
**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**SINGLE AUDIT OF THE
STATE OF CONNECTICUT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2008**

May 2010 A-77-10-00009

**MANAGEMENT
ADVISORY REPORT**



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.



SOCIAL SECURITY

MEMORANDUM

Date: May 18, 2010

Refer To:

To: Candace Skurnik
Director
Audit Management and Liaison Staff

From: Inspector General

Subject: Management Advisory Report: Single Audit of the State of Connecticut for the Fiscal Year Ended June 30, 2008 (A-77-10-00009)

This report presents the Social Security Administration's (SSA) portion of the single audit of the State of Connecticut for the Fiscal Year ended June 30, 2008. Our objective was to report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to SSA for resolution action.

The Connecticut Auditors of Public Accounts performed the audit. The desk review conducted by the Department of Health and Human Services (HHS) concluded that the audit met Federal requirements. In reporting the results of the single audit, we relied entirely on the internal control and compliance work performed by the Connecticut Auditors of Public Accounts and the reviews performed by HHS. We conducted our review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspections*.

For single audit purposes, the Office of Management and Budget assigns Federal programs a Catalog of Federal Domestic Assistance (CFDA) number. SSA's Disability Insurance (DI) and Supplemental Security Income (SSI) programs are identified by CFDA number 96. SSA is responsible for resolving single audit findings reported under this CFDA number.

The Connecticut Disability Determination Services (DDS) performs disability determinations under SSA's DI and SSI programs in accordance with Federal regulations. The DDS is reimbursed for 100 percent of allowable costs. The Department of Social Services (DSS) is the DDS' parent agency.

The single audit reported:

- Indirect costs were not equitably allocated to Federal programs, including SSA. Specifically, (1) administrative overhead costs were not allocated to all benefiting programs, (2) the hierarchy used to allocate costs did not provide a fair allocation to

benefiting programs, (3) one Random Moment Time Study (RMTS) observation did not appear to be reasonable because the program code did not coincide with the services received by the client, and (4) evidence could not be provided to show that management monitored the reasonableness of the RMTS (Attachment, Pages 1 through 4). See Attachment, Pages 4 and 5 for DSS' response to these findings.

- Expenditures were not correctly allocated to Federal and State programs in accordance with the federally approved cost allocation plan because of expenditure coding problems (Attachment, Pages 6 through 11). See Attachment, Page 11 for DSS' response.

We recommend that SSA:

1. Ensure that indirect costs are being equitably allocated to the Connecticut DDS.
2. Verify that DSS implemented expenditure coding procedures that will ensure only allowable costs are charged to SSA's programs.

Please send copies of the final Audit Clearance Document to Shannon Agee. If you have questions, contact Shannon Agee at (816) 221-0315, extension 1537.



Patrick P. O'Carroll, Jr.

Attachments

III.A.30. Allowable Costs/Cost Principles – Cost Allocation Plan

Medical Assistance Program (Medicaid, Title XIX) (CFDA #93.778)
Federal Award Agency: Department of Health and Human Services
Award Years: Federal Fiscal Years 2006-2007 and 2007-2008
Federal Award Numbers: 05-0705CT5028 and 05-0805CT5028

Temporary Assistance for Needy Families (TANF) (CFDA #93.558)
Federal Award Agency: Department of Health and Human Services
Award Years: Federal Fiscal Years 2006-2007 and 2007-2008
Federal Award Numbers: G0701CTTANF and G0801CTTANF

Child Care and Development Block Grant (CFDA # 93.575)
Child Care Mandatory and Matching Funds of the Child Care & Development Fund (CCDF) (CFDA #93.596)
Federal Award Agency: Department of Health and Human Services
Award Years: Federal Fiscal Years 2006-2007 and 2007-2008
Federal Award Numbers: G0701CTCCDF and G0801CTCCDF

Child Support Enforcement (Title IV-D) (CFDA #93.563)
Federal Award Agency: Department of Health and Human Services
Award Years: Federal Fiscal Years 2006-2007 and 2007-2008
Federal Award Numbers: 0704CT4004 and 0804CT4004

State Children's Insurance Program (SCHIP) (CFDA #93.767)
Federal Award Agency: Department of Health and Human Services
Award Years: Federal Fiscal Years 2006-2007 and 2007-2008
Federal Award Numbers: 05-0705CT5021 and 05-0805CT5021

State Administering Matching Grants for Food Stamp Program (CFDA # 10.561)
Federal Award Agency: Department of Health and Human Services
Award Years: Federal Fiscal Years 2006-2007 and 2007-2008
Federal Award Number: 4CT400400

