

FY 2007 PERFORMANCE REPORT



SOCIAL SECURITY ADMINISTRATION
OFFICE OF THE INSPECTOR GENERAL

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MISSION STATEMENT

By conducting independent and objective audits, evaluations and investigations, we inspire public confidence in the integrity and security of Social Security Administration (SSA) 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.

VISION and VALUES

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.

EXECUTIVE SUMMARY

The 2007 Performance Report (i.e. Report) highlights the Office of the Inspector General's (OIG) results for the second year of our *Fiscal Year (FY) 2006-2010 Revised Strategic Plan*. We operate within a framework set by our three general goals: the *Impact* our investigations, audits, and legal activities have on SSA's effectiveness and efficiency; the *Value* we bring to Social Security and the citizens we serve; and the *People* of the OIG, who are superior in both their efforts and professionalism. These general goals are further broken down into 14 separate performance measures. All of these targets are designed to support OIG's core mission of inspiring public confidence by detecting and preventing fraud, waste, and abuse in SSA's programs and operations. For FY 2007, we successfully met the targets for all 14 performance measures.

Our accomplishments from this past year reflect a level of consistency that we have come to expect of ourselves. Building on our successes from FY 2006, we once again demonstrated that the faith of our stakeholders is justified. In some cases, we topped results that were already outstanding. This year, for every \$1 invested in our activities, we returned \$51 dollars through audits, investigations, and legal proceedings. This Report also features an increase in our employee satisfaction rate.

During FY 2007, a focus group comprised of representatives from each of OIG's components was assembled to evaluate our Strategic Plan. The group reviewed our current work, staffing, and performance measures to determine whether modifications should be made to strengthen the composition of the Strategic Plan and future Performance Reports. This workgroup made recommendations to increase a few performance measures for FY 2008. We will continue to assess our organization, thus rendering us consistently ready to stand up to the challenge of ensuring the integrity and reliability of SSA's programs and operations.

PERFORMANCE RESULTS

GOAL	DESCRIPTION	TARGET	RESULT	GOALS	
				MET	NOT MET
IMPACT					
<u>1.1</u>	Maintain an annual acceptance rate of at least 85 percent for all recommendations.	85%	97%	X	
<u>1.2</u>	Through FY 2010, achieve a 5-year average implementation rate of 85 percent for accepted recommendations aimed at improving the integrity, efficiency and effectiveness of SSA.	85%	90%	X	
<u>1.3</u>	Achieve a positive action on at least 80 percent of all cases closed during the FY.	80%	93%	X	
VALUE					
<u>2.1</u>	Generate a positive return of \$4 for every tax dollar invested in OIG activities.	\$4 to \$1	\$51 to \$1	X	
<u>2.2</u>	Evaluate and respond to 90 percent of all allegations received within 30 days.	90%	95%	X	
<u>2.3</u>	Complete investigative fieldwork on 75 percent of all cases within 180 days.	75%	92%	X	
<u>2.4</u>	Respond to 90 percent of congressional requests within 21 days.	90%	99%	X	
<u>2.5</u>	Take action on 90 percent of Civil Monetary Penalty (CMP) subjects within 30 days of receipt.	90%	95%	X	
<u>2.6</u>	Achieve a positive internal and external user assessment rating of 85 percent for product-service quality.	85%	88%	X	
<u>2.7</u>	Issue 75 percent of final audit reports within 1 year of the entrance conference with SSA.	75%	93%	X	
<u>2.8</u>	Complete 80 percent of requests for legal advice and review within 30 days.	80%	98%	X	
PEOPLE					
<u>3.1</u>	Achieve an annual attrition rate of 5 percent or less.	5%	4%	X	
<u>3.2</u>	Conduct an annual employee job-satisfaction survey and implement corrective action plans to identify areas where improvement is needed.	81%	83%	X	
<u>3.3</u>	Ensure that 90 percent of OIG staff receives 40 or more hours of appropriate developmental and skill-enhancement training annually.	90%	96%	X	

PERFORMANCE DISCUSSION AND ANALYSIS

This section provides detailed performance information, including a description of our Strategic Plan goals aimed at achieving success in each of the three general areas. We state each goal, its associated results and describe the method of calculation. We also discuss, where appropriate, why we believe we were successful or unsuccessful in meeting our goals.

