

Audit Report

Controls over the Deletion of
Prisoner Records

A-05-17-50256 / September 2018



MEMORANDUM

Date: September 5, 2018 **Refer To:**

To: The Commissioner

From: Acting Inspector General

Subject: Controls over the Deletion of Prisoner Records (A-05-17-50256)

The attached final report presents the results of the Office of Audit's review. The objective was to determine whether the Social Security Administration deleted Prisoner Update Processing System records according to Agency policy.

If you wish to discuss the final report, please call me or have your staff contact Rona Lawson, Assistant Inspector General for Audit, 410-965-9700.

A handwritten signature in black ink that reads "Gale Stallworth Stone".

Gale Stallworth Stone

Attachment

Controls over the Deletion of Prisoner Records

A-05-17-50256



September 2018

Office of Audit Report Summary

Objective

To determine whether the Social Security Administration (SSA) deleted Prisoner Update Processing System (PUPS) records according to Agency policy.

Background

SSA uses PUPS to record information on individuals' convictions and incarcerations. This information assists SSA staff in determining eligibility for benefits. For prisoners previously entitled to benefits, SSA systems create a permanent PUPS record that includes confinement information and alerts the applicable program service center or field office to suspend benefit payments as necessary. PUPS maintains reported inmate information indefinitely for prior and current beneficiaries and recipients.

SSA identified four criteria where deletion of PUPS records is permitted: (1) skeleton record deletion; (2) record correction and deletion request from the public; (3) deletion because the reporting institution provided an insufficient incarceration date; or (4) duplicate record deletion when SSA staff or reporting institutions updated information.

Findings

SSA deleted prisoner records contrary to its policy for 59 (24 percent) of our 250 sampled individuals. SSA should not have deleted these prisoner records because they did not meet SSA's criteria for deletion. Accordingly, we estimate SSA deleted about 195,000 individuals' prisoner records contrary to its policy. SSA staff indicated errors in programs created to identify records eligible for deletion may have caused the improper deletions. During the course of our review, we found several instances where missing release dates in SSA's systems suggested the potential for overpayment of benefits to incarcerated individuals. However, SSA's attainment of release dates from outside sources negated these potential overpayments.

Recommendations

We recommend SSA:

1. Identify the causes of the erroneous prisoner record deletions we identified and make corrections to prevent future occurrences.
2. Determine the cost-effectiveness of taking further actions to detect and correct additional records with improperly deleted prisoner information.

SSA agreed with our recommendations.

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ABBREVIATIONS

AM	Administrative Message
OASDI	Old-Age, Survivors and Disability Insurance
OIG	Office of the Inspector General
POMS	Program Operations Manual System
PUPS	Prisoner Update Processing System
SSA	Social Security Administration
SSI	Supplemental Security Income

OBJECTIVE

Our objective was to determine whether the Social Security Administration (SSA) deleted Prisoner Update Processing System (PUPS) records according to Agency policy.

BACKGROUND

SSA uses PUPS to record information on individuals' convictions and incarcerations.¹ This information assists SSA staff in determining whether a payment is not due because of the beneficiary's incarceration, depending on the type of benefits received. Old-Age, Survivors and Disability Insurance (OASDI) benefits are not payable to individuals convicted of a crime and confined to an incarcerating institution for longer than 30 continuous days. Supplemental Security Income (SSI) payments are not payable to individuals confined to an incarcerating institution for an entire calendar month, regardless of conviction status.² For prisoners previously entitled to OASDI or SSI, SSA systems create a permanent PUPS record that includes confinement information and alerts the applicable program service center or field office to suspend benefit payments as necessary.³ PUPS maintains reported inmate information indefinitely for prior and current beneficiaries and recipients.⁴

SSA identified four criteria where deletion of PUPS records is permitted: (1) skeleton record deletion;⁵ (2) record correction and deletion request from the public;⁶ (3) deletion because the reporting institution provided an insufficient incarceration date;⁷ or (4) duplicate record deletion when SSA staff or reporting institutions updated information.⁸ See Appendix A for additional information on the conditions that permit PUPS record deletions.

