



SOCIAL SECURITY

MEMORANDUM

Date: August 20, 2004 Refer To:

To: The Commissioner

From: Acting Inspector General

Subject: Performance Indicator Audit: Earnings Suspense File (A-15-04-14069)

We contracted with PricewaterhouseCoopers, LLP (PwC) to evaluate 16 of the Social Security Administration's performance indicators established to comply with the Government Performance and Results Act. The attached final report presents the results of two of the performance indicators PwC reviewed. For each performance indicator included in this audit, PwC's objectives were to:

- Test critical controls over the data generation and calculation processes for the specific performance indicator,
- Assess the overall adequacy, accuracy, reasonableness, completeness, and consistency of the performance indicator and supporting data, and
- Determine if each performance indicator provides meaningful measurement of the program and the achievement of its stated objectives.

This report contains the results of the audit for the following indicators:

- Reduction in the Size of the Earnings Suspense File, and
- The Percent of Incoming Earnings Items Removed from the Suspense File at the end of the Annual Earnings Posting Cycle.

Please provide within 60 days a corrective action plan that addresses each recommendation. 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.
Patrick P. O'Carroll, Jr.

Attachment

**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**PERFORMANCE INDICATOR AUDIT:
EARNINGS SUSPENSE FILE**

August 2004 A-15-04-14069

AUDIT REPORT



Mission

We improve SSA programs and operations and protect them against fraud, waste, and abuse by conducting independent and objective audits, evaluations, and investigations. We provide timely, useful, and reliable information and advice to Administration officials, the 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

By conducting independent and objective audits, investigations, and evaluations, we are agents of positive change striving for continuous improvement in the Social Security Administration's programs, operations, and management and in our own office.

MEMORANDUM

Date: August 5, 2004

To: Acting Inspector General

From: PricewaterhouseCoopers LLP

Subject: Performance Indicator Audit: Earnings Suspense File (A-15-04-14069)

The Government Performance and Results Act (GPRA)¹ of 1993 requires the Social Security Administration (SSA) to develop performance indicators that assess the relevant service levels and outcomes of each program activity.² GPRA also calls for a description of the means employed to verify and validate the measured values used to report on program performance.³

OBJECTIVE

For each performance indicator included in this audit, our objectives were to:

1. Test critical controls over the data generation and calculation processes for the specific performance indicator.
2. Assess the overall adequacy, accuracy, reasonableness, completeness, and consistency of the performance indicator and supporting data.
3. Determine if each performance indicator provides meaningful measurement of the program and the achievement of its stated objectives.

We audited the following performance indicators as stated in the SSA Fiscal Year (FY) 2003 Performance and Accountability Report (PAR):

Performance Indicator	FY 2003 Goal	FY 2003 Reported Results
Reduction in the Size of the Earnings Suspense File (ESF).	18,000,000	2,400,000
The Percent of Incoming Earnings Items Removed from the Suspense File at the end of the Annual Earnings Posting Cycle.	2%	N/A (While the indicator result was not officially reported in SSA's FY 2003 PAR, we were informed by SSA management that the actual result was 0.43%).

¹ Public Law No. 103-62, 107 Stat. 285.

² 31 United States Code (U.S.C.) 1115(a)(4).

³ 31 U.S.C. 1115(a)(6).

BACKGROUND

Earnings Suspense File

SSA receives Wage and Tax Statements (W-2) from employers and self-employment earnings from the Internal Revenue Service. SSA maintains two ESF accounts; one for wage employees and one for self-employers.⁴ The annual earnings posting cycle for receiving and validating this data, including identifying and posting corrections, is approximately 2 years. SSA receives approximately 250 million earnings records annually and attempts to match these records with the master record of all issued Social Security numbers (SSN). Without a match, SSA is unable to post the reported earnings to the appropriate record, and these earnings are placed in the ESF.

Records are posted to the ESF for a number of reasons, including:

- Earnings records fail the name and SSN validation test.
- Earnings records consist of invalid SSNs.
- SSA records indicate that the individual is under the age of 7. These records are assigned a special indicator of YCER (Young Children's Earnings).
- SSA records indicate that the individual is deceased. These records are assigned a special indicator of Earnings After Death (EAD).
- An individual informs SSA that posted earnings are erroneous.