Goal 1 - IMPACT

Enhance the integrity, efficiency and effectiveness of SSA programs and operations.

Strategies to attain this goal include:

1. Promote an OIG-wide process for cross-component communications on potential programmatic and operational vulnerabilities.
2. Communicate with the Agency to identify mission-critical issues and operations that would benefit from OIG audit and investigation services and develop practical solutions to address identified weaknesses or deficiencies.
3. Prioritize investigations, audits and counsel actions to effect more efficient and effective SSA programs and operations.

Goal 1.1	<i>Maintain an annual acceptance rate of at least 85 percent for all recommendations.</i>	<i>FY 2007 Result</i> <i>97 Percent</i>
This measure is calculated by dividing the number of legislative, policy and regulatory recommendations accepted by SSA and/or Congress (included in proposed legislation) during the FY by the total number of recommendations with a management decision and legislative proposals made during the FY. For FY 2007, our annual acceptance rate was 97 percent, exceeding our 85 percent goal. Of the 289 recommendations we submitted during this period that have a management decision, SSA agreed with 280.		

Goal 1.2	<i>Through FY 2010, achieve a 5-year average implementation rate of 85 percent for accepted recommendations aimed at improving the integrity, efficiency and effectiveness of SSA.</i>	<u>FY 2007 Result</u> 90 Percent
<p>This measure is calculated by dividing the total number of accepted recommendations implemented by SSA during the past 5 FYs by the total number of recommendations SSA agreed to implement during the past 5 FYs.</p> <p>Since SSA needs sufficient time to implement the recommendations it has agreed to, there is a 1-year lag in this calculation. Thus, for FY 2007 we are reporting the 5-year period covering FYs 2002 through 2006. Our average implementation rate for accepted audit recommendations was 90 percent, exceeding our 85 percent goal. During this period, SSA implemented 1,419 of 1,580 accepted recommendations.</p>		

Goal 1.3	<i>Achieve a positive action on at least 80 percent of all cases closed during the FY.</i>	<u>FY 2007 Result</u> 93 Percent
<p>This measure is calculated by dividing the total closed cases that resulted in a positive action during the FY by the total cases closed during the FY. If the subject has been sentenced, the case referred for a CMP and/or an administrative action has been taken against the subject, it is considered a positive action on the closed case. In addition, if certain money types have been collected or certain referrals have been made it is considered a positive action.</p> <p>For FY 2007, we closed 9,967 out of 10,763 investigations with a positive action. This 93 percent performance rate exceeds our 80 percent target.</p>		

Goal 2 - VALUE

Provide quality products and services of value in a timely manner to Congress, SSA and other key decision-makers while sustaining a positive return for each tax dollar invested in OIG activities.

Strategies used to attain this goal include:

1. Maintain a “positive-return” culture within OIG.
2. Ensure continual improvement of OIG products by using a product and service quality assessment instrument to measure internal and external user satisfaction.
3. Implement best practices to ensure quality and timeliness of OIG products and services.
4. Utilize information technology investments to enhance OIG work products and service delivery.

Goal 2.1	<i>Generate a positive return of \$4 for every tax dollar invested in OIG activities.</i>	<i>FY 2007 Result</i> \$51 to \$1
This measure is calculated by dividing the total amount of all OIG savings identified during the FY by the total amount of appropriated funds during the same period. For FY 2007, we generated a return of \$51 for every dollar invested in us by the taxpayer. This rate of return was bolstered by an audit report entitled, <i>Government Pension Offset Exemption for Texas School Districts' Employees</i> (A-09-06-26086). In this report, we identified over \$2.1 billion in funds put to better use. Even without the extraordinary savings resulting from this audit, we would still have a return of \$28 for every dollar invested, seven times our 4 to 1 target.		