Rehabilitation Services-Vocational Rehabilitation Grants to States (CFDA # 84.126)
Federal Award Agency: Department of Health and Human Services
Award Years: Federal Fiscal Years 2006-2007 and 2007-2008
Federal Award Numbers: H126A070007 and H126A080007

Social Security-Disability Insurance (CFDA # 96.001)
Federal Award Agency: Social Security Administration
Award Years: Federal Fiscal Years 2006-2007 and 2007-2008
Federal Award Numbers: 04-0704CTDI00 and 04-0804CTDI00

Section 8 Housing Choice Vouchers (CFDA# 14.871)
Federal Award Agency: U.S. Department of Housing and Urban Development
Award Years: Federal Fiscal Years 2006-2007 and 2007-2008
Federal Award Number: ACC CT 901 VO

Low-Income Home Energy Assistance (CFDA #93.568)
Federal Award Agency: Department of Health and Human Services
Award Years: Federal Fiscal Years 2006-2007 and 2007-2008
Federal Award Numbers: G07B1CTLIEA and G08B1CTLIEA

HIV Care Formula Grant (CFDA#93.917)

Federal Award Agency: Department of Health and Human Services

Award Years: Federal Fiscal Years 2006-2007 and 2007-2008

Federal Award Numbers: 2 X07H00022-16-00 AND 2 X08H00022-17-00

Background:

The administrative costs incurred in operating the Department of Social Services (DSS) are allocable to Federal and State programs in accordance with benefits received, as specified in the Department's Federally approved Cost Allocation Plan (CAP). Each expenditure transaction is assigned an expenditure code. The State's accounting system accumulates the expenditures by the recorded expenditure codes and generates the reports that DSS uses to record the expenditures in various cost pools. The costs accumulated in these cost pools are allocated to Federal and State programs as specified in the Department's Federally approved Cost Allocation Plan. Costs are allocated to programs based on the allocation basis assigned to the respective cost pools. The Department contracted a vendor to develop the Cost Allocation Plan.

The Department of Social Service's Cost Allocation Plan, effective July 1, 2007, provides that as part of its Random Moment Time Study, the Department will be reviewing ten percent of worker-selected program and activity combinations along with the comment provided by the employee being sampled. The results of the review will be used to review the continuing appropriateness of valid program/activity combinations and monitor worker understanding of appropriate program/activity selection to assess the need for further clarification and/or training.

Criteria:

The Office of Management and Budget (OMB) Circular A-87 includes factors affecting allowability of costs. For a cost to be allowable under Federal awards they must meet the following general criteria.

- Be allocable to Federal awards under the provisions of OMB Circular A-87. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with the relative benefits received.
- Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- Be adequately documented.

Title 45 Code of Federal Regulations Part 95 Section 517 provides that for the State to claim Federal financial participation for costs associated with a program it must do so only in accordance with its approved cost allocation plan.

Condition:

1. Our review of some of the allocation bases used in the Department's Cost Allocation Plan disclosed that the administrative overhead costs (for example, utilities and office lease) accumulated by some of the Department's Regional Offices were not being allocated to all benefiting Federal and State programs. The Department has employees working under the Ombudsman Unit and the Rehabilitation Services Unit at some of the Regional Offices. The administrative overhead costs related to these Regional Offices are not being allocated to the Ombudsman Unit or the Rehabilitation Unit. Costs accumulated in these units would be subsequently allocated to Federal and State programs based on these units respective assigned allocation bases.
2. The Department's Cost Allocation Plan consists of a two-step process to allocate Department costs. The costs for certain organization units are first allocated to all units and programs. The costs that were allocated to each unit during the first step are then allocated to Federal and State programs. The allocation of the costs in the second step is affected by the hierarchy of the units. For example, a unit listed second in the hierarchy would receive costs from the first unit listed in the hierarchy but would not receive costs from the unit listed third in the hierarchy. Our review disclosed that the hierarchy used in the Department's CAP did not provide an equitable basis for allocating costs to benefiting programs.
3. The Department provided us a report of the Random Moment Time Study conducted by the Department for the quarter ended March 31, 2008. This report consisted of 3,252 responses received from applicable Department employees. This report listed the time of the observation, the Department employee, comments, client case number, and the program code. The comments, the client case number, and the program code were provided by the employee. We reviewed ten observations to determine whether the program code provided by the employee is appropriate based on the comments provided by the employee and the programs associated with the listed client case number. Our review disclosed one observation in which the program code did not appear to be reasonable because the program code did not coincide with the services received by the client. The comments stated that the employee was working on multiple programs; however, the employee selected the program code that applied to only one of the programs.
4. The Department did not provide evidence that it adequately monitored the reasonableness of the random moment sampling results during the fiscal year ended June 30, 2008. The Department's Cost Allocation plan effective July 1, 2007, provides that as part of its Random Moment Time Study, the Department will be reviewing worker-selected program and

activity combinations along with the comment provided by the employee being sampled.