We were informed that approximately 10 percent of the received earnings records do not initially match SSA data. SSA has developed several computerized matching processes to correct these suspended records, and is typically able to match 64 percent (16 million) of the initially suspended records. As a result, approximately 9 million records are added to the ESF each year. The ESF currently contains over 250 million suspended records.

RESULTS OF REVIEW

Reduction in the Size of the Earnings Suspense File

FY 2003 Goal: 18,000,000.

Actual FY 2003 Performance: 2,400,000.

SSA did not meet its goal.⁵

⁴ This performance indicator only measures those items removed from the wage employees ESF.

⁵ Social Security Administration Performance and Accountability Report Fiscal Year 2003 page 83.

Indicator Background

SSA reported this performance indicator for the first time in FY 2003 to measure the reduction of records in the ESF attributable to a special Office of Quality Assurance (OQA) project. The 2-year project goal was to remove 30 million records from the ESF (including 18 million earnings records in FY 2003) by effectively matching earnings records to the correct SSA records using enhanced matching routines. SSA is constantly receiving and inputting earnings information, resulting in continuous changes to the ESF. Because SSA does not maintain archives of the ESF, it is not possible to review the ESF for a specific historical date.

To calculate the results of this indicator, OQA personnel extracted copies of the ESF in October 2002 and October 2003, and compared the earnings records. If a record was originally contained in the October 2002 ESF extract but was no longer contained in the ESF as of October 2003, then OQA counted the record as removed.

Findings

Generally, we found this performance indicator to be meaningful. However, we found that the title of the performance indicator, "Reduction in the Size of the Earnings Suspense File,"⁶ and the corresponding data definition could cause a reader to infer that the size of the ESF was reduced during the year, when the net size of the file actually increased during FY 2003. As described in the following paragraphs, SSA removed millions of records from the ESF during FY 2003; however, SSA also reported to us that during FY 2003 the net size of the ESF increased by 9 million records as a result of the 2002 tax year earnings records that were suspended.

Furthermore, we believe that SSA should strengthen the logical access privileges given to employees to help ensure that the data supporting this performance indicator is not inadvertently deleted or changed without appropriate approval.

To measure the number of records removed from the ESF, OQA matched records in the prior year file (FY 2002) to the current year file (FY 2003) using five fields. All five fields must be matched for an FY 2003 record to be considered to be the same record in the FY 2002 file. The five fields matched are:

- employer Identification Number field,
- calendar year (CY) of posted earnings field,
- first three characters of the last name field,
- SSN field,
- the sequence number (counter) field.

⁶ Ibid, page 83.

The sequence number is used to distinguish among multiple people with the same name. If any of the five fields outlined above do not match within a record between the FY 2002 and FY 2003 ESF extracts, the record is counted as removed. The total count of these items is measured as the number of records removed from the ESF during the year.

During FY 2003, modifications were made to records containing special indicator fields (EAD, YCER, and erroneous postings), which caused the sequence number for those records to change. Because the sequence number field was modified, the process to compare the five fields for the FY 2002 to FY 2003 ESF extracts would reflect these records as removed regardless of whether they were in fact removed. To prevent these records from being included in its “removed record” count, OQA excluded these approximately 1.6 million records containing special indicator fields from the 2002 extract prior to comparing it to the 2003 extract. This process may have understated the number of records that should have been included in the count of properly removed records.

Our testing also found that other changes could have occurred to the five fields within the ESF records during FY 2003. Changes to any of the five fields within a record during FY 2003 may have prevented OQA from matching that record from the October 2002 file to the October 2003 file. As a result, ESF records that had any of these fields modified would be considered removed from the FY 2003 file. This process may have overstated the number of records that were removed from the ESF.

We recalculated the performance indicator by comparing the extracts provided by OQA and found that approximately 1.7 million records contained in the October 2002 extract no longer appeared in the October 2003 extract. The difference between our recalculation and the 2.4 million records reported as removed in the PAR was attributed by OQA to 664,623 records that were removed by systems personnel prior to the OQA matching process. The 664,623 records were removed before the ESF extract was provided to OQA in October 2002.

