



SOCIAL SECURITY

June 29, 2009

The Honorable Charles E. Grassley
Ranking Member
Committee on Finance
United States Senate
Washington, D.C. 20510

Dear Mr. Grassley:

In a March 6, 2009 letter, you requested that we provide assistance in determining whether the Social Security Administration (SSA) performs adequate oversight of its representative payees. Specifically, we were requested to provide information related to the following issues.

- Unimplemented recommendations from prior Office of the Inspector General representative payee audits and evaluations.
- Unimplemented recommendations made by the National Academies in its 2007 report on representative payees.
- Representative payees serving as a job placement or job referral service.
- Representative payees serving as employers to the beneficiaries they represent.

To obtain the information requested, we collected data for various representative payee recommendations from the Agency and analyzed SSA's records to identify payees who are placing their beneficiaries with common employers.

My office is committed to combating fraud, waste, and abuse in SSA's operations and programs. Thank you for bringing your concerns to my attention. The report highlights various facts pertaining to the issues raised in your letter. To ensure SSA is aware of the information provided to your office, we are forwarding a copy of this report to the Agency.

Page 2 - The Honorable Charles E. Grassley

If you have any questions concerning this matter, please call me or have your staff contact Wade Walters, Assistant Inspector General for External Relations, at (202) 358-6319.

Sincerely,



Patrick P. O'Carroll, Jr.
Inspector General

Enclosure

cc:

Michael J. Astrue

CONGRESSIONAL RESPONSE REPORT

*The Social Security Administration's
Oversight of Representative Payees*

A-13-09-29141



June 2009

Mission

By conducting independent and objective audits, evaluations and investigations, we inspire public confidence in the integrity and security of SSA's programs and operations and protect them against fraud, waste and abuse. We provide timely, useful and reliable information and advice to Administration officials, Congress and the public.

Authority

The Inspector General Act created independent audit and investigative units, called the Office of Inspector General (OIG). The mission of the OIG, as spelled out in the Act, is to:

- Conduct and supervise independent and objective audits and investigations relating to agency programs and operations.
- Promote economy, effectiveness, and efficiency within the agency.
- Prevent and detect fraud, waste, and abuse in agency programs and operations.
- Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations.
- Keep the agency head and the Congress fully and currently informed of problems in agency programs and operations.

To ensure objectivity, the IG Act empowers the IG with:

- Independence to determine what reviews to perform.
- Access to all information necessary for the reviews.
- Authority to publish findings and recommendations based on the reviews.

Vision

We strive for continual improvement in SSA's programs, operations and management by proactively seeking new ways to prevent and deter fraud, waste and abuse. We commit to integrity and excellence by supporting an environment that provides a valuable public service while encouraging employee development and retention and fostering diversity and innovation.

Background

OBJECTIVE

Our objective was to provide information related to the Social Security Administration's (SSA) oversight of its representative payees. Specifically, our objective was to provide the information requested in the following areas.

- Unimplemented recommendations from prior Office of the Inspector General (OIG) representative payee audits and evaluations.
- Unimplemented recommendations made by the National Academies in its 2007 report on representative payees.
- Representative payees serving as a job placement or job referral service.
- Representative payees serving as employers to the beneficiaries they represent.

BACKGROUND

Some individuals cannot manage or direct the management of their finances because of their youth and/or mental or physical impairments. Congress granted SSA the authority to appoint representative payees to receive and manage these beneficiaries' benefit payments.¹ A representative payee may be an individual or an organization. SSA selects representative payees for Old-Age, Survivors and Disability Insurance (OASDI) program² and/or Supplemental Security Income (SSI) program³ beneficiaries when representative payments would serve the individual's interests.⁴

In a March 2009 letter, Senator Grassley wrote, "As evidenced by recent media reports on SSA beneficiaries with representative payees, individuals with mental impairments can fall prey to mistreatment from others." The Senator cited an article highlighting a situation where a Texas-based business "...paid mentally disabled men a pittance to work for an Iowa meat processing plant." After learning of this situation, Senator Grassley indicated the need to ensure SSA exerts adequate oversight of and has the commitment to continuously improve its management of representative payees.

¹ Social Security Act §§ 205(j)(1) and 1631(a)(2); 42 U.S.C. §§ 405(j)(1) and 1383(a)(2).

² The OASDI program provides benefits to qualified retired and disabled workers and their dependents as well as to survivors of insured workers (Social Security Act § 202 *et seq.*, 42 U.S.C. § 402 *et seq.*).

³ The SSI program provides payments to individuals who have limited income and resources and who are age 65 or older, blind or disabled. 20 Code of Federal Regulations (C.F.R.) § 416.110.

⁴ The term "beneficiary" is used generically in this report to refer to both OASDI beneficiaries and SSI recipients.

On February 7, 2009, Iowa State officials removed 21 mentally disabled adult males from an Iowa turkey processing plant where they worked in what was described as an undesirable environment. Most of these individuals, who ranged from 39- to 70-years old, were receiving Social Security benefits. Hill Country Farms, Inc., in Goldthwaite, Texas, served as the representative payee for 20 of these individuals. SSA reported Henry's Turkey Service, a subsidiary of Hill Country Farms, Inc., was an employment service that contracted with the Iowa turkey processing plant. More than 20 years ago, Hill Country Farms sent many of these men to Iowa from Texas to work at the plant. SSA also indicated the individuals receiving Social Security benefits were appointed new payees.

To assist in determining whether the Agency performs adequate oversight of its representative payees, Senator Grassley requested our office provide information about SSA's Representative Payment Program. See Appendix B for the scope and methodology of our review.

Results of Review

Responses to Requests in March 2009 Letter

Issue 1: Unimplemented Recommendations from Prior OIG Representative Payee Audits and Evaluations

Given the risk of representative payee misuse and the vulnerability of beneficiaries, we believe it is imperative that SSA have appropriate safeguards to ensure representative payees perform their responsibilities. As we reported in our November 2008 statement on SSA's major management and performance challenges,⁵ representative payees continue to be a significant challenge for the Agency. Our prior audits and evaluations of representative payees and representative payee issues have found significant problems with payee performance and SSA oversight. In prior reports, we made numerous recommendations to improve SSA's Representative Payment Program. SSA has implemented most of our recommendations. However, some recommendations remain unimplemented. We track all recommendations made to SSA until they are implemented or closed. SSA provides periodic updates on the status of unimplemented recommendations until they are resolved.

As of May 18, 2009, we continued to track 15 unimplemented representative payee recommendations made to SSA before March 31, 2009.⁶ SSA reported it continued to take action on these recommendations. For example, we recommended that SSA continue to pursue recovery of any outstanding overpayments to organizational representative payees that resulted from benefits issued to the organizations after beneficiaries' deaths.⁷ SSA reports it completed the review and overpayment assessment for 48 of the 52 beneficiaries we identified where payments were issued after death. The Agency indicated the overpayments for these 48 beneficiaries were either recovered or controlled for refund. SSA also reported it expects to complete the remaining four cases by the end of June 2009. See Appendix C for a detailed listing of the 15 unimplemented OIG recommendations.

