INFORMATION TECHNOLOGY

Veterans Affairs Can Further Improve Its Development Process for Its New Education Benefits System

Why GAO Did This Study

The Post-9/11 GI Bill was signed into law in June 2008 and provides educational assistance for veterans and members of the armed forces who served on or after September 11, 2001. The Department of Veterans Affairs (VA) is responsible for processing claims for these new education benefits. VA concluded that its legacy systems and manual processes were insufficient to support the new benefits and, therefore, began an initiative to modernize its benefits processing capabilities. The long-term solution was to provide a fully automated end-to-end information technology (IT) system to support the delivery of benefits by December 2010. VA chose an incremental development approach, called Agile software development, which is intended to deliver functionality in short increments before the system is fully deployed.

GAO was asked to (1) determine the status of VA's development and implementation of its IT system to support the implementation of education benefits identified in the Post-9/11 GI Bill and (2) evaluate the department's effectiveness in managing its IT project for this initiative.

What GAO Recommends

To help guide the full development and implementation of the long-term solution, GAO is recommending that VA take five actions to improve its development process for its new education benefits system. VA concurred with three of GAO's five recommendations and provided details on planned actions, but did not concur with the remaining two.

View GAO-11-115 or key components. For more information, contact Valerie C. Melvin at (202) 512-6304 or melvinv@gao.gov.

What GAO Found

VA has made important progress in delivering key automated capabilities to process the new education benefits. Specifically, it deployed the first two of four releases of its long-term system solution by its planned dates, thereby providing regional processing offices with key automated capabilities to prepare original and amended benefit claims. In addition, the Agile process allowed the department the flexibility to accommodate legislative changes and provide functionality according to business priorities. While progress has been made, VA did not ensure that certain critical tasks were completed that were initially expected to be included in the second release by June 30, 2010. For example, the conversion of data from systems in the interim solution to systems developed for the long-term solution was not completed until August 23, 2010. Because of the delay, VA planned to reprioritize the functionality that was to be included in the third release. Further, while VA plans to include full self-service capabilities to veterans, it will not do so in the fourth release as scheduled; instead it intends to provide this capability after the release or in a separate initiative. VA reported obligations and expenditures for these releases, through July 2010, to be approximately $84.6 million, with additional planned obligations of $122.5 million through fiscal year 2011.

VA has taken important steps by demonstrating a key Agile practice essential to effectively managing its system development—establishing a cross-functional team that involves senior management, governance boards, key stakeholders, and distinct Agile roles. In addition, VA made progress toward demonstrating three other Agile practices—focusing on business priorities, delivering functionality in short increments, and inspecting and adapting the project as appropriate. Specifically, to ensure business priorities are a focus, VA established a vision that captures the project purpose and goals and established a plan to maintain requirements traceability. To aid in delivering functionality, the department established an incremental testing approach. It also used an oversight tool, which was intended to allow the project to be inspected and adapted by management. However, VA could make further improvements to these practices. In this regard, it did not (1) establish metrics for the goals or prioritize project constraints; (2) always maintain traceability between legislation, policy, business rules, and test cases; (3) establish criteria for work that was considered "done" at all levels of the project; (4) provide for quality unit and functional testing during the second release, as GAO found that 10 of the 20 segments of system functionality were inadequate; and (5) implement an oversight tool that depicted the rate of the work completed and the changes to project scope over time. Until VA improves these areas, management will lack the visibility it needs to clearly communicate progress and unresolved issues in its development processes may not allow VA to maximize the benefits of the system.

_____ **United States Government Accountability Office**