Because SSA did not maintain an independent copy of the ESF used to calculate this indicator, we were provided with the OQA copies of the ESF extracts from October 2002 and October 2003 for recalculation testing. Because archives of the ESF are not maintained and no copy of the extract was maintained independently, we could not verify and validate that the extract provided by OQA was an accurate and complete extract of the ESF or that the reported number of 664,623 records were in fact removed, removed properly, or removed during FY 2003 by systems personnel prior to providing the file to OQA.

We found that SSA had not documented policies and procedures related to the formal process to collect, review and report the performance indicator data.

Finally, we tested the access of 45 individuals to a selection of ESF datasets used to calculate this indicator and found that 35 of the 45 individuals tested had the “ALL” access designation within the Top Secret security software to these datasets. Many of the individuals with the “ALL” access designation to the ESF datasets did not require this level of access to perform their job responsibilities. This level of access would allow users to create, delete and update any of the data contained within the datasets we reviewed without appropriate review or approval of the changes.

The Percent of Incoming Earnings Items Removed from the Suspense File at the End of the Annual Earnings Posting Cycle

FY 2003 Goal: 2 percent.

Actual FY 2003 Performance: Not Available.⁷ (See Note)

Note: The indicator result was not officially reported in the FY 2003 PAR. We were informed by SSA management via email that the actual result was 0.43 percent.

Indicator Background

SSA reported this performance indicator for the first time in FY 2003 to measure the percentage of records that were reinstated from the ESF based upon a special OQA project. The indicator goal was to remove 2 percent of all incoming records to the ESF at the end of the 2002 annual earnings posting cycle by effectively matching earnings records to the correct SSA master record using enhanced matching routines. However, the most recent annual earnings posting cycle for which all processing of earnings records had been completed was CY 2000; therefore, SSA reported results based on the CY 2000 data.

When earnings records in the ESF are matched via the OQA process, those records are reinstated via the Reinstates File. The Reinstates File does not have an audit log and subsequent earnings records (i.e. records from CYs 2001, 2002, etc.) update any prior record for the same individual.

To calculate this indicator, OQA personnel extracted copies of the ESF for October 2002 and October 2003 and the Reinstates File for October 2003. The numerator for the performance indicator was calculated by determining the records removed by the OQA and systems process (those containing reinstatement codes attributed to OQA and systems) that were added to the Reinstates File for CY 2000. The denominator consists of the total records added to the ESF from CY 2000 (including the records that were removed by the OQA process).

⁷ Ibid, page 84.

Findings

Generally, we found this performance indicator to be meaningful. However, we believe that SSA should strengthen the logical access privileges given to employees to help ensure that the data supporting this performance indicator is not inadvertently deleted or changed without appropriate approval.

Earnings records from CY 2000 in the Reinstates File may have been overwritten by subsequent earnings records that were reinstated for the same individual and not included in the calculation of earnings records removed. SSA could not determine the extent of the understatement. As a result, the actual results of the performance indicator could not be completely and accurately calculated.

SSA did not maintain an independent copy of the ESF and Reinstates File used to calculate this indicator. As a result, we were given the OQA copy of the ESF and Reinstates File extracts for our recalculation testing. Because archives of the ESF and Reinstates File are not maintained and no copy of the extracts were maintained independently, we could not verify and validate that the extracts provided by OQA were accurate and complete.

We found that SSA had not documented policies and procedures related to the formal process to collect, review and report the performance indicator data.

Finally, we tested the access of 45 individuals to a selection of Reinstates File datasets used to calculate this indicator and found that 32 of 45 individuals tested had the "ALL" access designation within the Top Secret security software to these datasets. Many of the individuals with the "ALL" access designation to the ESF datasets did not require this level of access based upon the concept of least privileged access. This level of access would allow users to create, delete and update any of the data contained within the datasets we reviewed without appropriate review or approval of the changes.

RECOMMENDATIONS

We recommend SSA:

1. Ensure that the performance indicator titles, definitions, and goals are explicit and consistent.
2. Document the policies and procedures used to prepare and disclose the results of the performance indicators.
3. Disclose in the PAR the limitations within the ESF and Reinstates File that may have resulted in the potential understatement of the results for these performance indicators.
4. Maintain an independent audit trail including the computer files used to perform the calculations.
5. Restrict access to the ESF and Reinstates File based on the concept of least privileged access.