⁵ *Fiscal Year 2008 Inspector General Statement on the Social Security Administration's Major Management and Performance Challenges* (A-02-09-19074), issued November 2008.

⁶ To provide SSA an opportunity to implement our recommendations, audit and evaluation reports issued on or after March 31, 2009, were not included.

⁷ *Organizational Representative Payees Reporting Beneficiaries' Deaths* (A-01-06-15068), issued April 2008.

Issue 2: Unimplemented Recommendations Made by the National Research Council of the National Academies in Its 2007 Report on Representative Payees

In July 2007, the National Research Council of the National Academies issued its report, *Improving the Social Security Representative Payee Program: Serving Beneficiaries and Minimizing Misuse*. In addition to summarizing its survey results, the report contained conclusions and recommendations to improve SSA's Representative Payment Program. On April 15, 2008, SSA issued its response to the National Academies report. The response addressed the 28 recommendations identified in the report to improve its Representative Payment Program.

In responding to this question, we did not independently verify that any of the 28 recommendations had been implemented. Rather, we requested the Agency provide status information for all the recommendations in the National Academies report. SSA reported the status for 19 of the 28 recommendations. See Appendix D for the status of these recommendations as of May 2009.

Issue 3: Representative Payees Serving as a Job Placement or Job Referral Service

SSA does not maintain information on whether specific representative payees are serving as job placement, job referral or employers for the beneficiaries in their care. To obtain information to respond to this request, we analyzed SSA's automated records to identify representative payees that appeared to be placing their beneficiaries with common employers. To conduct our analysis, we established criteria that we believed would indicate payees who were acting as a job placement or job referral service for their beneficiaries. Specifically, we used information recorded in the Agency's information systems to identify organizational representative payees that had the following characteristics.⁸

- Payees served between 5 and 49 beneficiaries.⁹
- Beneficiaries had wages reported anytime during Calendar Years 2003 to 2007.
- Two or more beneficiaries had wages reported for the same employer.
- Payees had employer identification numbers (EIN)¹⁰ that were different from the employers associated with wages reported for the beneficiaries.

⁸ See Appendix B for more information.

⁹ We selected organizational payees that served a minimum of five beneficiaries. In addition, we selected payees for whom SSA policy does not require site reviews. SSA conducts site reviews of organizations serving 50 or more beneficiaries.

¹⁰ The EIN is a nine-digit number assigned by the Internal Revenue Service to sole proprietors, corporations, partnerships, estates, trusts and other entities for tax filing and reporting purposes. SSA records EINs with the associated wage postings.

Based on these factors, we identified 2,602 organizational representative payees that may also serve as job placement or referral services for their beneficiaries. Using a similar methodology, we also identified 113 individual representative payees who could be serving as job placement or referral services or employers to the beneficiaries they represent.

To provide additional information regarding representative payees serving as job placement or job referral services to the beneficiaries they serve, we requested the Agency provide responses to the following questions.

OIG Question 1: *What is the specific policy or memorandum that allows or disallows payees to serve as job placement/referral services?*

SSA Response: SSA follows existing representative payee policy for applicants who are also job placement/referral services. The core principle in payee appointment policy is to select the applicant who is best suited to serve as a payee. While application of that principle will generally result in a family member serving as payee, sometimes an organization which provides other services to the beneficiary is in the best position to serve. (The basis for the policy is contained in the Social Security Act §§ 205(j) and 1631(a)(2), 20 C.F.R. 404.2020 through 404.2024, 20 C.F.R. 416.620 through 416.624 and in POMS [Program Operations Manual System] GN [General] 00502.100 through 00502.185.)

OIG Question 2: *How many representative payees are serving as job placement/referral services? How many beneficiaries are served by these representative payees?*

SSA Response: SSA does not have management information that provides this information.

Issue 4: Representative Payees Serving as Employers to the Beneficiaries They Represent

In addition, our analysis of information recorded in the Agency's information systems allowed us to identify organizational representative payees that appear to be serving as employers to the beneficiaries they represent. To identify these payees, we used characteristics similar to those used to identify payees that could be serving as job placement/referral services. However, we identified payees whose EINs matched the employers who reported wages for the beneficiaries. As a result, we identified 963 organizational representative payees who could be serving as employers to the beneficiaries they served.¹¹

¹¹ *Id.*

The following responses were provided by the Agency during our review.

OIG Question 1: *What is the specific policy or memorandum that allows or disallows payees to serve as employers to the beneficiaries they serve?*

SSA Response: SSA follows existing representative payee policy for applicants who are also employers to the beneficiaries they represent. The core principle in payee appointment policy is to select the applicant who is best suited to serve as a payee. While application of that principle will generally result in a family member serving as payee, sometimes an organization which provides other services to the beneficiary is in the best position to serve.

OIG Question 2: *How many representative payees are serving as employers to the beneficiaries they serve? How many beneficiaries are served by these representative payees?*

SSA Response: SSA reported 2,500 representative payees serving as employers to the 30,000 beneficiaries they serve.

Information Applicable to Representative Payees Serving as a Job Placement Service, Job Referral Service, or Employer to the Beneficiaries They Represent

In addition to the previous information, we requested SSA to respond to these questions.

OIG Question 1: *If representative payees are allowed to serve in these capacities, what are the requirements for payees who serve as job placement/referral services or employers to the beneficiaries they serve?*

SSA Response: SSA follows existing representative payee policy to address this kind of payee. The core principle in the payee appointment policy is to select the applicant who is best suited to serve as a payee. While application of that principle will generally result in a family member serving as payee, sometimes an organization which provides other services to the beneficiary is in the best position to serve.

OIG Question 1a: *What procedures or mechanisms are in place to ensure these representative payees follow Agency policy?*

SSA Response: Like all other payees they must complete annual representative payee report (accounting) forms. In addition, payee organizations who serve 50 or more beneficiaries are subject to site reviews. If SSA receives a report from a third party that raises questions about the suitability of the representative payee, the Agency opens an investigation and can refer the case to the Inspector General.

OIG Comment: SSA subsequently provided additional information about its representative payee reports and site reviews. See Appendix E for the type of payee reports mailed and reviewed by the Agency for Fiscal Years (FY) 2006 to 2008. Appendix F contains information about the type of representative payee reviews performed by the Agency and the number of reviews conducted during FYs 2006 to 2008.

OIG Question 1b: *What are the Agency's monitoring/oversight activities for these payees to ensure compliance with policy?*

SSA Response: Like all other payees they must complete annual representative payee report (accounting) forms. In addition, payee organizations who serve 50 or more beneficiaries are subject to site reviews. If SSA receives a report from a third party that raises questions about the suitability of the representative payee, the Agency opens an investigation and can refer the case to the Inspector General.