Goal 2.2	<i>Evaluate and respond to 90 percent of all allegations received within 30 days.</i>	<i>FY 2007 Result</i> 95 Percent
This measure is calculated by dividing the total number of allegations closed or referred within 30 days during the FY by the total number of allegations closed or referred during the FY. For FY 2007, we achieved a 95 percent rating. Of the 83,411 allegations closed or referred during the FY, we closed or referred 79,522 within 30 days.		

Goal 2.3	<i>Complete investigative fieldwork on 75 percent of all cases within 180 days.</i>	<i>FY 2007 Result</i> <i>92 Percent</i>
This measure is calculated by dividing the total number of investigations closed or referred for prosecution, CMP, SSA or other State or Federal agency action within 180 days during the FY by the total investigations closed or referred during the FY. For FY 2007, we surpassed our 75 percent goal with a 92 percent rating. A total of 10,777 investigations were closed or referred during the FY. Of these, we closed or referred 9,914 cases for action within 180 days.		

Goal 2.4	<i>Respond to 90 percent of congressional requests within 21 days.</i>	<i>FY 2007 Result</i> <i>99 Percent</i>
This measure is calculated by dividing the total congressional requests responded to within 21 days during the FY by the total number of congressional requests responded to during the FY. Processing days are the days elapsed from receipt of a congressional request to the date of a response. For FY 2007, we achieved a 99 percent rating. Our office responded to 73 Congressional inquiries during the FY. We responded to 72 of them within 21 days.		

Goal 2.5	<i>Take action on 90 percent of Civil Monetary Penalty (CMP) subjects within 30 days of receipt.</i>	<i>FY 2007 Result</i> <i>95 Percent</i>
This measure is calculated by dividing the total number of CMP subjects against whom action was taken within 30 days of receipt during the FY by the total number of CMP subjects where action was taken during the FY. Actions include sending initial letters, requesting investigative assistance or closing the CMP. For FY 2007, we took action on 822 CMP subjects. Action was taken on 782 of those subjects within 30 days of their receipt.		

Goal 2.6	<i>Achieve a positive internal and external user assessment rating of 85 percent for product-service quality.</i>	<i>FY 2007 Result</i> <i>88 Percent</i>
This measure is calculated by using a five-tier rating scale measuring the degree of satisfaction with OIG products and services by recipients and users, including SSA and other government entities, such as Congress, Offices of U.S. Attorney, and external law enforcement agencies. The numeric response is translated into a percentage with 85 percent indicating satisfaction. For FY 2007, we achieved an 88 percent rating, exceeding the 85 percent goal.		

Goal 2.7	<i>Issue 75 percent of final audit reports within 1 year of the entrance conference with SSA.</i>	<i>FY 2007 Result</i> <i>93 Percent</i>
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This measure is calculated by dividing the total number of audit reports issued during the FY within 1 year of the entrance conference by the total number of audit reports issued during the FY.

For FY 2007, our office achieved a 93 percent rating, exceeding our goal of 75 percent. We issued a total of 108 audit reports during the fiscal year. We issued 100 of these reports within 1 year of their respective entrance conference.

Goal 2.8	<i>Complete 80 percent of requests for legal advice and review within 30 days.</i>	<i>FY 2007 Result</i> <i>98 Percent</i>
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This measure is calculated by dividing the total number of legal opinions, subpoenas and audit reviews completed by the Office of the Chief Counsel to the Inspector General within 30 days of receipt during the FY by the total number of requests for legal opinions, subpoenas and audit reviews completed during the FY.

During FY 2007, we completed 567 of the 578 requests for legal opinions, subpoenas, and audit reviews within 30 days of their receipt.

Goal 3 - PEOPLE

Promote a skilled, motivated, diverse workforce in a positive and rewarding work environment.