Effect: Some costs are not being allocated to Federal awards in accordance with the relative benefits received. The above errors did not have a significant effect to the gross expenditures made under the Federal programs administered by the Department. The effect, for the most part, is a reassignment of costs from one Federal program to another. In addition, the Department did not comply in all respects with its approved Cost Allocation Plan.

Cause: For conditions 1 and 2, the errors were related to the Department's automated cost allocation process developed by the vendor. For condition 3, it appears that the employee made a clerical error in recording the correct program code. For condition 4, it appears that the Department did not establish procedures during the fiscal year for completing and following up on its ten percent review of Random Moment Time Study sampled observations.

Recommendation: The Department of Social Services should use statistics that would provide a proper base for distributing costs to benefiting programs that will produce an equitable result in consideration of relative benefits derived.

Agency Response: "For condition 1. Regional Office overhead was not allocated to all benefiting Federal and State Programs.

Response: The Division of Financial Management and Analysis conducts a Quarterly Employee Coding Verification to insure that DSS employees are accurately coded in CORE-CT. Currently, there are sixteen employees coded to Ombudsman activities. Eleven are coded to Central Office, five in administrative functions and six as Ombudsman. Five Ombudsmen are coded to the Regional Offices and serve clients in the New Britain, New Haven and Waterbury areas. The Department is in the process of re-coding the six Ombudsmen in Central Office to their respective location in the Regional Office.

For condition 2. The hierarchy used in the Department's CAP did not provide an equitable basis for allocating costs to benefiting programs.

Response: The Department does not agree with this finding. The order of Central Service Departments in MAXCARS [CAP automated system] is based on the Chart of Accounts and organizational structure of the Department. This hierarchy appears to be the most equitable manner for establishing the structure of the step down allocation and for managing the financial and statistical data in MAXCARS.

For condition 3. One RMS observation did not appear to be reasonable because the program code did not coincide with the services received by the client.

Response: While the Department does agree that the response for the program code is not consistent with the services received by the client, the Department does not believe the item would materially impact the results of the RMS time study. It should be noted that the Department uses a larger sample size than needed to provide assurance that the RMS results are statistically valid when taken as a whole.

For condition 4. The Department did not provide evidence that it adequately monitored the reasonableness of RMS results.

Response: As of February 2009, the Department has submitted additional documentation on this finding for review.”

Auditors' Concluding

Comment:

Our review disclosed that the costs associated with some of the Central Service Departments were not allocated to all benefiting programs during the second step because, in the hierarchy being used, these Departments were below the programs that should have been allocated costs. As a result, the costs accumulated during the second step for some of these Central Service Departments would be allocated to all the programs below the departments and none of the programs above these departments would receive these costs. As a result the hierarchy order of the Central Services Departments used in the Department's allocation system is not providing an equitable basis for allocating costs.

III.A.31. Allowable Costs/Cost Principles – Expenditure Transactions

Medical Assistance Program (Medicaid, Title XIX) (CFDA #93.778)

Federal Award Agency: Department of Health and Human Services

Award Years: Federal Fiscal Years 2006-2007 and 2007-2008

Federal Award Numbers: 05-0705CT5028 and 05-0805CT5028

Temporary Assistance for Needy Families (TANF) (CFDA #93.558)

Federal Award Agency: Department of Health and Human Services

Award Years: Federal Fiscal Years 2006-2007 and 2007-2008

Federal Award Numbers: G0701CTTANF and G0801CTTANF

Child Care and Development Block Grant (CFDA # 93.575)

Child Care Mandatory and Matching Funds of the Child Care & Development Fund (CCDF) (CFDA #93.596)

Federal Award Agency: Department of Health and Human Services

Award Years: Federal Fiscal Years 2006-2007 and 2007-2008

Federal Award Numbers: G0701CTCCDF and G0801CTCCDF

Child Support Enforcement (Title IV-D) (CFDA #93.563)

Federal Award Agency: Department of Health and Human Services

Award Years: Federal Fiscal Years 2006-2007 and 2007-2008

Federal Award Numbers: 0704CT4004 and 0804CT4004

State Children's Insurance Program (SCHIP) (CFDA #93.767)