OIG Question 1c: *What are the results from the Agency's FY 2008 monitoring/oversight activities of these representative payees?*

SSA Response: In FY 2008, SSA did not conduct any special reviews of payees who employ beneficiaries. However, like all other payees, they must complete annual representative payee report (accounting) forms. In addition, payee organizations who serve 50 or more beneficiaries are subject to site reviews.¹²

OIG Question 1d: *If policy does not exist regarding these types of payee/beneficiary relationships, does the Agency plan to address these types of relationships?*

SSA Response: SSA will update its policies to address these situations. As a result of the Hill Country Farms situation, SSA is taking a closer look at payees who employ beneficiaries. Initially, the Agency reported its staff will be visiting some of the payees, interviewing beneficiaries, and looking at the work site. SSA will report any health or safety problems to the proper authorities. In addition, if Agency staff sees any indication of misuse, they will conduct a more in-depth financial review of the organization. SSA will be in a better position to know the extent of the problem once reviews of these payees are complete and at that time the Agency will decide what additional policies, if any, are needed.¹³

¹² Although the question pertained to payees serving as job placement services, job referral services, or payees that serve as employers to the beneficiaries they represent, SSA's response was limited to payees that serve as employers.

¹³ *Id.*

OIG Comment: SSA subsequently reported it has “...taken a closer look at payees who employ beneficiaries and we have 1) identified payees who also employ their beneficiaries; 2) made a sample selection of that population; 3) published new monitoring instructions that include a review of the work site; and 4) started the review of these payees.”

Conclusions

We believe representative payees that also serve as job placement services, job referral services, or employers to the beneficiaries they represent should be adequately monitored. Based on our analysis of information recorded in SSA's information systems, we believe there may be a significant number of payees providing job placement or job referral services to the beneficiaries they represent. In addition, the Agency reported it has 2,500 payees serving as employers to 30,000 beneficiaries.

To date, representative payees who also serve as job placement/referral services or employers to the beneficiaries they serve have not received more monitoring or oversight by SSA than any other type of payee. Given the risk of representative payee misuse and the vulnerability of these beneficiaries, it is imperative that appropriate safeguards exist to ensure representative payees perform their duties and such relationships do not disadvantage beneficiaries. SSA reported it has "...taken a closer look at payees who employ beneficiaries and we have 1) identified payees who also employ their beneficiaries; 2) made a sample selection of that population; 3) published new monitoring instructions that include a review of the work site; and 4) started the review of these payees."

Our analysis of SSA's electronic data identified 3,565 organizations and 113 individual payees who may serve as job placement/referral services or employers for the beneficiaries in their care. To determine whether these payee-beneficiary relationships place beneficiaries at added risk, we plan to randomly select 50 of these payees for site visits to the beneficiaries' homes and places of work. We will disclose the results of our review in a separate report when our site visits are completed.

Appendices

[**APPENDIX A**](#) – Acronyms

[**APPENDIX B**](#) – Scope and Methodology

[**APPENDIX C**](#) – Unimplemented Office of the Inspector General Recommendations
Related to Representative Payees

[**APPENDIX D**](#) – Status of the National Academies’ Recommendations

[**APPENDIX E**](#) – Representative Payee Reports

[**APPENDIX F**](#) – Representative Payee Reviews

Appendix A

Acronyms

AARP	American Association of Retired Persons
C.F.R.	Code of Federal Regulations
CWS	Child Welfare Services
DOC	Difficulty of Care
EIN	Employer Identification Number
FMO	Fiscal Management Office
FY	Fiscal Year
HDHS	Hawaii Department of Human Services
Ittleson Center	Henry Ittleson Center
NAS/National Academies	National Research Council of the National Academies
OASDI	Old-Age, Survivors and Disability Insurance
OIG	Office of the Inspector General
OSCAR	Onsite Security Control and Audit Review
Partnership	Partnership for Strong Families
POMS	Program Operations Manual System
RPS	Representative Payee System
SSA	Social Security Administration
SSI	Supplemental Security Income
Treasury	Department of the Treasury
U.S.C.	United States Code

Scope and Methodology

We collected and reviewed information specific to the issues identified in the March 6, 2009 letter from Senator Charles E. Grassley, Ranking Member, Senate Committee on Finance. In the letter, Senator Grassley requested our assistance in determining whether the Social Security Administration (SSA) was performing adequate oversight of its representative payees. Specifically, we were asked to provide information related to (a) unimplemented representative payee recommendations; (b) payees that provide job placement services or job referral services to beneficiaries they represent; and (c) payees serving as employers to beneficiaries.

To achieve our objective, we:

- Reviewed applicable Federal laws and regulations and SSA's policies and procedures.
- Coordinated with SSA's Audit Management and Liaison Staff within the Office of the Deputy Commissioner for Budget, Finance and Management to obtain the status of SSA actions for unimplemented recommendations from prior representative payee audits and evaluations performed by the Office of the Inspector General.
- Coordinated with the Office of Supplemental Security Income and Representative Payee Policy within the Office of the Deputy Commissioner for Retirement and Disability Policy for the status of recommendations made by the National Research Council of the National Academies.
- Obtained an electronic data extract of representative payees who could be (1) placing their beneficiaries with common employers (job placement services), (2) serving as job referral services, or (3) acting as employers to the beneficiaries they represent. To identify these payees, we:
 - Used information recorded for representative payees and the beneficiaries they serve in SSA's (a) Representative Payee System, (b) Master Beneficiary Record, (c) Supplemental Security Record, (d) Master Earnings File, (e) Suspense File, and (f) Prisoner Update Processing System.
 - We identified organizational representative payees that served between 5 and 49 beneficiaries; had beneficiaries with wages reported anytime during Calendar Years 2003 to 2007; had 2 or more beneficiaries with wages reported for the same employer; and had employer identification numbers (EIN) for beneficiaries' reported wages that were different from the payees' EINs. Organizational payees that met these criteria could be serving as job placement or job referral services to the beneficiaries they represent. In total,

we identified 2,602 organizational representative payees who could be serving as job placement or referral services.

- We identified organizational representative payees that served between 5 and 49 beneficiaries; had beneficiaries with wages reported anytime during Calendar Years 2003 to 2007; had two or more beneficiaries with wages reported for the same employer; and had EINs for beneficiaries' reported wages that were the same as the payees' EINs. Organizational payees that met these criteria could be serving as employers of the beneficiaries they represent. In total, we identified 963 organizational representative payees who could be serving as employers to the beneficiaries they represent.
- We identified individual representative payees who served between 5 and 14 beneficiaries;¹ had beneficiaries with wages reported anytime during Calendar Years 2004 to 2008; and had 2 or more beneficiaries with wages reported for the same employer. Individual representative payees do not have EINs. Therefore, we could not determine whether individual representative payees' EINs were the same as the employers associated with reported wages. Individual payees who met these criteria could be serving as job placement or job referral services or as employers for the beneficiaries they represent. In total, we identified 113 individual representative payees who could be serving as job placement, job referral services or employers to the beneficiaries they represent.