¹ SSA, *POMS*, GN-General, ch. GN 026, subch. GN 02607.410, sec. A.2 (June 19, 2015).

² SSA, *POMS*, GN-General, ch. GN 026, subch. GN 02607.160, sec. A.1 (November 16, 2016) and SSA, *POMS*, GN-General, ch. GN 026, subch. GN 02607.050, sec. A.1 (September 4, 2014).

³ SSA, *POMS*, GN-General, ch. GN 026, subch. GN 02607.410, secs. A.2, B.3, and C.1 (June 19, 2015).

⁴ See Footnote 3.

⁵ See Footnote 1. For prisoners who were never entitled to OASDI or SSI, SSA systems create a "skeleton" PUPS record that shows the individual's confinement information. SSA retains this information for 2 years. SSA deletes these records after 2 years because the individuals never received any type of benefit under any SSA program. SSA, *POMS*, GN-General, ch. GN 026, subch. GN 02607.520 (April 6, 2018).

⁶ SSA, *POMS*, GN-General, ch. GN 026, subch. GN 02607.890, sec. E (April 21, 2016).

⁷ According to SSA, updates to its systems eliminated the need to delete records without sufficient incarceration dates, because its systems now reject these reports before becoming part of the PUPS record.

⁸ Systems staff offered this as a valid reason for deletion, but policy staff disagreed with its inclusion. We noted records in our review that met these criteria.

We compared complete PUPS lists from points in time in Calendar Years 2016 and 2017 to determine the number of records on the 2016 list that no longer appeared on the 2017 list. For the deleted PUPS records this comparison identified, we reviewed the Master Beneficiary and Supplemental Security Records to determine whether the individuals applied for benefits.⁹ This comparison identified 827,268 individuals who had deleted PUPS records and had applied for benefits. We then reviewed a sample of 250 individuals to determine whether SSA deleted PUPS records according to policy. See Appendix B for our scope and methodology.

RESULTS OF REVIEW

SSA deleted prisoner records contrary to its policy for 59 (24 percent) of our 250 sampled individuals. SSA should not have deleted these prisoner records because they did not meet SSA's criteria for deletion. Accordingly, we estimate SSA deleted about 195,000 individuals' prisoner records contrary to its policy. SSA staff indicated errors in programs created to identify records eligible for deletion may have caused the improper deletions. During the course of our review, we found several instances where missing release dates in SSA's systems suggested the potential for overpayment of benefits to incarcerated individuals. However, SSA's attainment of release dates from outside sources negated these potential overpayments.

PUPS Records Deleted Contrary to SSA Policy

SSA deleted prisoner records contrary to its policy for 59 (24 percent) of our 250 sampled individuals. SSA should not have deleted these prisoner records because they were not (1) eligible for the skeleton record-deletion process since the individuals had previously, or were currently, receiving benefits;¹⁰ (2) deleted based on a request from the public;¹¹ (3) deleted because the reporting institution provided an insufficient incarceration date; or (4) deleted because of duplicate record deletion when SSA staff or reporting institutions updated information.

Based on our sample results, we estimated SSA improperly deleted about 195,000 individuals' prisoner records between April 15, 2016 and October 4, 2017.¹² SSA staff reviewed the results of our sample and indicated errors in systems created to identify records eligible for deletion may have caused the improper deletions.¹³ During the course of our review, we found several instances where missing release dates in SSA's systems suggested the potential for overpayment of benefits to incarcerated individuals. However, SSA's attainment of release dates from outside sources negated these potential overpayments. SSA should identify the causes of the erroneous

⁹ Benefits included OASDI benefits and SSI payments. Our analysis did not include deleted PUPS records associated with individuals whose Master Beneficiary and Supplemental Security Records indicated they never filed for benefits because those records qualified for the skeleton record-deletion process without any indication of error.

¹⁰ See Footnote 5.

¹¹ See Footnote 6.

¹² See Appendix C for our sampling methodology and results.

