

Informational Report

Status of the Social Security
Administration's Earnings Suspense
File

A-03-15-50058 / September 2015

OIG

Office of the Inspector General
SOCIAL SECURITY ADMINISTRATION

MEMORANDUM

Date: September 22, 2015 Refer To:

To: The Commissioner

From: Inspector General

Subject: Status of the Social Security Administration's Earnings Suspense File (A-03-15-50058)

The attached final report presents the results of the Office of Audit's review and provides information about the Social Security Administration's efforts to reduce the size and growth of the Earnings Suspense File.

If you wish to discuss the final report, please call me or have your staff contact Steven L. Schaeffer, Assistant Inspector General for Audit, at (410) 965-9700.



Patrick P. O'Carroll, Jr.

Attachment

Status of the Social Security Administration's Earnings Suspense File

A-03-15-50058



September 2015

Office of Audit Report Summary

Background

We are issuing this report to provide information about the Social Security Administration's (SSA) efforts to reduce the size and growth of the Earnings Suspense File (ESF).

Title II of the *Social Security Act* requires that SSA maintain records of wage amounts employers pay individuals. Employers report their employees' wages to SSA at the conclusion of each tax year (TY). As part of the Annual Wage Reporting process, SSA validates earnings by matching reported names and Social Security numbers (SSN) on W-2s (*Wage and Tax Statement*) to the Numident.

W-2s that include names and SSNs that do not match SSA's records are posted to the ESF—a repository of W-2s that failed SSA's name and SSN matching criteria or other wage discrepancies. SSA maintains suspended wages because missing wages can affect an individual's eligibility for, and/or the amount of, retirement, disability, or survivors benefits.

Summary

SSA's ESF has reached \$1.2 trillion in uncredited wages associated with 333 million W-2s for TYs 1937 to 2012. Although the percentage of W-2s posted to the ESF has remained relatively constant for many years, the number of W-2s posted to the ESF declined by 36 percent from 2007 to 2012. SSA processed fewer W-2s during that period because of high unemployment, which contributed to the decrease in suspended wage items.

For TYs 2008 to 2012, about 95 percent of the W-2s was suspended because of name and SSN mismatches. Three percent of the W-2s was suspended because SSA's records showed numberholders disclaimed the wages, were deceased, or were minor children. The remaining 2 percent of suspended W-2s included invalid SSNs that resembled an Individual Taxpayer Identification Number issued by the Internal Revenue Service.

Over the years, SSA reduced the size and growth of the ESF by implementing edit routines and sending notices to employers/employees to help identify valid name and SSN combinations. As a result, as of October 2014, SSA had reinstated from the ESF at least 171 million W-2s for TYs 1937 to 2013. This is vital because SSA cannot use the uncredited wages to determine a person's eligibility for Social Security benefits until the wages are posted to the person's earnings record. Additionally, in 2005, SSA implemented the Social Security Number Verification Service to assist employers in providing accurate wage reports with the intent of preventing W-2s from being posted to the ESF. However, less than 1 percent of the 6 million employers that report wages to SSA used the Social Security Number Verification Service for verification in 2014.

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ABBREVIATIONS

EADR	Earnings After Death Report
ESF	Earning Suspense File
IRS	Internal Revenue Service
ITIN	Individual Taxpayer Identification Number
MEF	Master Earnings File
POMS	Program Operations Manual System
Pub. L. No.	Public Law Number
SSA	Social Security Administration
SSN	Social Security Number
SSNVS	Social Security Number Verification Service
SWED	Scrambled Wage Earnings Discrepancy
TY	Tax Year
U.S.C.	United States Code
YCER	Young Child Earnings Report

Form

W-2	<i>Wage and Tax Statement</i>
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BACKGROUND

We are issuing this report to provide information about the Social Security Administration's (SSA) efforts to reduce the size and growth of the Earnings Suspense File (ESF). Title II of the *Social Security Act* requires that SSA maintain records of wage amounts employers pay individuals.¹ Employers report their employees' wages to SSA at the conclusion of each tax year (TY). As part of the Annual Wage Reporting process, SSA validates the earnings by matching the reported names and Social Security numbers (SSN) on the Form W-2 (*Wage and Tax Statement*) against the Numident.² The Agency uses various edit routines to validate names and SSNs on W-2s. When a match occurs, the earnings are posted to SSA's Master Earnings File (MEF) to be used to determine eligibility for Social Security benefits.

W-2s that include names and SSNs that do not match are posted to the ESF—a repository of W-2s that failed SSA's name and SSN matching criteria.³ In addition, the ESF contains W-2s that were assigned a special indicator code because, according to SSA's records, the numberholder disclaimed the wages,⁴ was deceased,⁵ or was a child under age 7.⁶ SSA maintains suspended wages because missing wages can affect an individual's eligibility for, and/or the amount of, retirement, disability, or survivor benefits. Retaining suspended W-2s allows individuals who have legitimate earnings that are missing from their earnings record to obtain proper credit when they provide additional information or SSA creates new software routines to find matches.