Federal Award Agency: Department of Health and Human Services

Award Years: Federal Fiscal Years 2006-2007 and 2007-2008

Federal Award Numbers: 05-0705CT5021 and 05-0805CT5021

State Administering Matching Grants for Food Stamp Program (CFDA # 10.561)

Federal Award Agency: Department of Health and Human Services

Award Years: Federal Fiscal Years 2006-2007 and 2007-2008

Federal Award Number: 4CT400400

Rehabilitation Services-Vocational Rehabilitation Grants to States (CFDA # 84.126)

Federal Award Agency: Department of Health and Human Services

Award Years: Federal Fiscal Years 2006-2007 and 2007-2008

Federal Award Numbers: H126A070007 and H126A080007

Social Security-Disability Insurance (CFDA # 96.001)

Federal Award Agency: Social Security Administration

Award Years: Federal Fiscal Years 2006-2007 and 2007-2008

Federal Award Numbers: 04-0704CTDI00 and 04-0804CTDI00

Section 8 Housing Choice Vouchers (CFDA# 14.871)

Federal Award Agency: U.S. Department of Housing and Urban Development

Award Years: Federal Fiscal Years 2006-2007 and 2007-2008

Federal Award Number: ACC CT 901 VO

Low-Income Home Energy Assistance (CFDA #93.568)

Federal Award Agency: Department of Health and Human Services

Award Years: Federal Fiscal Years 2006-2007 and 2007-2008

Federal Award Numbers: G07B1CTLIEA and G08B1CTLIEA

HIV Care Formula Grant (CFDA#93.917)

Federal Award Agency: Department of Health and Human Services

Award Years: Federal Fiscal Years 2006-2007 and 2007-2008

Federal Award Numbers: 2 X07H00022-16-00 AND 2 X08H00022-17-00

Background:

The administrative costs incurred in operating the Department of Social Services (DSS) are allocable to Federal and State programs in accordance with benefits received, as specified in the Department's Federally approved Cost Allocation Plan (CAP). Each expenditure is assigned an expenditure code. The State's accounting system accumulates the expenditures by the recorded codes and generates the reports that DSS uses to record the expenditures in various cost pools. The costs accumulated in these cost pools are allocated to the programs as specified in the Cost Allocation Plan.

We tested a sample of 40 payroll transactions and a sample of 40 non-payroll transactions. Our tests disclosed errors to eight non-payroll transactions and one payroll transaction.

Criteria:

The Office of Management and Budget (OMB) Circular A-87 includes factors affecting allowability of costs. For a cost to be allowable under Federal awards, they must meet the following general criteria:

- Be allocable to Federal awards under the provisions of OMB Circular A-87. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with the relative benefits received.
- Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period.
- Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- Be adequately documented.

Condition:

We sampled 40 non-payroll transactions totaling \$863,595. This sample was randomly selected from expenditure transactions totaling \$111,041,355 made during the fiscal year ended June 30, 2008. These payments were allocated to State and Federal programs through the Department's Cost Allocation Plan. Our test of these 40 payments disclosed the following:

- 1) Two expenditures were not assigned the proper expenditure codes, which result in the expenditures being allocated to the incorrect cost pool. We noted the following:
 - One expenditure for \$328 was for interpreting services for a client in the ABI Waiver Program. This transaction was allocated to all programs administered by the Department except the Vocational Rehabilitation and Supplemental Security Income programs.

However, the expenditure would only benefit the ABI Waiver Program. Based on processing this exception through the Department's Cost Allocation Plan, we determined questioned costs were charged to major Federal programs as follows:

Program	Net Improper Allocation	Questioned Costs
Child Support Enforcement	\$ 39	\$ 26
Food Stamps	72	36
Medicaid	116	58
TANF	30	22
Miscellaneous State and Federal Grants	71	NA
ABI Waiver Program	(328)	NA
Net Total	<u>\$ 0</u>	<u>\$ 142</u>

- One expenditure for \$2,058 was for phone services. Phone services are administered by the State Department of Information and Technology (DOIT). DOIT charges applicable State agencies' appropriations the costs of the phone services. These phone services were not used by the Department of Social Services and should not have been charged to the Department of Social Services' appropriations. Based on processing the above exceptions through the Department's Cost Allocation Plan, we determined questioned costs were charged to major Federal programs as follows:

Program	Net Improper Allocation	Questioned Costs
CCDF	\$ 9	\$ 1
Child Support Enforcement	206	136
Disability Insurance	104	104
Food Stamps	358	179
HIV Formula Care Grant	1	1
LIHEAP	7	7
Medicaid	666	333
SCHIP	4	3
Section 8	4	4
TANF	132	98
Vocational Rehabilitation Services	147	147
Miscellaneous State and Federal Grants	420	NA
Net Total	<u>\$ 2,058</u>	<u>\$ 1,013</u>

The questioned costs in both schedules are based on the Federal

programs' financial participation rates except for the TANF and CCDF programs, which are based on the Department claiming for Federal reimbursement only 74 and 12 percent, respectively, of the administrative expenditures.