Strategies used to attain this goal include:

1. Identify assignment interests and developmental needs of all employees.
2. Provide OIG components with training and tools necessary to ensure professional development and skills enhancement.
3. Maintain a proactive approach in recruiting and hiring candidates to meet different needs.

Goal 3.1	<i>Achieve an annual attrition rate of 5 percent or less.</i>	<i>FY 2007 Result 4 Percent</i>
This measure is calculated by dividing the total number of employees separated (excluding retirements and deaths) during the FY by the OIG Full-Time Equivalents for the FY. For FY 2007, there were 23 separations from the OIG's 610 Full-Time Equivalents. This resulted in a 4 percent attrition rate.		

Goal 3.2	<i>Conduct an annual employee job-satisfaction survey and implement corrective action plans to identify areas where improvement is needed.</i>	<i>FY 2007 Result 83 Percent</i>
OIG's Organizational Health Committee implemented an annual employee job-satisfaction survey. The survey was first administered in FY 2006 to establish a baseline level of employee satisfaction. In FY 2007 the survey was re-administered to measure progress against this baseline. Question 12 of this survey asks, "Considering everything, how satisfied are you with your job?" Based on a 49 percent response rate, 83 percent of our employees indicated that they are either satisfied or very satisfied with their jobs. This result represents an improvement over our 81 percent satisfaction rate in FY 2006.		

Goal 3.3	<i>Ensure that 90 percent of OIG staff receives 40 or more hours of appropriate developmental and skill-enhancement training annually.</i>	<i>FY 2007 Result</i> 96 Percent
<p>This measure is calculated by dividing the total number of OIG staff on board for the entire FY receiving at least 40 hours of training during the FY by the total number of OIG staff on board for the entire FY.</p> <p>For FY 2007, 96 percent of our employees received 40 or more hours of appropriate developmental and/or skill-enhancement training. Achieving this goal demonstrates OIG's commitment to having an adept and proficient workforce. The continual development of our employees underlies our successful performance as an organization.</p>		

HISTORICAL COMPARISON

GOAL	DESCRIPTION	FY 2006 RESULTS	FY 2007 RESULTS
1.1	<i>Maintain an annual acceptance rate of at least 85 percent for all recommendations.</i>	93%	97%
1.2	<i>Through FY 2010, achieve a 5-year average implementation rate of 85 percent for accepted recommendations aimed at improving the integrity, efficiency and effectiveness of SSA.</i>	92%	90%
1.3	<i>Achieve a positive action on at least 80 percent of all cases closed during the FY.</i>	87%	93%
2.1	<i>Generate a positive return of \$4 for every tax dollar invested in OIG activities.</i>	\$46 to \$1	\$51 to \$1
2.2	<i>Evaluate and respond to 90 percent of all allegations received within 30 days.</i>	96%	95%
2.3	<i>Complete investigative fieldwork on 75 percent of all cases within 180 days.</i>	84%	92%
2.4	<i>Respond to 90 percent of congressional requests within 21 days.</i>	97%	99%
2.5	<i>Take action on 90 percent of Civil Monetary Penalty (CMP) subjects within 30 days of receipt.</i>	92%	95%
2.6	<i>Achieve a positive internal and external user assessment rating of 85 percent for product-service quality.</i>	88%	88%
2.7	<i>Issue 75 percent of final audit reports within 1 year of the entrance conference with SSA.</i>	85%	93%
2.8	<i>Complete 80 percent of requests for legal advice and review within 30 days.</i>	95%	98%
3.1	<i>Achieve an annual attrition rate of 5 percent or less.</i>	2%	4%
3.2	<i>Conduct an annual employee job-satisfaction survey and implement corrective action plans to identify areas where improvement is needed.</i>	81%	83%
3.3	<i>Ensure that 90 percent of OIG staff receives 40 or more hours of appropriate developmental and skill-enhancement training annually.</i>	93%	96%