Growth of the ESF

As of October 2014, the ESF had accumulated over \$1.2 trillion in uncredited wages and 333 million W-2s for TYs 1937 to 2012. Each year, SSA posts to the ESF 3 to 4 percent of the total W-2s and 1.4 to 1.8 percent of the total wages received from employers. As shown in Figure 1 and Figure 2, during the 1990s, the ESF continued to grow in both wage items and dollars. From TYs 2003 through 2012, approximately \$749 billion in wages and 90 million W-2s were posted to the ESF, representing about two-thirds of the total wages in the ESF and one-third of the total W-2s. In TY 2006, about 11 million W-2s totaling \$86 billion in wages were posted to the ESF, which was the most in 1 year.

¹ *Social Security Act* § 205(c)(2)(A), 42 U.S.C. § 405(c)(2)(A).

² SSA, POMS, RM 03870.001 B (October 1, 1998).

³ SSA maintains two suspense files—one for wages and one for self-employment earnings. However, this report only focuses on wages reported by employers.

⁴ SSA, POMS, RM 03870.048 (November 16, 2012).

⁵ SSA, POMS, RM 03870.080 (March 2, 1999).

⁶ SSA, POMS, RM 03870.065 (October 21, 1994).

Figure 1: ESF Suspended Wages (TYs 1937 to 2012)

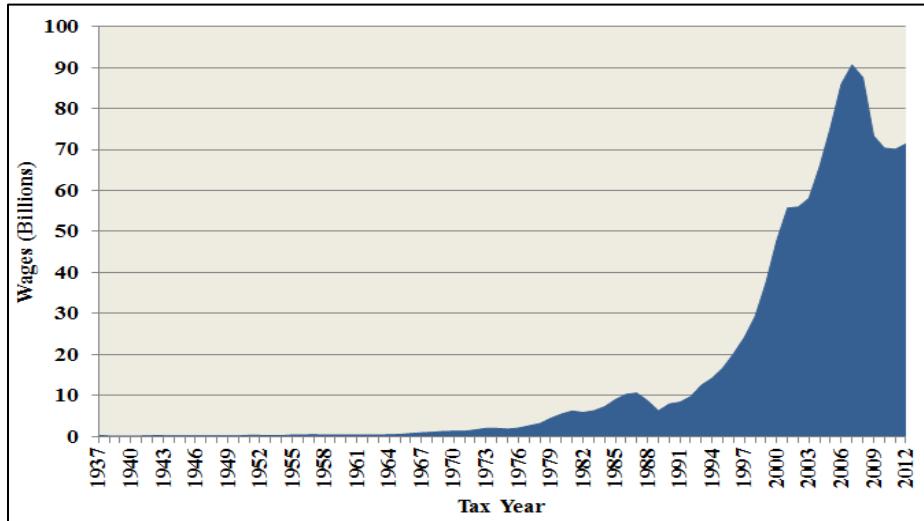
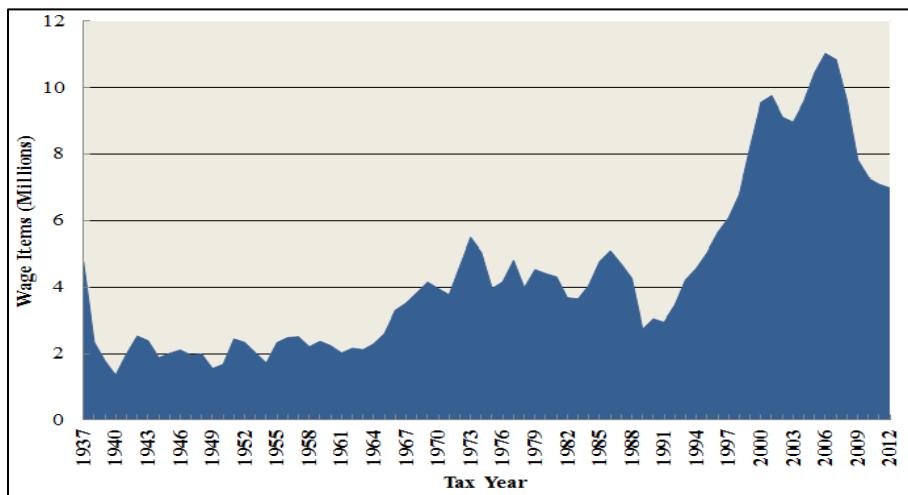


Figure 2: ESF Suspended W-2s (TYs 1937 to 2012)