¹³ According to SSA, it will implement systems updates aimed at correcting this error by October 2018.

prisoner record deletions we identified and make corrections to prevent future occurrences. Additionally, SSA should determine the cost-effectiveness of taking further actions to detect and correct additional records with improperly deleted prisoner information.

CONCLUSIONS

SSA deleted prisoner records contrary to its policy for 59 (24 percent) of our 250 sampled individuals. SSA should not have deleted these prisoner records because they did not meet SSA's criteria for deletion. Accordingly, we estimate SSA deleted about 195,000 individuals' prisoner records contrary to its policy. SSA staff indicated errors in programs created to identify records eligible for deletion may have caused the improper deletions. During the course of our review, we found several instances where missing release dates in SSA's systems suggested the potential for overpayment of benefits to incarcerated individuals. However, SSA's attainment of release dates from outside sources negated these potential overpayments.

RECOMMENDATIONS

We recommend SSA:

1. Identify the causes of erroneous prisoner record deletions we identified and make corrections to prevent future occurrences.
2. Determine the cost-effectiveness of taking further actions to detect and correct additional records with improperly deleted prisoner information.

AGENCY COMMENTS

SSA agreed with our recommendations. The Agency's comments are included in Appendix D.



Rona Lawson
Assistant Inspector General for Audit

APPENDICES

Appendix A – VALID DELETION OF PRISONER RECORDS

The Social Security Administration (SSA) informed us that it deleted some Prisoner Update Processing System (PUPS) records because space available to store information was limited.¹ SSA deleted records from PUPS in four situations: (1) skeleton record-deletion process; (2) record correction and deletion request from the public; (3) the reporting institution provided an insufficient incarceration date; and (4) duplicate record deletion when SSA staff or reporting institutions updated information.

Skeleton Record-deletion Process

In Calendar Years 2016 and 2017, SSA deleted records twice per year, which totaled about 2.8 million skeleton records.² Per policy, SSA deleted these records after 2 years because the individuals never received any type of benefit under any SSA program.³ While SSA staff was deleting the skeleton records, SSA informed us that staff also reviewed and deleted older records to ensure compliance with Office of Management and Budget guidance.⁴

Record Correction and Deletion Requests from the Public

SSA informed us that about 30 individuals per year request their records be corrected or deleted. In these instances, information reported by institutions was associated with the incorrect individual. When this occurs, individuals request the information be deleted from PUPS under the incorrect Social Security number and provide evidence they were not incarcerated during the time reported.⁵ If evidence supported the deletion, SSA attempted to associate the information with the correct individual. However, when staff members could not find the correct individual, they deleted the record from PUPS.

¹ SSA, OIG, *Payments to Individuals Incarcerated in Texas Department of Criminal Justice Facilities*, A-06-15-50017, p. B-2 (August 2016).

² SSA deleted skeleton records on May 14, 2016, October 29, 2016, May 13, 2017, and October 21, 2017. SSA, *AM*, ch. AM-16, subch. AM-16029, sec. C (May 16, 2016); SSA, *AM*, ch. AM-16, subch. AM-16070, sec. C (November 1, 2016); SSA, *AM*, ch. AM-17, subch. AM-17031, sec. D (May 15, 2017); and SSA, *AM*, ch. AM-17, subch. AM-17064, sec. D (October 23, 2017).

³ PUPS maintains reported inmate information 2 years for non-beneficiaries and non-recipients and indefinitely for beneficiaries and recipients. SSA, *POMS*, GN-General, ch. GN 026, subch. GN 02607.410, sec. A.2 (June 19, 2015). According to SSA, the process of removing records from PUPS involves identification of eligible records using a program, followed by review by SSA staff.

⁴ Office of Management and Budget, M-12-18, *Managing Government Records Directive* (August 24, 2012).

⁵ SSA, *POMS*, GN-General, ch. GN 026, subch. GN 02607.890, sec. E (April 21, 2016).

