to the online claims process.

Response

We agree.

Recommendation 5

For its alternative customer services approaches, including desktop icons and video services in third-party sites, develop performance goals and collect performance data related to these goals.

Response

We agree.

Appendix IV: GAO Contacts and Staff Acknowledgments

GAO Contacts

Barbara Bovbjerg, (202) 512-7215 or bovbjergb@gao.gov

David J. Wise, (202) 512-2834 or wised@gao.gov

Staff Acknowledgments

In addition to the contacts named above, Erin Godtland (Assistant Director), Michael Armes (Assistant Director), Lorin Obler (Analyst-in-Charge), Swati Deo, Brian Wanlass, Sydney Petersen, Susan Aschoff, James Bennett, Nicole Jarvis, Lisa Pearson, James Rebbe, Jerome Sandau, Monica Savoy, and Almeta Spencer made key contributions to this report.

Appendix V: Accessible Data

Data Tables

Data Table for Highlights figure, SSA’s Total Square Footage, Fiscal Years 2012-2016

Fiscal year	Usable square footage (in millions)
2012	26.44
2013	26.11
2014	25.43
2015	25.25
2016	25.05

Data Table for Figure 1: Social Security Administration’s Total Square Footage, Fiscal Years 2012-2016

Fiscal year	Usable square footage (in millions)
2012	26.44
2013	26.11
2014	25.43
2015	25.25
2016	25.05

Data Table for Figure 2: Total Number of Buildings Occupied by the Social Security Administration, Fiscal Years 2012-2016

Fiscal year	Usable square footage (in millions)
2012	1,634
2013	1,610
2014	1,578
2015	1,566
2016	1,558

Data Table for Figure 3: Social Security Administration’s Total Rental Costs and Rent per Square Foot, Fiscal Years 2012-2016

Total rental costs (in millions of dollars)

Fiscal Year	Actual	Adjusted for inflation (to 2016 dollars)
2012	678.26	719.08
2013	682.08	711.11
2014	689.17	705.62
2015	703.16	711.56
2016	695.14	695.14

Rental cost per square foot (in dollars)

Fiscal Year	Actual	Adjusted for inflation (to 2016 dollars)
2012	25.67	27.22
2013	26.15	27.27
2014	27.19	27.84
2015	27.85	28.18
2016	27.75	27.75

Source: GAO analysis of U.S. Social Security Administration (SSA) data.
| GAO-17-597

Data Table for Figure 4: Inventory of Social Security Administration’s Buildings According to Majority Use, Fiscal Year 2016

	Field Operations	Office of Disability Adjudication and Review	Headquarters	Warehouse	Data center	Other
Percentage of total SSA square footage	65%	15%	13%	3%	3%	1%
Total square footage (in millions)	16.238	3.854	3.219	0.737	0.657	0.348
Number of buildings ^a	1,244	242	17	8	6	41

Data Table for Figure 5: Social Security Administration's Retirement, Disability, and Benefit Verification Letter Transactions through Different Service Delivery Channels, Fiscal Years 2007-2016

Retirement applications^a

FY	Number handled by Field office (in millions)	Percentage handled by Field office	Number handled online (in millions)	Percentage handled online
2007	2.12706	91%	0.223283	9%
2008	Data not available	Data not available	0.405962	Data not available
2009	1.75487	68%	0.833433	32%
2010	1.56879	63%	0.913473	37%
2011	1.45584	59%	0.999203	41%
2012	1.42262	57%	1.07759	43%
2013	1.28817	51%	1.2526	49%
2014	1.23127	49%	1.30221	51%
2015	1.21875	47%	1.37433	53%
2016	1.293	48%	1.423	52%

Disability applications

FY	Number handled by Field office (in millions)	Percentage handled by Field office	Number handled online (in millions)	Percentage handled online
2007	2.22023	94%	0.146753	6%
2008	Data not available	Data not available	0.256152	Data not available
2009	2.22576	79%	0.595229	21%
2010	2.18797	73%	0.80106	27%
2011	62	67%	1.00093	33%
2012	1.80698	57%	1.1312	39%
2013	1.51692	54%	1.27153	46%
2014	1.28408	49%	1.35806	51%
2015	1.22489	48%	1.30587	52%
2016	1.172	48%	1.28	52%