- 2) In addition, there were six expenditures totaling \$51,096 for office supplies and janitorial services accumulated by some of the Department's Regional Offices that were not allocated to all benefiting Federal and State programs. The Department has employees working under the Ombudsman Unit and the Rehabilitation Services Unit at some of the Regional Offices. The administrative overhead costs related to these Regional Offices are not being allocated to the Ombudsman Unit or the Rehabilitation Unit. Costs accumulated in these units would be subsequently allocated to Federal and State programs based on these units respective assigned allocation bases. We cannot determine the amount of questioned costs because the Department has not identified an allocation basis that should be used (see Condition 1 of Recommendation III.A.31. for additional information).

We sampled 40 payroll transactions totaling \$91,082. This sample was randomly selected from payroll transactions totaling \$126,680,288 that were made during the fiscal year ended June 30, 2008. Our test of these payments did not disclose any errors.

However, during our review, we noted employees were placed on paid administrative leave under Section 5-240-5a of the Connecticut State Regulations and remained on leave for a period in excess of the days allowed under the aforementioned State Regulation. This State Regulation provides that employees can be placed on paid administrative leave up to 15 days or 30 days depending on the severity of the allegations. During the fiscal year ended June 30, 2008, there were three employees who were placed on administrative leave beyond the maximum allowed per State regulations. Personnel costs that the Department incurred for these three employees beyond the days allowed by State regulations totaled \$57,161. Of this amount, \$53,294 was allocated to major Federal programs and the remaining \$3,867 was allocated to State funds.

Based on processing these costs through the Department's Cost Allocation Plan, we determined questioned costs related to the \$57,161 were charged to Federal programs as follows:

Program	Net Improper Allocation	Questioned Costs
CCDF	\$ 3	\$ 0
Food Stamps	5,864	2,932
Medicaid	14,193	7,096
SCHIP	23	15
TANF	1,390	1,027
Vocational Rehabilitation Services	31,821	31,821
Miscellaneous State Grants	3,867	NA
Net Total	<u>\$ 57,161</u>	<u>\$ 42,891</u>

The questioned costs are based on the Federal programs' financial participation rates except for the TANF and CCDF programs, which are based on the Department claiming for Federal reimbursement only 74 and 12 percent, respectively, of the administrative expenditures.

Effect:

The Department's controls are not always providing reasonable assurance that allowable costs are being claimed under the proper Federal programs. We determined that questioned costs charged to Federal programs as follows:

Program	Net Questioned Costs
CCDF	\$ 1
Child Support Enforcement	162
Disability Insurance	104
Food Stamps	3,147
HIV Formula Care Grant	1
LIHEAP	7
Medicaid	7,487
SCHIP	18
Section 8	4
TANF	1,147
Vocational Rehabilitation Services	31,968
Net Total	<u>\$ 44,046</u>

Cause:

The Department did not have adequate procedures in place to ensure that expenditure transactions are properly coded and that only allowable expenditures are charged to Federal awards.

Recommendation:

The Department of Social Services should ensure that expenditures claimed under Federal awards are only allocated to benefiting Federal programs in accordance with the provisions of Office of Management and Budget

Circular A-87.

Agency Response: "For condition 1. Two expenditures were not assigned proper expenditure codes.

One expenditure was allocated to all programs excluding Vocational Rehabilitation, but should have been allocated to the ABI Waiver Program. One other expenditure for telephone services was charged to the Department of Social Services but the services were not used by the Department.

Response: The Department agrees with this finding. Although the Department conducts a quarterly Employee Coding Verification and strives for a zero percent error rate for other expenses, the direct responsibility for the coding of expenditure transaction resides with the staff processing payment requests. The Department will make the necessary adjustments for these two findings.

For condition 2. Not all costs for office supplies and janitorial services were allocated to all benefiting Federal and State Programs.

Response: The Department is in the process of re-coding the remaining six Ombudsman in Central Office to their respective location in the Regional Office. The re-coding of the Ombudsman staff will produce an equitable allocation to all benefiting Federal and State Programs.

For condition 3. Four employees remained on paid administrative leave beyond the maximum allowed per State regulations.

Response: We concur with this finding. The Division of Human Resources should review State regulations regarding duration of paid administrative leave for individual infractions. Human Resources will review all current employees on administrative leave."

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.