Insufficient Information Provided by the Reporting Institution

According to SSA, before 2015, PUPS accepted incomplete information from reporting institutions to encourage as many reports as possible. However, if an institution did not supply a confinement date, SSA staff did not have enough information to develop the record, so they deleted the report. In 2015, SSA updated PUPS to reject reports that did not have confinement dates. SSA staff intended this change to reduce the occurrence of incomplete records in PUPS and prevent incentive payments to institutions that did not provide SSA sufficient information.

Duplicate Record Deletion Related to Updated Information

According to SSA, sometimes information stored in PUPS required updates. When SSA staff or reporting institutions updated dates of incarceration or conviction, the updated report would overwrite the initial report. SSA systems and staff deleted these records but replaced them with corrected information.

Appendix B – SCOPE AND METHODOLOGY

To accomplish our objective, we performed the following steps.

- Reviewed prior Office of the Inspector General reports related to the review.
- Reviewed Social Security Administration (SSA) policy related to the review.
- Compared Prisoner Update Processing System (PUPS) records on April 15, 2016 and October 4, 2017 and determined the number of records deleted between the dates.
- Compared deleted PUPS records to the Master Beneficiary and Supplemental Security Records to determine how many of these individuals filed for at least one SSA benefit.
- Reviewed a sample of 250 records with prior applications for SSA benefits to determine whether the associated individuals received benefits.
- For sampled beneficiaries overpaid based on the deleted PUPS records, calculated the amount of benefits paid while the beneficiaries were incarcerated according to information connected to the deleted records in question.

We conducted our audit from January 2017 through August 2018 in Chicago, Illinois. We determined the data used for this audit were sufficiently reliable to meet our audit objectives. The entities audited were the Offices of the Deputy Commissioners for Operations, Systems, and Retirement and Disability Policy. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix C – SAMPLING METHODOLOGY AND RESULTS

We compared Prisoner Update Processing System (PUPS) records from April 15, 2016 and October 4, 2017 to determine the number of records deleted between the two dates. We then compared deleted PUPS records to the Master Beneficiary and Supplemental Security Records to determine whether the individuals applied to receive Social Security Administration benefits. Finally, we reviewed a sample of 250 individuals to determine whether any incorrect payments occurred because of deleted PUPS information.

Table C–1: Population and Sample Size

Description	Size
Individuals with Deleted PUPS Records and Prior Applications for Benefits	827,268
Sample	250

Table C–2: Individuals with PUPS Information Deleted Contrary to Policy

Description	Size
Sample Results	59
Point Estimate	195,235
Projection – Lower Limit	159,127
Projection – Upper Limit	235,270

Note: Statistical projections are at the 90-percent confidence level.

Appendix D – AGENCY COMMENTS



SOCIAL SECURITY

MEMORANDUM

Date: August 28, 2018 Refer To: S1J-3

To: Gale S. Stone
Acting Inspector General

From: Stephanie Hall
Acting Deputy Chief of Staff

Stephanie Hall

Subject: Office of the Inspector General Draft Report, “Controls over the Deletion of Prisoner Records”
(A-05-17-50256) -- INFORMATION

Thank you for the opportunity to review the draft report. Please see our attached comments.

Please let me know if we can be of further assistance. You may direct staff inquiries to Trae Sommer at (410) 965-9102.

Attachment

SSA COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL DRAFT REPORT, “CONTROLS OVER THE DELETION OF PRISONER RECORDS”
(A-05-17-50256)

GENERAL COMMENTS

We have identified the causes of the erroneous deletion of Prisoner Update Processing System (PUPS) records, and we will modify PUPS to retain accurate prisoner records and maintain the integrity of our data. We will continue to monitor the accuracy of the automated deletion process in PUPS and ensure that our record retention requirements are current and secure.

Recommendation 1

Identify the causes of the erroneous prisoner record deletions we identified and make corrections to prevent future occurrences.

Response

We agree.

Recommendation 2

Determine the cost-effectiveness of taking further actions to detect and correct additional records with improperly deleted prisoner information.

Response

We agree.

MISSION

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