Benefit verification letters

	Number handled by Field office or national 800 number (in millions)	Percentage handled by Field office or national 800 number	Number handled electronically (in millions)	Percentage handled electronically
2007	18.62	98%	0.32	2%
2008	Data not available	Data not available	0.41	Data not available
2009	19.05	98%	0.49	3%
2010	20.01	97%	0.62	3%
2011	20.28	96%	0.78	4%
2012	18.02	96%	0.83	4%
2013	7.0	72%	2.79	29%
2014	6.14	56%	4.75	44%
2015	6.03	47%	6.8	53%
2016	6.54	46%	7.64	54%

Source: GAO analysis of U.S. Social Security Administration (SSA) data. | GAO-17-597

Data Table for Figure 6: Percentage of Retirement Claims Received Online in Selected Social Security Administration Field Offices, Fiscal Year 2016

Map locates 12 SSA field offices in continental United States and 1 in Puerto Rico

SSA field office	Percentage of retirement claims received online	Percentage of retirement claims received by field office (in person or by phone)
Ponce, Puerto Rico	13	87
St. Louis, Mo. (Downtown)	35	65
San Francisco, Calif. (Chinatown)	33	67
San Francisco, Calif. (Downtown)	40	60
Hazard, Ken.	15	85
Johnstown, Penn.	52	48
New York, N.Y. (Midtown)	54	46
Odessa, Tex.	62	38
Douglas, Ariz.	47	53
Wilmington, Del.	49	51
Billings, Mont.	51	49
Lexington, Ken.	49	51
Poughkeepsie N.Y.	60	40

Source: GAO analysis of U.S. Social Security Administration (SSA) data. | GAO-17-597

Data Table for Figure 7: Social Security Administration’s Field Office Visits, Field Office Phone Calls, and National 800 Number Calls, Fiscal Years 2007-2016 (Number in millions)

Fiscal year	Field office visits	Field office calls	National 800 number calls
2007	42.93	NA	79.9
2008	44.46	NA	82.56
2009	45.1	NA	85.76
2010	45.46	NA	82.16
2011	44.9	NA	76.83
2012	44.9	64.31	79.01
2013	43.26	68.54	84.72
2014	40.8	69.91	81.04
2015	40.72	66.5	72.16
2016	42.7	64.92	77.4

Source: U.S. Social Security Administration (SSA) data. | GAO-17-597

Agency Comment Letter

Text of Appendix III: Comments from the Social Security Administration

Page 1

June 27, 2017

Ms. Barbara Bovbjerg

Managing Director, Education, Workforce, and Income Security Issues
United States Government Accountability Office

441 G Street, NW Washington, DC 20548

Dear Ms. Bovbjerg:

Thank you for the opportunity to review the draft report, "SOCIAL SECURITY ADMINISTRATION: Improvements Needed in Facilities

Planning and Service Delivery Evaluation" (GAO-17-597). Please see our enclosed comments.

If you have any questions, please contact me at (410) 965-9704. Your staff may contact Gary S. Hatcher, Senior Advisor for the Audit Liaison Staff, at (410) 965-0680.

Sincerely,

Stephanie Hall

Acting Deputy Chief of Staff

Enclosure

Page 2

GENERAL COMMENTS

Thank you for the opportunity to provide our comments. We appreciate GAO's acknowledgement of our effective space management and utilization techniques. We also appreciate acknowledgement of our innovative approaches to enhance service delivery. We are committed to serving our customers when and where they need us while also reducing our facilities footprint. Despite an increasing need for our services and our commitment to maintain a physical presence in local communities nationwide, we have maintained a proven record of accomplishment in real property efficiency. In addition, we have documented our commitment in our Real Property Efficiency Plans in support of the Government-wide initiative to improve the management and utilization of real property.

While we consider how to merge our strategies to reduce our footprint with our service delivery obligations, we must be mindful not to sacrifice the needs of our customers. As noted in your report, we provide services in diverse demographic areas and are unable to take a "one size fits all" approach. The many initiatives we already have in place, such as our online services, have reduced the need for the public to visit our field offices. The availability of these online services allowed us to prepare for the significant increase in the United States population (22 million) since 2007, as well as the increase in the number of Baby Boomers filing for retirement, disability, Medicare and other benefits. In fiscal year 2016

alone, we processed 1.4 million (52 percent) of retirement claims the public filed online.