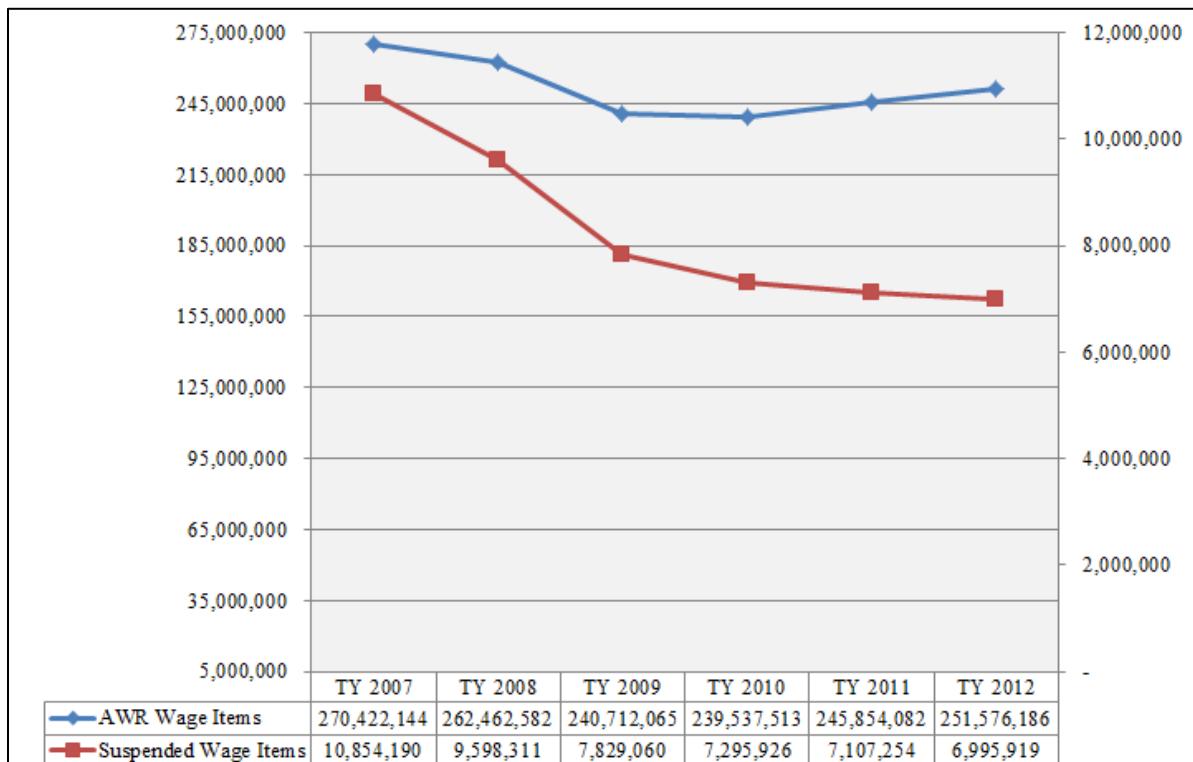


As shown in Figure 2, after 2006, the number of W-2s posted to the ESF declined. One of the reasons for the decrease in suspended wages was the decline in the number of people working in the U.S. economy. According to the Bureau of Labor Statistics, from 2007 to 2010, the unemployment rate nearly doubled, ranging from 5 to 9 percent.⁷ By 2012, it had decreased slightly to 8 percent. SSA saw a decrease in the number of W-2s it received from employers during this period, which affected the number of W-2s posted to the ESF. As shown in Figure 3, in TYs 2007 to 2012, the number of W-2s reported to SSA decreased 7 percent from 270 to 252 million. The suspended items decreased 36 percent from 10.9 million in 2007 to 7 million in

⁷ Bureau of Labor Statistics, Labor Force Statistic from the Current Population Survey, Unemployment Rate. <http://data.bls.gov/pdq/SurveyOutputServlet>

2012. The largest decrease for both categories occurred in 2009, when reported W-2s decreased by 8 percent and suspended wages decreased by 18 percent. That same year, the unemployment rate reached 9.9 percent. Although the number of W-2s received increased in TYs 2011 and 2012, the number of suspended items declined.

Figure 3: Comparison of Reported and Suspended Wages

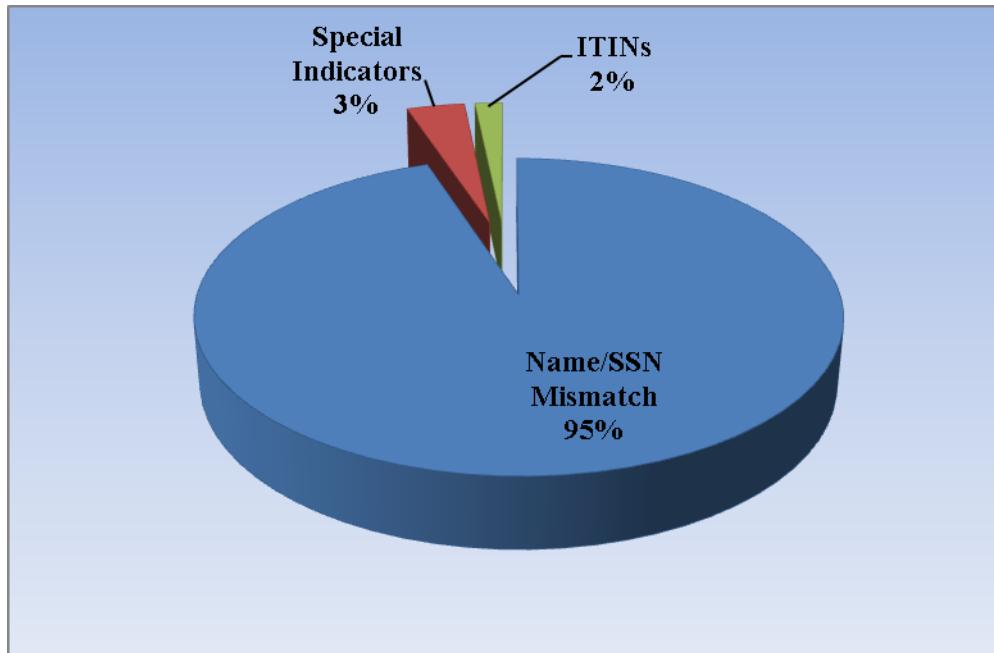


Composition of the ESF

For TYs 2008 to 2012, SSA suspended about 39 million W-2s, representing about \$373 billion in wages. Approximately 1.3 million employers reported the suspended wages to SSA. As shown in Figure 4, of the 39 million suspended W-2s,

- 95 percent reported names and/or SSNs did not match SSA's records;
- 3 percent was assigned a special indicator code when numberholders disclaimed the wages, appeared to be deceased in SSA's records, or appeared to be a child under age 7; and
- 2 percent was reported with a number that resembled an Individual Taxpayer Identification Number (ITIN).