The SSA operating components reviewed were the Offices of the Deputy Commissioners for Operations, and Retirement and Disability Policy. We performed our review in Baltimore, Maryland, from April through May 2009. We conducted our review in accordance with the *Quality Standards for Inspections* issued by the President's Council on Integrity and Efficiency.²

¹ We selected individual payees who served a minimum of five beneficiaries. In addition, we selected payees for whom SSA policy does not require site reviews. SSA conducts site reviews of individual payees serving 15 or more beneficiaries.

² In January 2009, the President's Council on Integrity and Efficiency was superseded by the Council of the Inspectors General on Integrity and Efficiency, *Inspector General Reform Act of 2008*, Pub. L. No. 110-409 § 7, 5 U.S.C. App. 3 § 11.

Appendix C

Unimplemented Office of the Inspector General Recommendations Related to Representative Payees

Report	OIG Recommendation	Agency Response	Status of Action
<i>Financial-Related Audit of the Harris County Guardianship Program – An Organizational Representative Payee for the Social Security Administration (A-04-02-12020) issued December 2002</i>	Review the appropriateness of all guardianship fees paid from the Social Security Administration (SSA) beneficiaries' funds since the payee began serving as a representative payee and instruct the payee to return unapproved and/or excessive fees to affected beneficiaries.	SSA decided to leave this issue to the payee to dispute. However, SSA planned to make case by case determinations of excess fees depending on how the legal issue of whether fees were charged in violation of the Texas Probate Code was resolved. If no fees should have been charged, all fees charged will have to be remitted. If fees are allowed under the Code, SSA would make a determination as to whether the fees were excessive. Some cases may require referral to the Regional Office of General Counsel.	No additional information provided.
<i>Cabinet for Families and Children, Department for Community Based Services, Division of Protection and Permanency - An Organizational Representative Payee for the Social Security Administration (A-08-03-13084) issued March 2004</i>	Direct the payee to remove its general beneficiary funds from Kentucky's General Depository account and establish a specific title that expressly shows a custodian-ward relationship to guarantee its payees' deposits will be maximally insured by deposit insurance.	Kentucky's fiscal policy is established as a master account with sub-accounts for each agency. They maintain details for each beneficiary, including the exact amount used and held for each individual. In the past, the State has been adamant that this policy cannot be changed. However, SSA is exploring whether this arrangement is in compliance with its policy. Once a final determination is made, the payee will be notified. In addition, SSA was consulting with its Office of General Counsel to determine whether the Kentucky accounting system is considered a "public unit account," and whether each beneficiary is insured up to the standard \$100,000.	No additional information provided.

Report	OIG Recommendation	Agency Response	Status of Action
<i>Conserved Funds for Deceased Beneficiaries with Non-Related Representative Payees</i> (A-13-03-23085) issued March 2004	Develop specific policy to define the oversight responsibilities of non-related representative payees' disposition of conserved funds after the death of a beneficiary.	SSA disagreed with the recommendation, stating that under the <i>Social Security Act</i> , SSA does not have an oversight responsibility after the death of a beneficiary and therefore its authority is limited. When SSA receives a report of death, policy requires notification to the representative payee that any conserved funds belong to the beneficiary's estate and should be forwarded to the estate for proper disposition. Conserved funds are the property of the beneficiary, and upon the death of a beneficiary, State law governs the disposition of the beneficiary's property. The death of the beneficiary ends SSA's oversight responsibilities. However, SSA agreed to modify its instructions to require reviewers conducting on-site reviews to remind payees of the requirement to turn over conserved funds, and to ask payees if they have turned over conserved funds, to a deceased beneficiary's estate.	No additional information provided.
<i>Restitution of Misused Funds to Beneficiaries Under Public Law 108-203</i> (A-09-05-15139) issued August 2006	Revise its representative payee policies for reissuing misused funds for deceased beneficiaries to ensure consistency with SSA's policies for repaying misused and conserved funds to the survivors and estates of these individuals.	SSA disagreed with this recommendation, stating the Agency's instructions regarding restitution of misused benefits for deceased beneficiaries require revision.	No additional information provided.

Report	OIG Recommendation	Agency Response	Status of Action
<i>Partnership for Strong Families, An Organizational Representative Payee for the Social Security Administration (A-04-07-17084) issued March 2008</i>	Reimburse the eight Title XVI recipients \$11,307 in monthly benefits that the payee incorrectly returned to SSA. This amount includes the benefits the payee returned because it mistakenly concluded the recipients' resources exceeded Title XVI limits.	<p>Although SSA originally agreed with this recommendation, it later revised its position stating there is no legal basis for this recommendation. Although the payee owed foster care payments to the State, there were no outstanding checks written to the State. If checks had been written to the State, the value of the uncashed checks could have been deducted from the first-of-the-month balances. The Office of the Inspector General maintained that the payee used improper accounting practices. The Agency was unable to substantiate this position. The account balances correctly reflected the availability of funds as of the first of the month. These funds exceeded the resource limit of \$2,000.</p> <p>As a result, the eight Title XVI recipients whose monthly benefits were incorrectly reimbursed will be overpaid. Corrective action will be taken on each Supplemental Security Record and the appropriate overpayment notices will be issued. Partnership for Strong Families (Partnership) will have the option of refunding the overpaid amount or requesting a waiver. The Agency will strongly consider waiving these overpayments due to an administrative error.</p>	SSA revised its response to this recommendation by disagreeing with the recommendation and issuing an internal addendum to the final report. The internal addendum was issued October 2008.
<i>Partnership for Strong Families, An Organizational Representative Payee for the Social Security Administration (A-04-07-17084) issued March 2008</i>	Ensure the payee better manages recipients' conserved fund accounts so balances (1) do not exceed the Title XVI resource limit or (2) are not incorrectly reported as exceeding the limit.	SSA concurred with this recommendation and provided no additional comments.	A review was done at the end of March 2009. SSA was waiting for the final report to confirm Partnership's better management and monitoring of conserved funds.

Report	OIG Recommendation	Agency Response	Status of Action
<i>Partnership for Strong Families, An Organizational Representative Payee for the Social Security Administration (A-04-07-17084) issued March 2008</i>	Ensure the payee disburses conserved funds, as appropriate, to help foster parents meet their children's more personal needs. At a minimum, the payee should disburse the \$30 personal needs allowance that is withheld monthly from SSA payments.	SSA concurred with this recommendation and had no additional comments.	To ensure internal procedures for the disbursement of personal needs allowance are consistently being followed, a follow-up review was conducted in March 2009. SSA was waiting for the final report to confirm that Partnership is disbursing the \$30 personal needs allowance as appropriate.
<i>Partnership for Strong Families, An Organizational Representative Payee for the Social Security Administration (A-04-07-17084) issued March 2008</i>	Instruct the payee to ensure all documentation is maintained to corroborate expenditures for beneficiary's personal needs that are paid for with conserved benefits.	SSA concurred with this recommendation and had no additional comments.	To ensure bookkeeping and accounting procedures were strengthened since the previous report, a follow-up review was conducted in March 2009. SSA was waiting for the final report to confirm that all documentation is maintained to corroborate expenditures for beneficiaries' personal needs.