Moving forward, we will continue to focus on customer service delivery enhancements that will support a reduction in our facilities footprint, such as expanding video hearing capacity, collocating field offices and hearing offices, reducing warehouse space, and working within the existing Memorandum of Understanding to conduct a proof of concept on space sharing by employees who telework. Below are our responses to the recommendations.

Recommendation 1

Develop a long-term facilities plan that explicitly links to SSA's strategic goals for service delivery, and includes a strategy for consolidating or downsizing field offices in light of

increasing use of and geographic variation in remote service delivery.

Response

We agree.

Recommendation 2

Reassess and, if needed, revise its field office space standards to ensure they provide sufficient flexibility to accommodate both unexpected growth in the demand for services and new service delivery technologies.

Page 3

Response

We agree.

Recommendation 3

Ensure the REALT application has the capability to accurately track the composition of SSA's office inventory over time.

Response

We agree.

Recommendation 4

Develop a cost-effective approach to identifying the most common issues with online benefit claims that require staff follow-up with applicants, and use this information to inform improvements to the online claims process.

Response

We agree.

Recommendation 5

For its alternative customer services approaches, including desktop icons and video services in third-party sites, develop performance goals and collect performance data related to these goals.

Response

We agree.

Related GAO Products

High Risk Series: Progress on Many High-Risk Areas, While Substantial Efforts Needed on Others. [GAO-17-317](#). Washington, D.C.: February 15, 2017.

Social Security: Improvements to Claims Process Could Help People Make Better Informed Decisions about Retirement Benefits. [GAO-16-786](#). Washington, D.C.: September 14, 2016.

Federal Real Property: GSA Could Decrease Leasing Costs by Encouraging Competition and Reducing Unneeded Fees. [GAO-16-188](#). Washington, D.C.: January 13, 2016.

Social Security Administration: Long-Term Strategy Needed to Address Key Management Challenges. [GAO-13-459](#). Washington, D.C.: May 29, 2013.

Federal Real Property: Strategic Partnerships and Local Coordination Could Help Agencies Better Utilize Space. [GAO-12-779](#). Washington, D.C.: July 25, 2012.

Federal Real Property: National Strategy and Better Data Needed to Improve Management of Excess and Underutilized Property. [GAO-12-645](#). Washington, D.C.: June 20, 2012.

Social Security Administration: Better Planning Needed to Improve Service Delivery. [GAO-10-586T](#). Washington, D.C.: April 15, 2010.

Social Security Administration: Service Delivery Plan Needed to Address Baby Boom Retirement Challenges. [GAO-09-24](#). Washington, D.C.: January 9, 2009.

GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's website (<http://www.gao.gov>). Each weekday afternoon, GAO posts on its website newly released reports, testimony, and correspondence. To have GAO e-mail you a list of newly posted products, go to <http://www.gao.gov> and select "E-mail Updates."

Order by Phone

The price of each GAO publication reflects GAO's actual cost of production and distribution and depends on the number of pages in the publication and whether the publication is printed in color or black and white. Pricing and ordering information is posted on GAO's website, <http://www.gao.gov/ordering.htm>.

Place orders by calling (202) 512-6000, toll free (866) 801-7077, or TDD (202) 512-2537.

Orders may be paid for using American Express, Discover Card, MasterCard, Visa, check, or money order. Call for additional information.

Connect with GAO

Connect with GAO on [Facebook](#), [Flickr](#), [LinkedIn](#), [Twitter](#), and [YouTube](#).
Subscribe to our [RSS Feeds](#) or [E-mail Updates](#). Listen to our [Podcasts](#).
Visit GAO on the web at www.gao.gov and read [The Watchblog](#).

To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Website: <http://www.gao.gov/fraudnet/fraudnet.htm>
E-mail: fraudnet@gao.gov
Automated answering system: (800) 424-5454 or (202) 512-7470

Congressional Relations

Katherine Siggerud, Managing Director, siggerudk@gao.gov, (202) 512-4400,
U.S. Government Accountability Office, 441 G Street NW, Room 7125,
Washington, DC 20548

Public Affairs

Chuck Young, Managing Director, youngc1@gao.gov, (202) 512-4800
U.S. Government Accountability Office, 441 G Street NW, Room 7149
Washington, DC 20548

Strategic Planning and External Liaison

James-Christian Blockwood, Managing Director, spel@gao.gov, (202) 512-4707
U.S. Government Accountability Office, 441 G Street NW, Room 7814,
Washington, DC 20548