Figure 4: Composition of ESF for TYs 2008 to 2012



Mismatched Names and SSNs

SSA posted to the ESF about 37 million (95 percent) W-2s representing \$351 billion in wages for TYs 2008 to 2012 because the name and SSN combinations did not match SSA's records. A name and SSN mismatch can occur for such reasons as the (1) wage earners changed their names and did not notify SSA; (2) employers reported the name and SSN incorrectly; or (3) individuals deliberately used an SSN that did not belong to them. For these cases, SSA generated and sent a Decentralized Correspondence notice to employees requesting their assistance to resolve the wage discrepancy.⁸ For TY 2011, SSA sent employees over 6 million notices.⁹

Special Indicators

SSA posted to the ESF about 1.4 million (3 percent) W-2s representing nearly \$14 billion in wages with special indicators for TYs 2008 to 2012. SSA assigns a special indicator when numberholders disclaim the wages – Scrambled Wage Earnings Discrepancy (SWED); appear to be deceased – Earnings After Death Report (EADR); or appear to be a child under age 7 – Young Children's Earnings Record (YCER).

⁸ SSA, POMS, RM 01105.027 B (April 3, 2013).

⁹ SSA sent Decentralized Correspondence notices to employers when the employee's address on the W-2 was missing or incomplete. However, in August 2012, SSA stopped sending the notices to employers because of budgetary constraints. In addition, in January 2013, SSA suspended the Educational Correspondence notices sent to employers because of budgetary constraints.

SWED

About 220,000 numberholders disclaimed about \$13 billion in wages reported on 1 million W-2s for TYs 2008 to 2012. When numberholders disclaim wages, SSA posts the wages to the ESF with an SWED indicator that prevents the system from reinstating the wages on the same earnings record.¹⁰ Individuals can disclaim wages for several reasons, including (1) wages for one person were incorrectly reported using another person's SSN, (2) an individual mistakenly or deliberately used another person's SSN, or (3) an individual fraudulently used someone else's documents and obtained an SSN with that person's number. Of the 222,000 numberholders who disclaimed the wages, 100,000 (45 percent) had to disclaim wages for multiple TYs. The burden is placed on the numberholder to notify SSA each year when he/she learns his/her SSN has been misused. In September 2008, SSA agreed to implement our recommendation that it develop a cost-effective method to automatically post to the ESF subsequent W-2s that have the same characteristics of previously disclaimed W-2s to reduce the burden on the true numberholder.¹¹ As of December 2010, SSA released a software update to prevent items from being posted to the MEF that had the same characteristics of previously disclaimed wages. Instead, these items are automatically posted to the ESF. According to SSA, as of July 2015, about 276,000 W-2s were prevented from being posted to the MEF because of the new automated process.

Further, SSA's policy does not require that employers be notified about W-2s that are placed in the ESF with the SWED indicator. According to its policy for resolving disclaimed wages, SSA staff "can" send a letter to the employer to identify the individual who may be misusing the SSN.¹² However, our prior review showed SSA staff seldom sent letters to employers to alert them about disclaimed wages in their payroll. As a result, employers may be unaware of the wage discrepancies and therefore cannot assist SSA in resolving the wage reporting problems. In our 2008 report, we recommended that SSA generate a letter that annually notifies employers of employees who have disclaimed wages. As of July 2015, Agency staff informed us they had considered the feasibility of generating a standard letter to employers but determined it would require significant resources. Furthermore, they stated that, while notifying employers about misreported wages could serve as a prompt to check and correct employees' files, they believe the extensive changes to SSA's system would yield little value.

¹⁰ SSA, POMS, RM 03870.045 (January 20, 2011).

¹¹ SSA OIG, *Social Security Number Misuse for Work and the Impact on the Social Security Administration's Master Earnings File* (A-03-07-27152), p. 15, September 2008.

¹² SSA, POMS, RM 03870.048.A.6. (November 16, 2012). The Employee Identification Statement (Form SSA-4156) can be sent to employers to enlist their help in resolving earnings discrepancies.

EADR

SSA suspended about 300,000 W-2s totaling about \$1 billion that had an EADR indicator for the 5-year period. SSA assigns this indicator as part of its validation process. SSA reviews the Numident to determine whether employers reported wages after the year of death.¹³ SSA produces an investigate file to contact employers and employees to resolve EADR cases. As of October 2014, the 300,000 suspended W-2s remained in the ESF. A prior review showed that some of the causes for EADR cases were (1) wages reported on the incorrect Internal Revenue Service (IRS) form;¹⁴ (2) wage earners were alive but incorrectly listed as deceased in SSA's records; and (3) SSN misuse.¹⁵