Report	OIG Recommendation	Agency Response	Status of Action
<i>The Henry Ittleson Center - An Organizational Representative Payee for the Social Security Administration (A-02-07-27077) issued March 2008</i>	Work with the Jewish Board of Families and Children's Services, Inc. and the Henry Ittleson Center (Ittleson Center), for as long as they are payee to establish effective internal controls over the receipt and management of Supplemental Security Income (SSI) payments and to ensure that complete financial records supporting the receipt, recording, disbursement and maintenance of payments are maintained.	SSA stated it would work with the payee to establish more effective controls to ensure they adhere to payee guidelines.	SSA is conducting a full site review at the Ittleson Center to ensure it has established internal procedures and guidelines on how to manage the beneficiaries' funds and adhere to representative payee guidelines.
<i>The Henry Ittleson Center - An Organizational Representative Payee for the Social Security Administration (A-02-07-27077) issued March 2008</i>	Determine whether any of the other 185 facilities are serving as a representative payee, and, if so, ensure the facilities are properly accounting for and managing all SSI payments they receive in accordance with applicable regulations and SSA's policies and procedures.	SSA's research found that there were 19 organizations in the Representative Payee System (RPS), and only 15 of the 19 in RPS were active payees, 2 of them being the Ittleson locations. The website only contained a list of approximately 130 organizations, many of whom were listed more than once, as they sponsored multiple programs. SSA requested a list of the 185 facilities to ensure it identified all that were representative payee for any beneficiaries/recipients.	No additional information provided.
<i>Organizational Representative Payees Reporting Beneficiaries' Deaths (A-01-06-15068) issued April 2008</i>	Continue to pursue recovery of any outstanding overpayments to organizational representative payees that resulted from benefits issued to the organizations after beneficiaries' deaths.	SSA agreed to follow up with the organizational payees to recover debts owed.	SSA completed the review and overpayment assessment for 48 of the 52 beneficiaries where payments were issued after death. The overpayments for these 48 beneficiaries were either recovered or controlled for refund. SSA expected to complete the remaining four cases by June 2009.

Report	OIG Recommendation	Agency Response	Status of Action
Organizational Representative Payees Reporting Beneficiaries' Deaths (A-01-06-15068) issued April 2008	Conduct reviews for the 8 volume payees—and the 22 other organizations that represented fewer than 50 beneficiaries—to ensure the payees were performing their duties satisfactorily.	SSA agreed and sent this workload to the respective regions for handling.	SSA performed on-site reviews on 5 of the 8 volume payees and 15 of the 22 other organizations. SSA expected to complete the remaining on-site reviews by the end of May 2009.
Beneficiary and Recipient Use of "In Care of" Addresses (A-06-08-18015) issued August 2008	Remind field offices to discontinue the practice of promoting/recommending use of any individual financial institution or type of institution over another.	SSA agreed to send a reminder to field office staff not to promote or recommend the use of one financial institution over another for direct deposit. SSA planned to issue the reminder by December 31, 2008.	No additional information provided.
Beneficiary and Recipient Use of "In Care of" Addresses (A-06-08-18015) issued August 2008	Include steps in the Onsite Security Control and Audit Review (OSCAR) process to ensure field offices do not promote/recommend use of any individual financial institution or type of institution over another.	SSA disagreed, stating that although it is important that personnel not promote/recommend use of any individual financial institution or type of institution over another, the OSCAR guide is not the appropriate mechanism for disseminating this information. The OSCAR guide is an audit package used to review aspects of SSA operations to ensure specific actions are processed according to established policies and procedures (items such as third-party drafts, enumeration actions, and time and attendance records are reviewed for accuracy, completeness, and adherence to established guidelines). The OSCAR is not a training tool or a vehicle to disseminate information to employees.	No additional information provided.
Hawaii Department of Human Services - An Organizational Representative Payee for the Social Security Administration (A-09-08-28045) issued September 2008	Improve its controls over reporting changes in beneficiary circumstances that affect their eligibility for benefits (for example, changes in custody and Title IV E benefits payable to SSI recipients).	SSA agreed that Hawaii Department of Human Services (HDHS) needs to improve its controls over reporting changes in beneficiary circumstances SSA and Fiscal Management Office (FMO). To this end, Child Welfare Services (CWS) will be sending monthly reports to FMO, the CWS units, and to SSA, when changes occur. HDHS amended the child's data screen on the CWS' Child Protective Services System data base to include fields for staff to complete when a child is receiving SSI and Old-Age, Survivors and Disability Insurance benefits.	No additional information provided.

Status of the National Academies' Recommendations

Number	NAS Recommendation	SSA Response	Status of Action
3.1 (4.1/6.9)	The Social Security Administration (SSA) should strengthen its efforts to encourage representative payees to save money for beneficiaries and enforce the requirement that the saved money is put in a specified savings account.	SSA agreed that conserving funds not used to meet immediate needs is important and will increase efforts to educate representative payees about appropriate bank accounts and investments. To ensure that representative payees understand this requirement, SSA will cover this issue in more detail in new training initiatives for both SSA employees and representative payees.	SSA included information about the need to conserve funds in the most recent release of the 2008 <i>Guide for Organizational Payees</i> , which was mailed to 24,000 payees in September 2008. In addition, SSA will include this kind of information in training initiatives for payees - see Recommendation 6.10.
4.1	SSA should give special scrutiny to representative payees who receive lump-sum payments.	SSA agreed to review data on known misusers to determine whether there is any correlation between misuse and the receipt of lump sum payments. If SSA finds there is a greater risk of misuse of lump-sum payments, it will revise its business process and procedures to provide increased oversight in this area. Also, SSA indicated it would include this in employee training.	The Office of the Inspector General (OIG) and SSA are conducting studies on misuse. The OIG will be releasing the results of its studies in June 2009. SSA's study is still underway.
4.2	SSA should develop new procedures and policies that prevent the routine reappointment of a representative payee who has been documented as a misuser or a continued violator of SSA policies and rules.	SSA agreed to revise its misuse procedures to provide additional guidance for employees who must evaluate questionable expenditures. To better ensure that field office staff carries out the policy restricting reappointment of misusers, SSA will require a second-tier review by a manager who will have to approve any reappointment of a known misuser. SSA also plans to implement systems changes to enforce this policy, if resources permit. However, system's changes are contingent upon the availability of systems resources to add this functionality.	SSA reported it published revised procedures on misuse in May 2009.

