

Report Summary

Social Security Administration Office of the Inspector General

July 2009



Objectives

To determine whether Salina Emergency-Aid Food Bank (SFB) (1) had effective safeguards over the receipt and disbursement of Social Security benefits, (2) used and accounted for Social Security benefits in accordance with the Social Security Administration's (SSA) policies and procedures, and (3) adequately protected the beneficiaries' personally identifiable information (PII).

Background

Some individuals cannot manage or direct the management of their finances because of their youth or mental and/or physical impairments. Congress granted SSA the authority to appoint representative payees to receive and manage these beneficiaries' payments.

To view the full report, visit
http://www.ssa.gov/oig/ADO_BEPDF/A-07-09-19065.pdf

Salina Emergency-Aid Food Bank, A Fee-for-Service Representative Payee for the Social Security Administration **(A-07-09-19065)**

Our Findings

We found SFB did not

- maintain documentation to support how most of the beneficiaries' funds were used;
- have adequate segregation of duties in approving, recording, processing, and reviewing financial transactions on behalf of beneficiaries;
- report changes in the circumstances of two SSI beneficiaries in a timely manner, which resulted in \$9,016 in overpayments;
- properly disburse \$1,143 in conserved funds for two beneficiaries; or
- adequately protect the beneficiaries' PII and financial records.

Our Recommendations

We recommend that SSA instruct SFB to (1) maintain sufficient documentation to show that Social Security benefits are used in the best interest of the beneficiaries; (2) ensure adequate segregation of duties is in place for the disbursement of benefits, including appropriate compensating controls to monitor the disbursement of beneficiaries' funds; (3) report changes in a beneficiary's circumstances to SSA timely; (4) return conserved funds according to SSA's instructions; (5) implement physical security controls to safeguard beneficiaries' financial records and PII. In addition, we recommend that SSA: (6) remind the triennial site review teams of the representative payee's responsibility to maintain complete and accurate records so the payee can account for how Social Security benefits are used.

SSA agreed with our recommendations.