YCER

For TYs 2008 to 2012, SSA suspended about 42,000 W-2s, representing \$228 million because the SSNs belong to children under age 7. Under the YCER process, SSA reviews the Numident for a date of birth for the SSN on each W-2.¹⁶ If a date of birth indicates the numberholder is a child under age 7, SSA places the wages in the ESF with an YCER indicator.¹⁷ To help resolve YCER records, the Agency sends a notice to the employer requesting assistance in determining whether the suspended wages belong to child. Based on the response from the YCER notices, SSA reinstated to the MEF about 23,000 (55 percent) of 42,000 suspended W-2s. While some W-2s may relate to legitimate work activity by children, our audit work has also identified individuals improperly using children's SSNs for work purposes.¹⁸ For example, we found that, of the top 100 employers who reported wages using the SSNs of children for TYs 2007 to 2010, 29 reported wages for 977 children that appeared to involve SSN misuse. The children ranged in age from 4 months to 13-years-old. The employers were in industries that typically did not hire children, such as manufacturing, retail, and construction.

¹³ SSA, POMS, RM 03870.080 A.3 (March 2, 1999).

¹⁴ When an individual is deceased, wages should be reported as miscellaneous income on IRS Form 1099-MISC rather than as wages on a W-2.

¹⁵ SSA OIG, *Effectiveness of the Social Security Administration's Earnings After Death Process (A-03-01-11035)*, p. 5, August 2002.

¹⁶ SSA, POMS, RM 03870.065 A (October 21, 1994).

¹⁷ SSA also compares YCER ESF records against the YCER Exception List. If the employer's tax identification number included on the earnings record is present on its YCER Exception List, SSA does not consider the record a YCER case. The earnings record is marked valid and eventually posted to the MEF.

¹⁸ SSA OIG, *Improper Use of Children's Social Security Numbers (A-03-12-21269)*, p. 6, March 2014.

ITINs

The ESF included about 637,000 (2 percent) W-2s representing \$8 billion in wages for TYs 2008 to 2012 that had characteristics of an ITIN. The ITIN is a 9-digit Federal tax processing number issued by the IRS to foreign nationals and other individuals who have Federal tax reporting or filing requirements but who do not have, and are not eligible to obtain, an SSN.¹⁹ An ITIN may look similar to a SSN, but the first digit is the number 9 and the fourth digit is a 7, 8, or 9. SSA does not issue SSNs in the “900” series. Although ITINs were intended to be used for tax purposes, some individuals have used them for work purposes.²⁰ The IRS indicated that, as of June 2014, it had issued about 21 million ITINs since the program began in 1996 but only one-quarter was used on tax returns.²¹

Prevention and Resolution of ESF Items

SSA has limited control over the factors that cause the volume of erroneous W-2s submitted each year, but the Agency has taken several measures to prevent and resolve erroneous W-2s. To reduce the ESF’s growth rate, SSA uses a variety of operations and systems enhancements including (1) continuing to edit annual wage reports for valid name and SSN combinations; (2) adding additional edit routines to perfect the data matching routines; (3) strengthening the name and SSN validation software used to determine the wage earner’s identity; (4) and using verification programs to verify identities before employers submit wages to SSA.

Edit Routines

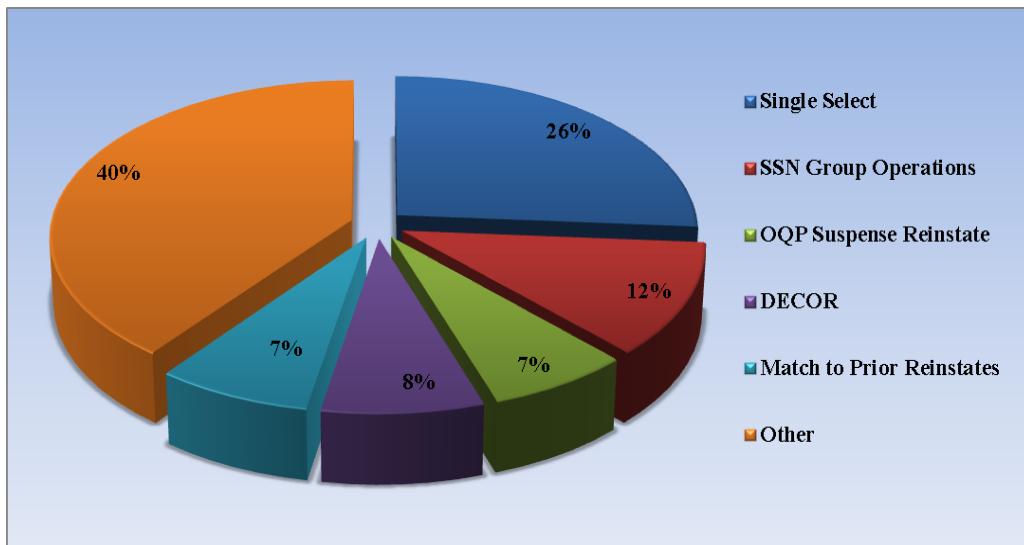
As of October 2014, SSA’s Reinstate File showed the Agency removed about 171 million items from the ESF for TYs 1937 to 2013. SSA posted the suspended W-2s to the earnings records of 96 million numberholders. SSA reinstated the wages using about 100 different edit routines. As shown in Figure 5, the 5 most successful edit routines reinstated about 60 percent (103 million W-2s) of the suspended W-2s. Although the Reinstate File demonstrates SSA’s efforts to reduce the ESF’s size and growth, it does not provide a complete picture of all reinstatements. SSA did not design the ESF Reinstate File to capture all reinstated items. Instead, it captures the latest entry in a series of reinstatements so information can be used to resolve similar reporting problems in the future.