Number	NAS Recommendation	SSA Response	Status of Action
5.1 (5.2/6.3)	SSA, including its Inspector General, should use probability sampling with targeted sample selection, using criteria associated with misuse of funds, to audit representative payees who are more likely to be misusers.	SSA stated it would study criteria associated with misuse, including the average length of time a payee serves before misuse occurs, to ascertain if there are any other criteria associated with misuse or poor performance.	See response to 4.1.
5.3	SSA should establish a team of experts, such as the audit teams used in the committee's study, to audit those payees who are suspected of misuse or who have been included in a targeted sample of potential misusers.	<p>SSA uses specially trained employees to conduct triennial site reviews with volume representative payees and has found this approach effective in identifying problem situations. SSA conducts random reviews of low-volume organizational representative payees. SSA also contracts with accounting firms to assist with some of the more difficult reviews. This study only included individual and low-volume organizational representative payees. SSA does not routinely conduct site visits with representative payees in this category due to staffing limitations.</p> <p>The expert teams used by the National Research Council of the National Academies and proposed for SSA were specially trained social scientists and auditors. Before SSA pursues a team of experts approach, its needs to complete the studies described in SSA's response to 5.1 and 5.2 to determine whether it can reliably target individuals with a high potential for misuse. Once SSA establishes accurate misuse indicators, it will determine the volume of representative payees with the identified characteristics. If SSA decides to pursue the team of experts approach to audit these payees, a conservative estimate of the cost is \$600 per case. SSA believes additional reviews focused on representative payees in the groups studied (those not subject to triennial site reviews), using professional contractor teams, would undoubtedly strengthen SSA's oversight of representative payees, but the Agency would have to carefully consider this option in light of the cost.</p>	No additional information provided.

Number	NAS Recommendation	SSA Response	Status of Action
5.4	SSA should redesign the annual accounting form to obtain meaningful accounting data and payee characteristics that would facilitate evaluation of risk factors and payee performance.	SSA will examine the new questions for payees presented in the report to determine how payee responses to the questions would improve SSA's ability to evaluate the payee's expenditure and conservation of funds.	SSA's redesign of the annual accounting form will be based on the results from the OIG and SSA studies.
5.5	SSA should conduct a test of bank-account-linked debit cards for representative payees.	SSA will pursue a Memorandum of Understanding with the Department of the Treasury (Treasury) to supply non-identifiable financial data from the debit cards used by representative payees on behalf of their beneficiaries. SSA will analyze the data to determine what information is available and whether there is any benefit to collecting this data for review.	SSA contacted Treasury and obtained a sample of a typical debit card statement to determine whether the use of such cards and their monthly statements could improve representative payee monitoring. After reviewing the statement, SSA determined it lacked the details necessary to accept it in lieu of the standard annual payee report that presently exists.
5.6	SSA should initiate a research, development, and support function for the Representative Payee Program to promote quality and cost-effectiveness in its operations.	SSA is considering potential research areas that would help obtain data that can be used to improve the administration of the Representative Payee Program. In addition, SSA will continue to conduct special studies, as needed, to focus on problems identified.	Based on the results of the study, SSA staff met in September 2008 to discuss possible research ideas.
6.1 (6.2)	To help mitigate shortages of payees, SSA should create a program to identify, train, certify and maintain a pool of voluntary, temporary payees that are available on an as-needed basis. If such a program is authorized, SSA should work with and obtain help from the courts and volunteer organizations in designing it.	SSA thinks that recruitment of representative payees committed to serving for the long term is a more efficient use of its resources. To recruit new representative payees, SSA will work at the national level with groups, such as the National Council on Aging and American Association of Retired Persons (AARP), to reinforce existing, and establish new, partnerships. At the regional level, SSA will develop and maintain representative payee databases.	SSA has contacted several national organizations and agencies and plans to meet with them during the second half of Fiscal Year 2009. The organizations contacted are: AARP, the Substance Abuse and Mental Health Services Administration and the Department of Veterans Affairs.

Number	NAS Recommendation	SSA Response	Status of Action
6.3	SSA should screen potential payees (including organizational payees) for suitability on the basis of specified factors associated with misuse, particularly credit history and criminal background.	The OIG will perform an audit that targets a sample of representative payees selected using the 15 criteria associated with misuse identified. The audit results will allow SSA to independently evaluate the 15 indicators of misuse to determine their value in targeting representative payees for additional monitoring. SSA will also study criteria associated with misuse, including the average length of time a payee serves before misuse occurs, to ascertain if there are any other criteria associated with misuse or poor performance. SSA will use the results to develop a process to identify and monitor representative payees meeting those criteria. Once the studies are completed, SSA will consider changing its random review of certain individual representative payees (that is, payees serving fewer than 15 beneficiaries who are not subject to triennial site reviews) to a review targeting those representative payees with the identified criteria.	See response to 4.1
6.4	The payees of at-risk beneficiaries should be monitored more frequently and intensively than current protocols provide.	The OIG will perform an audit of individuals who are representative payees and run room-and-board facilities to address the finding that some of these payees have questionable billing practices. If this audit shows that the beneficiaries served are at risk for misuse, SSA will determine if it can take additional steps to strengthen its policies to provide more protections.	The results of the OIG audit are expected in June 2009.
6.5			
6.6	SSA should develop policies that define and treat as an organizational payee an individual who serves multiple, unrelated beneficiaries and who is also an owner, administrator, or provider of a room-and-board facility. SSA should reevaluate its policies that permit creditors and administrators of facilities to serve as payees.		

Number	NAS Recommendation	SSA Response	Status of Action
6.7	SSA should change the Program Operating Manual System (POMS) to state that when a beneficiary has an individual with power of attorney, a legal guardian, or conservator, there is a preference (with flexibility) for selecting that individual as the beneficiary's representative payee.	SSA is revising the provisions in POMS that explain and define the special relationships between beneficiaries and their conservators and those holding powers of attorney to ensure that its policy is clear and to ensure that SSA employees who must assess these types of payee applicants consider this relationship when making a payee determination.	New POMS were published July 2008.

Number	NAS Recommendation	SSA Response	Status of Action
6.8	SSA, in consultation with the States, should eliminate inconsistencies between State and Federal practices regarding the calculation of payee fees and financial oversight.	Each State has its own laws governing guardianship duties and fees. Guardians may perform very different duties than representative payees. It would be nearly impossible to find one standard that would align SSA's national program with the law of 50 different States. Current SSA policy allows part of the beneficiary's funds to be used for customary guardianship or conservatorship costs, proceedings, and court-ordered fees, in most cases. In cases where it appears the payee is deducting excessive fees from a benefit payment, SSA reviews the case considering the relevant State law guidelines and the court order and works with the payee to try and resolve the issue. SSA will review its policies and procedures and update them as necessary to ensure that it is doing all it can to provide adequate protection for the beneficiaries.	No additional information provided.
6.9	SSA should provide comprehensive and formal training for representative payees.	While SSA does not agree with all the report's recommended solutions for training, it does agree to do more to increase representative payee use of SSA's Internet site and to also update representative payee notices to include a direct link to the website. In addition, SSA will conduct focus group testing with current representative payees to ascertain the areas that need improvement. Once the focus group testing is complete, SSA will consider available resources and decide how to proceed. SSA will review existing training materials to determine where to make improvements, including development of a means to increase representative payee awareness of the training material.	See the response to 6.10 and the information contained on page D-12 under "Provide Comprehensive Staff Training." In addition, in January 2009, SSA provided language about its website to the Office of Systems for the notices. The Office of Systems will be including that language in upcoming releases, the first of which is scheduled for September 2009.