¹⁹ To obtain an ITIN, individuals must file IRS Form W-7, *Application for IRS Individual Taxpayer Identification Number*, and attach a valid Federal income tax return or, if they qualify for an exception, include their original proof of identity or copies certified by an issuing agency and foreign status documents.

²⁰ IRS Website, <http://www.irs.gov/Individuals/General-ITIN-Information> (last visited March 19, 2015).

²¹ IRS, IR-2014-76, *Unused ITINS to Expire After Five Years; New Uniform Policy Eases Burden on Taxpayers, Protects ITIN Integrity*, <http://www.irs.gov/uac/Newsroom/Unused-ITINS-to-Expire-After-Five-Years;-New-Uniform-Policy-Eases-Burden-on-Taxpayers,-Protects-ITIN-Integrity> June 30, 2014.

Figure 5: Reinstated W-2s 1937 to 2013



The Single Select and Prior Reinstate edit routines successfully reinstated about 58 million (33 percent) W-2s from the ESF. SSA performs both of these edit routines at the front end of the Annual Wage Reporting process. The Single Select process creates as many as 89 variations of the SSN and leaves the reported name unchanged on a W-2. When SSA finds a match, the wage item is posted to the individual's MEF record. This process reinstated 45 million (26 percent) W-2s. The Prior Reinstate process involves checking the Suspense Prior Reinstate file for instances where the same SSN/name reporting error had previously occurred. If all conditions are the same including the employer's tax identification number, the wage item is marked valid and posted to the individual's MEF record. This process reinstated approximately 13 million (7 percent) W-2s.

SSA performs the next three successful edit routines on the back end of the Annual Wage Reporting process. The SSN Group Operation edit routine reinstated 20 million (12 percent) of the reinstated W-2s, but SSA no longer uses this processes. As previously mentioned, the Decentralized Correspondence process involved the Agency sending notices to employees requesting assistance with resolving name and SSN mismatches. About 13 million (8 percent) W-2s were reinstated through the Decentralized Correspondence process. The Office of Quality Performance Suspense Reinstate process reinstated 12 million (7 percent) W-2s. In 2004, the Office of Quality Performance ²² implemented several processes that used information stored in SSA's earnings and benefit records to resolve the wage discrepancies. For example, the GAP SWEEP routine looks for gaps in the person's earnings history to determine whether the suspended wages belong to the person. The remaining 68 million (40 percent) suspended W-2s were reinstated using over 90 edit routines. Some of the routines are now obsolete.

²² The Office of Quality Performance is now known as the Office of Quality Review.

Social Security Number Verification Service

In 2005, SSA implemented the Social Security Number Verification Service (SSNVS) to assist employers with accurate wage reporting and increase the ease and convenience of verifying employee names and SSNs. SSNVS is a free, online program that allows employers and submitters (that is, companies that conduct background checks, process payroll, and provide staffing services) to verify employees' names and SSNs before submitting their W-2s to SSA. SSA returns a verification code to employers for each employee whose information does not match SSA's records. In addition, SSA provides employers with a death indicator if the employee's Numident record includes a date of death. Table 1 describes the SSNVS verification codes. Moreover, SSA intends to add a response code that will inform employers when they verify the name and SSN of a child under age 14. In 2014, we recommended that SSA add this alert to SSNVS to assist employers with identifying potential identity theft of children's identities.²³ SSA expects to begin developing the new alert in September 2015.

Table 1: SSNVS Verification Codes Provided to Employers

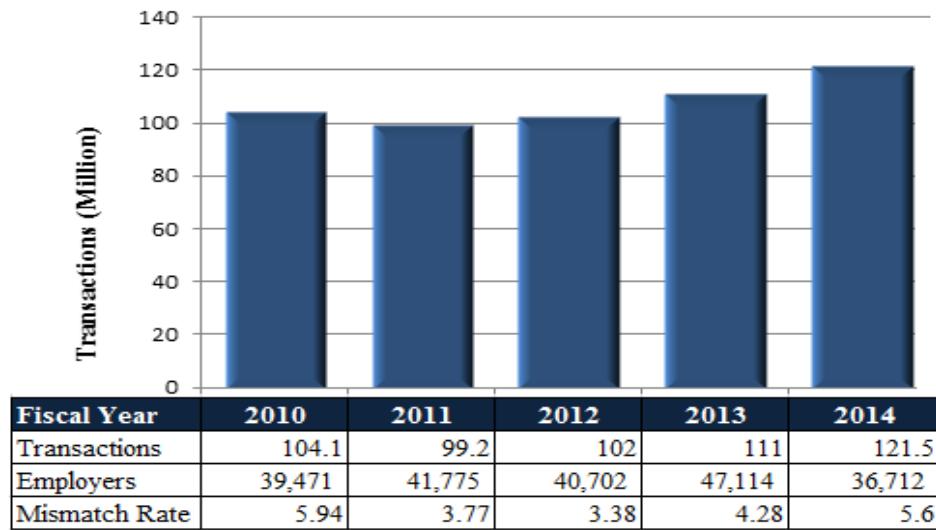
SSNVS Code	Description of Code
“Blank”	Name and SSN match SSA's records.
1	SSN not in file (never issued to anyone)
3	Name matches; date of birth does not match
5	Name does not match; date of birth not checked
6	SSN did not verify; other reason
Y	Death indicator

Although about 6 million employers submit W-2s to SSA each year, less than 1 percent used SSNVS to verify employees' names and SSNs. From 2010 to 2014, on average, about 40,000 (0.7 percent) employers were registered to use SSNVS. However, as mentioned previously, about 1.3 million employers had wages posted to the ESF in TYs 2008 to 2012. While the number of transactions submitted to SSNVS increased from 99 to 121 million,²⁴ the number of employers that submitted verifications decreased slightly over the 5-year period, see Figure 6. For example, about 10,000 fewer employers used the service in 2014 than in 2013. According to SSA, the decrease in use by employers may have occurred for several reasons, such as changes in the economy affecting employment, mandatory use of E-Verify for certain employers, third-party submitters using SSNVS for multiple employers, and employers not required to use SSNVS.

²³ SSA OIG, *Improper Use of Children's Social Security Numbers* (A-03-12-21269), p. 10, March 2014.

²⁴ The transaction amounts were high for the small number of employers that use the service because some employers verify their entire workforce on a regular basis—monthly or bi-monthly.

Figure 6: SSNVS Verifications for 2010 to 2014



E-Verify

SSA supports the Department of Homeland Security in administering the E-Verify program, which assists participating employers in verifying whether immigration law authorizes newly hired employees to work in the United States.²⁵ In addition, E-Verify helps improve the accuracy of wage and tax reporting because SSA verifies the reported names and SSNs match its records. In August 2007, the Office of Management and Budget mandated that all Federal agencies and departments begin verifying new hires through E-Verify.²⁶ In addition, effective September 2009, all Federal agencies, when applicable, are required to include a Federal Acquisition Regulation E-Verify clause in their contracts.²⁷ The E-Verify clause requires that Federal contractors register and use E-Verify to verify that new hires and all new or existing employees directly performing work under a qualifying Federal contract are authorized to work in the United States.

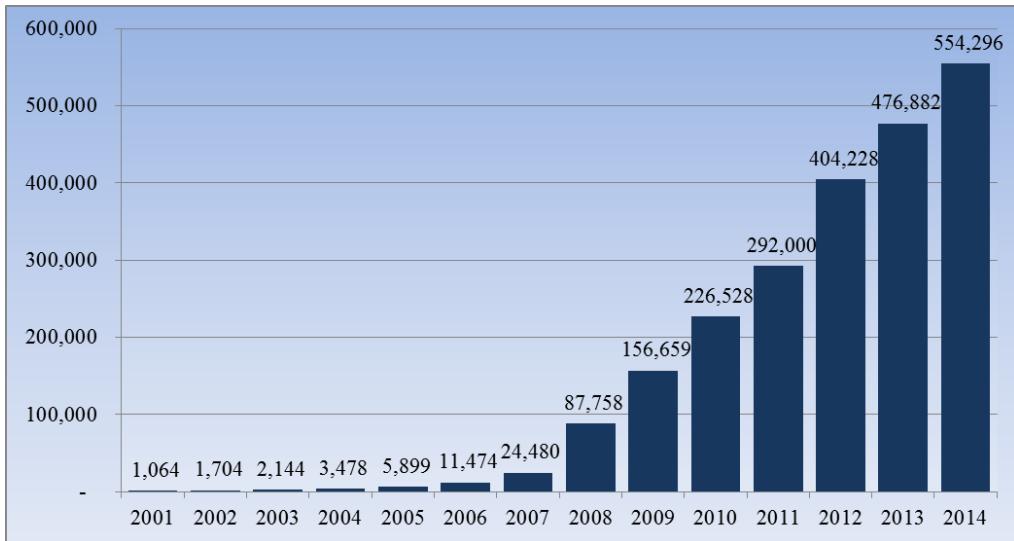
As of FY 2014, over 550,000 employers were registered to use E-Verify. Further, those employers submitted more than 28 million queries. As shown in Figure 7, since its inception in 2001, E-Verify's enrollment has steadily increased. According to the Department of Homeland Security, on average, 1,400 employers register each week to use E-Verify. The increased use could be attributed to the mandatory use by certain employers.

²⁵ The *Illegal Immigration Reform and Immigrant Responsibility Act of 1996*, Pub. L. No. 104-208, 110 Stat. 3009-546 (1996).

²⁶ Office of Management and Budget Memorandum M-07-21, *Verifying the Employment Eligibility of Federal Employees*, August 10, 2007.

²⁷ 73 Fed. Reg. 33285 (June 11, 2008).

Figure 7: Enrollment in E-Verify



SUMMARY

SSA's ESF has reached \$1.2 trillion in uncredited wages associated with 333 million W-2s for TYs 1937 to 2012. Although the percent of W-2s posted to the ESF remained relatively constant for many years, the number of W-2s posted to the ESF declined by 36 percent from 2007 to 2012. During this period, SSA processed fewer W-2s than in previous years because of high unemployment, which contributed to the decrease in suspended wage items.

For TYs 2008 to 2012, about 95 percent of the W-2s was suspended because of name and SSN mismatches. Three percent of the W-2s was suspended because SSA's records showed numberholders disclaimed the wages, were deceased, or were minor children. The remaining 2 percent of suspended W-2s included invalid SSNs that resembled an IRS-issued ITIN.