Number	NAS Recommendation	SSA Response	Status of Action
6.10	SSA should provide payees access to various types of well-advertised support in their activities. Such support could include (1) dedicated field staff who can serve as contact persons for payees; (2) toll-free telephone numbers specifically for use by payees to seek assistance from SSA; (3) easily comprehensible brochures containing examples and explanations; (4) enhanced, easy-to-use frequently asked questions and on-line learning tools; (5) guidance on how to meet accounting and document retention requirements; and (6) on-line guidance for payees to complete the annual accounting form.	SSA agreed that it should find effective ways to enhance support of representative payees and undertake a study of payee support needs to facilitate the development of additional training and website assistance for payees.	SSA plans to host a number of focus groups with payees to determine what additional support they need. SSA plans to host these groups during the summer of 2009. SSA also developed a pop-up survey on its payee website to collect suggestions from payees about their training and support needs.
6.11	SSA should reengineer the annual accounting form to ensure the usefulness of the data and its transferability into the Representative Payee System (RPS) and other SSA information systems.	As stated in response to recommendation 5.4, SSA is constantly reviewing the Representative Payee Report form to find ways to improve it. SSA recently implemented an improved Representative Payee Accounting System to record, store, and retrieve data from annual accounting forms. This system ensures the accessibility of accounting data for RPS users and allows storage of the data in an electronic data base suitable for analysis to detect violations.	No additional information provided.
6.12	SSA should store data from the annual accounting forms in an electronic data base suitable for analysis.	Transferability of accounting data to SSA's administrative systems will be a high priority in the redesign of RPS. Redesign of RPS is discussed in SSA's response to Recommendation 6.15.	
6.13	SSA should provide the option for payees to complete the annual accounting form on-line.	As stated in SSA's response to Recommendation 6.10, SSA is developing an on-line representative payee accounting form and expects to implement it by the end of the fiscal year. SSA will be able to interface data in this form with its new improved Representative Payee Accounting system and, more importantly, provide a user-friendly method for payees to file their annual accounting.	SSA reported it has implemented on-line accounting at the end of Calendar Year 2008.

Number	NAS Recommendation	SSA Response	Status of Action
6.14	SSA should establish mandatory protocols for payee replacement when misuse is suspected. When misuse or suspected misuse is the reason for a change of payee, staff should provide full documentation.	Recognizing the importance of taking all possible steps to protect beneficiaries, SSA will include a process for field office employees to record and control the development of misuse allegations made against a representative payee in the redesigned RPS.	The Offices of Systems and Operations are working to redesign RPS via a business modeling tool. SSA is creating a "to be" business model that will identify all the needed improvements to RPS.
6.15	SSA should redesign RPS.	SSA has recently committed resources for the planning and analysis needed to redesign the system.	See response to 6.14.
6.16	SSA should implement a process that regularly updates information in RPS, both by field office staff and through the annual accounting form. SSA should also implement a quality control program that periodically checks the integrity of the information in RPS.	SSA agreed with this recommendation. In fact, the ability to propagate data among RPS, the accounting database, and the payment systems is an important feature necessary in any redesign of RPS. However, automatic propagation of inputs from other systems into RPS would require an even greater commitment of programming resources. SSA discussed the challenges to redesigning RPS in its response to Recommendation 6.15. SSA will evaluate the feasibility of a quality review process that will allow improving instructions to staff and identify training needs.	No additional information provided.

Number	NAS Recommendation	SSA Response	Status of Action
6.17	SSA should revise the current regulations that require a final accounting whenever a payee is terminated to ensure, so far as is practicable, that all funds are accounted for.	SSA agreed that when payees are terminated, they should provide a final accounting and return any conserved funds to SSA so that it may reissue them to the new payee or the beneficiary. However, SSA believes the <i>Social Security Act</i> and regulations already provide the latitude for SSA to request an accounting at any time. This allows SSA to implement universal final accounting through new operational instructions and system changes. SSA policy is to obtain a final accounting from payees for Title II benefits, if the payee has not served long enough to file an accounting form. The process of identifying when a final accounting is necessary, mailing the accounting form, and evaluating the payee's responses is a labor-intensive, manual process. Over the past several years, SSA has wanted to automate this process, but did not have the systems resources to do so. Additional resources are necessary to fund this project.	No additional information provided.

Number	NAS Recommendation	SSA Response	Status of Action
6.18	<p>SSA should track State laws that require conservators or legal guardians of beneficiaries who need representative payees to undergo court monitoring and mandated training. In such States, SSA should give preference to designating the guardians or conservators as the payees and seek to integrate or coordinate its payee training materials with the State-mandated training.</p>	<p>SSA disagreed with this recommendation. As explained in SSA's response to Recommendation 6.7, SSA identifies guardians as preferred payees but does not give the same preference to conservators because they do not have the same legal standing. In either case, while SSA considers the fact that there is a guardian or conservator in making a payee selection, the Agency does not automatically assume that either a guardian or conservator is the best payee.</p> <p>In 1998, SSA funded a grant to research the issue of coordination between State court guardianship actions and SSA's Representative Payee Program. The biggest barriers facing SSA were the <i>Privacy Act</i> and the fact that SSA does not have a statement of routine use allowing it to share representative payee information with State courts. While SSA could develop a new statement of routine use, SSA would then face the enormous task of negotiating hundreds of memorandums of understanding with State and local courts before information sharing would be possible. To automate the process, SSA would have to develop a complex system to receive and match reports from State and local courts with its records. SSA may only disclose information to State courts or other Federal agencies in accordance with the <i>Privacy Act</i> and SSA's regulations. In addition, this recommendation goes far beyond the scope of SSA's core mission with regard to the Representative Payee Program. SSA addressed the recommendation to track State laws in response to Recommendation 6.19.</p>	<p>No additional information provided.</p>