Over the years, SSA has taken several steps to reduce the ESF's size and growth by implementing new edit routines and sending notices to employers/employees to help identify valid name and SSN combinations. As a result, SSA reinstated at least 171 million W-2s for TYs 1937 to 2013 from the ESF. This is vital because SSA cannot use the uncredited wages to determine a person's eligibility for Social Security benefits until the wages are posted to the person's earnings record. Additionally, in 2005, SSA implemented SSNVS to assist employers in improving the accuracy of their wage reports and prevent W-2s from being posted to the ESF. However, less than 1 percent of the 6 million employers who report wages to SSA used SSNVS for verification in 2014.

Steven L Schaeffer
Assistant Inspector General for Audit

APPENDICES

Appendix A – SCOPE AND METHODOLOGY

To identify the Social Security Administration's (SSA) efforts to reduce the size and growth of the Earnings Suspense File (ESF), we:

- Reviewed applicable Federal law, regulations, and SSA policies and procedures.
- Reviewed prior Office of the Inspector General reports, Government Accountability Office reports, and other relevant documents.
- Reviewed the Internal Revenue Service's policy for issuing Individual Taxpayer Identification Numbers (ITIN) and management information on the number of ITINs issued.
- Interviewed SSA staff about the ESF and measures the Agency has taken, or plans to take, to prevent and resolve wage-reporting errors.
- Reviewed SSA's Earnings Suspense File Fact Sheet as of November 2013.
- Obtained and reviewed Tax Years (TY) 2003 through 2012 Earnings Posted Overall Cross Total/Year-to-Date reports for the Earnings Posting and Suspense Update Operations.
- Obtained and reviewed the ESF Snapshot reports, which covered TYs 1937 to 2012. The reports were created October 2005 through October 2014.
- Obtained and reviewed the ESF Reinstate File as of October 2014, which covered TYs 1937 to 2013.
- Reviewed management information reports on the Social Security Number Verification Service for Fiscal Years 2010 to 2014.
- Reviewed U.S. Citizenship and Immigration Services management information for E-Verify.
- Reviewed U.S. Citizenship and Immigration Services presentation, *E-Verify Overview*, January 2015.

We determined data from the ESF were sufficiently reliable for our intended use. We conducted tests to determine the completeness and accuracy of the data. These tests allowed us to assess the reliability of the data and achieve our objective.

We conducted our review at the Philadelphia Audit Division, Philadelphia, Pennsylvania, from May through July 2015. We conducted our review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

Appendix B – PRIOR OFFICE OF THE INSPECTOR GENERAL REPORTS

Report Identification Number	Report Title	Date Issued
A-03-97-31003	<i>The Social Security Administration's Earnings Suspense File Tactical Plan and Efforts to Reduce the File's Growth and Size</i>	February 7, 2000
A-08-99-41004	<i>Obstacles to Reducing Social Security Number Misuse in the Agricultural Industry</i>	January 22, 2001
A-03-00-10022	<i>Review of Service Industry Employer with Wage Reporting Problems</i>	September 27, 2001
A-03-01-30035	<i>Recent Efforts to Reduce the Size and Growth of the Social Security Administration's Earnings Suspense File</i>	May 24, 2002
A-03-01-11035	<i>Effectiveness of the Social Security Administration's Earnings After Death Process</i>	August 19, 2002
A-03-03-23038	<i>Congressional Response Report: Status of Social Security Administration's Earnings Suspense File</i>	November 18, 2002
A-03-03-13026	<i>Follow-Up Review of Employers with the Most Suspended Wage Items</i>	October 30, 2003
A-03-02-22076	<i>Utility of Older Reinstated Wages from the Earnings Suspense File</i>	December 17, 2003
A-15-04-14069	<i>Performance Indicator Audit: Earnings Suspense File</i>	August 20, 2004
A-03-03-13048	<i>Employers with the Most Suspended Wage Items in the 5-Year Period 1997 through 2001</i>	October 26, 2004
A-03-04-14041	<i>Department of Defense Wage Items in the Earnings Suspense File</i>	March 29, 2005
A-08-05-25023	<i>Social Security Number Misuse in the Service, Restaurant, and Agriculture Industries</i>	April 29, 2005
A-03-05-25007	<i>Usefulness of Decentralized Correspondence in Focusing Employer-Assistance Activities</i>	September 30, 2005
A-03-05-25009	<i>Effectiveness of the Young Children's Earnings Records Reinstatement Process</i>	October 20, 2006
A-02-06-26051	<i>The Validity of Earnings Posted to the Social Security Administration's Master Earnings File for Children Ages 7 through 13</i>	September 28, 2007
A-03-07-27152	<i>Social Security Number Misuse for Work and the Impact on the Social Security Administration's Master Earnings File</i>	September 29, 2008
A-03-11-21162	<i>Controls for the Annual Wage Reporting Process (Limited Distribution)</i>	October 18, 2011
A-08-12-13036	<i>Employers Who Report Wages with Significant Errors in the Employee Name and Social Security Number</i>	August 9, 2013
A-03-12-21269	<i>Improper Use of Children's Social Security Numbers</i>	March 31, 2014

Appendix C – MAJOR CONTRIBUTORS

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