Number	NAS Recommendation	SSA Response	Status of Action
6.19	SSA should begin an outreach program with State agencies to compile the laws and practices and study the differences in various States' regulation of assisted living, foster care, and other group homes.	SSA disagreed with this recommendation. SSA has a State guardianship digest in POMS that includes a State-by-State breakdown of guardianship laws. Creating another, similar list of State laws and regulations related to assisted living, foster care, and other group homes, would be resource intensive for SSA and far beyond its statutory responsibility to ensure that benefits are paid to payees for the use and maintenance of incapable beneficiaries. It would be extremely difficult for SSA to develop a systematic way to share information considering the number of State and local agencies that exist, the differing laws of each State, and the effort involved to accommodate all agencies' needs. Past attempts to develop similar comprehensive information have shown that along with significant variation in State laws and regulations, it is difficult to ensure that the collected information is maintained and updated.	No additional information provided.
	Provide Comprehensive Staff Training: Several recommendations indicate that better training of SSA staff might yield better decisions in representative payee actions.	SSA is developing a multi-year interactive video training initiative that will be available to SSA field employees on-line. This training will focus on issues where training is needed, such as (1) how to explain to representative payees the requirement to save money not needed to meet current needs and (2) the procedure that must be followed when making exceptions to SSA's rules prohibiting reappointing a misuser.	SSA is developing four new Interactive Video Teletraining classes for release this summer. Two are directed at field office managers and two are for claims technicians. In addition, SSA is updating the entire entry level representative payee training packages used in field offices and plans to make all the revisions during this calendar year. In all this training, SSA will be emphasizing the points made in this report.

Appendix E

Representative Payee Reports

Number of Representative Payee Reports - Fiscal Year (FY) 2006		
Type of Report	Reports Mailed	Number of Forms Handled in SSA Processing Center
SSA Form 623 ¹	2,203,167	1,721,873
SSA Form 6230 ²	2,724,449	2,232,967
SSA Form 6234 ³	661,877	608,257
Totals	5,589,493	4,563,097

Number of Representative Payee Reports - FY 2007		
Type of Report	Reports Mailed	Number of Forms Handled in SSA Processing Center
SSA Form 623	2,205,465	1,884,309
SSA Form 6230	2,862,604	2,418,574
SSA Form 6234	662,813	600,783
Totals	5,730,882	4,903,666

Number of Representative Payee Reports - FY 2008		
Type of Report	Reports Mailed	Number of Forms Handled in SSA Processing Center
SSA Form 623	2,266,020	1,955,556
SSA Form 6230	2,881,374	2,436,035
SSA Form 6234	674,933	615,371
Totals	5,822,327	5,006,962

¹ SSA Form 623 is the accounting form used for individual payees for adult beneficiaries.

² SSA Form 6230 is the accounting form used for parent, step parent, and grandparent payees who have custody of a minor or several minors. For Title II benefits, payees may account for up to four children on one SSA -6230; for Title XVI, payees receive a separate form for each child.

³ SSA Form 6234 is the accounting form used for organizational payees.

Appendix F

Representative Payee Reviews

Number of Reviews by Type of Representative Payee – Fiscal Year (FY) 2006				
	Site Reviews	Random Reviews	Targeted Reviews	Educational Visits
Organizational Payees	683	249	3	0
Fee-for-Service Payees	248	98	2	44
Individual Payees	129	36	0	0
Other Payees	0	0	3	0
Totals	1,060	383	8	44

Number of Reviews by Type of Representative Payee - FY 2007				
	Site Reviews	Random Reviews	Targeted Reviews	Educational Visits
Organizational Payees	725	165	9	0
Fee-for-Service Payees	357	88	0	37
Individual Payees	252	207	0	0
Other Payees	0	0	8	0
Totals	1,334	460	17	37

Number of Reviews by Type of Representative Payee - FY 2008				
	Site Reviews	Random Reviews	Targeted Reviews	Educational Visits
Organizational Payees	1,063	134	6	13
Fee-for-Service Payees	287	0	4	24
Individual Payees	138	208	4	5
Other Payees	0	0	7	1
Totals	1,488	342	21	43

DISTRIBUTION SCHEDULE

Commissioner of Social Security
Office of Management and Budget, Income Maintenance Branch
Chairman and Ranking Member, Committee on Ways and Means
Chief of Staff, Committee on Ways and Means
Chairman and Ranking Minority Member, Subcommittee on Social Security
Majority and Minority Staff Director, Subcommittee on Social Security
Chairman and Ranking Minority Member, Committee on the Budget, House of Representatives
Chairman and Ranking Minority Member, Committee on Oversight and Government Reform
Chairman and Ranking Minority Member, Committee on Appropriations, House of Representatives
Chairman and Ranking Minority, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations,
House of Representatives
Chairman and Ranking Minority Member, Committee on Appropriations, U.S. Senate
Chairman and Ranking Minority Member, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, U.S. Senate
Chairman and Ranking Minority Member, Committee on Finance
Chairman and Ranking Minority Member, Subcommittee on Social Security Pensions and Family Policy
Chairman and Ranking Minority Member, Senate Special Committee on Aging
Social Security Advisory Board

Overview of the Office of the Inspector General

The Office of the Inspector General (OIG) is comprised of an Office of Audit (OA), Office of Investigations (OI), Office of the Counsel to the Inspector General (OCIG), Office of External Relations (OER), and Office of Technology and Resource Management (OTRM). To ensure compliance with policies and procedures, internal controls, and professional standards, the OIG also has a comprehensive Professional Responsibility and Quality Assurance program.

Office of Audit

OA conducts financial and performance audits of the Social Security Administration's (SSA) programs and operations and makes recommendations to ensure program objectives are achieved effectively and efficiently. Financial audits assess whether SSA's financial statements fairly present SSA's financial position, results of operations, and cash flow. Performance audits review the economy, efficiency, and effectiveness of SSA's programs and operations. OA also conducts short-term management reviews and program evaluations on issues of concern to SSA, Congress, and the general public.

Office of Investigations

OI conducts investigations related to fraud, waste, abuse, and mismanagement in SSA programs and operations. This includes wrongdoing by applicants, beneficiaries, contractors, third parties, or SSA employees performing their official duties. This office serves as liaison to the Department of Justice on all matters relating to the investigation of SSA programs and personnel. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

Office of the Counsel to the Inspector General

OCIG provides independent legal advice and counsel to the IG on various matters, including statutes, regulations, legislation, and policy directives. OCIG also advises the IG on investigative procedures and techniques, as well as on legal implications and conclusions to be drawn from audit and investigative material. Also, OCIG administers the Civil Monetary Penalty program.

Office of External Relations

OER manages OIG's external and public affairs programs, and serves as the principal advisor on news releases and in providing information to the various news reporting services. OER develops OIG's media and public information policies, directs OIG's external and public affairs programs, and serves as the primary contact for those seeking information about OIG. OER prepares OIG publications, speeches, and presentations to internal and external organizations, and responds to Congressional correspondence.

Office of Technology and Resource Management

OTRM supports OIG by providing information management and systems security. OTRM also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, OTRM is the focal point for OIG's strategic planning function, and the development and monitoring of performance measures. In addition, OTRM receives and assigns for action allegations of criminal and administrative violations of Social Security laws, identifies fugitives receiving benefit payments from SSA, and provides technological assistance to investigations.