AGENCY COMMENTS

SSA disagreed with three recommendations in our report. SSA provided the following narrative on the reasons for its disagreement:

Recommendation number 1 – SSA stated it does not believe that the performance indicator and its related definitions and goals are misleading.

Recommendation number 3 – SSA stated it intentionally understated counts of items removed from the suspense file.

Recommendation number 4 – SSA felt that there is no reason to maintain an independent copy of the ESF.

PwC RESPONSE

Recommendation number 1 in our report refers specifically to the verbiage noted in the PAR and not the Monthly Tracking Report. We recommend that the PAR be updated to ensure that the performance indicator titles, definitions, and goals are explicit and internally consistent.

With regard to recommendation number 3, the goal of performance reporting is to be as accurate and clear in the communication of the results as possible. We believe that adding verbiage related to the intentional understatement of results would improve clarity and allow the users of the PAR to fully understand how the reported amounts were actually derived.

Regarding recommendation number 4, the maintenance of data to support the amounts reported within the PAR, Office of Management and Budget Circular A-123, *Management Accountability and Control*, establishes the following recording and documentation standard for all Executive Branch Agencies:

“Transactions should be promptly recorded, properly classified and accounted for in order to prepare timely accounts and reliable financial and other reports. The documentation for transactions, management controls, and other significant events must be clear and readily available for examination.”

Appendices

[APPENDIX A](#) - Acronyms

[APPENDIX B](#) - Scope and Methodology

[APPENDIX C](#) - Process Flowcharts

[APPENDIX D](#) - Agency Comments

Appendix A

Acronyms

CY	Calendar Year
DECOR	Decentralized Correspondence
EAD	Earnings After Death
ERMS	Earnings and Recording Maintenance System
ESF	Earnings Suspense File
FY	Fiscal Year
GPRA	Government Performance and Results Act
ICOR	Item Correction System
IRS	Internal Revenue Service
IST	Intelligent Search Technology
MEF	Master Earnings File
OEEAS	Office of Earnings, Enumeration, and Administrative Systems
OP 30	Operation 30
OQA	Office of Quality Assurance
PAR	Performance and Accountability Report
RCOR	Report Correction
SRBARS	Suspense Reinstate Batch Adjustment and Reinstatement System
SRDBAR	Suspense Reinstate Daily Batch Adjustment and Reinstatement System
SSA	Social Security Administration
SSN	Social Security Number
SSP	Single Select Process
U.S.C.	United States Code
YCER	Young Children's Earnings

Appendix B

Scope and Methodology

We updated our current understanding of the Social Security Administration's (SSA) Government Performance and Results Act (GPRA) processes. This was completed through research and inquiry of SSA management. We also requested SSA to provide various documents regarding the specific programs being measured as well as the specific measurement used to assess the effectiveness and efficiency of the related program.

Through inquiry, observation, and other substantive testing including testing of source documentation, we performed the following as applicable:

- Reviewed prior SSA, Government Accountability Office,¹ and other reports related to SSA GPRA performance and related information systems.
- Met with the appropriate SSA personnel to confirm our understanding of each individual performance indicator.
- Flowcharted the processes (see Appendix C).
- Where applicable, we tested key controls related to manual or basic computerized processes (e.g., spreadsheets, databases, etc.).
- Conducted and evaluated tests of the automated and manual controls within and surrounding each of the critical applications to determine whether the tested controls were adequate to provide and maintain reliable data to be used when measuring the specific indicator.
- For those indicators with results that SSA determined using computerized data, we assessed the completeness and accuracy of that data to determine the data's reliability as it pertains to the objectives of the audit.
- Identified and extracted data elements from relevant systems and obtained source documents for detailed testing selections and analysis.
- Identified attributes, rules, and assumptions for each defined data element or source document.
- Tested the adequacy, accuracy, reasonableness, consistency, and completeness of the selection.
- Recalculated the metric or algorithm of key performance indicators to ensure mathematical accuracy.

As part of this audit, we documented our understanding, as conveyed to us by Agency personnel, of the alignment of the Agency's mission, goals, objectives, processes, and related performance indicators. We analyzed how these processes interacted with related processes within SSA and the existing measurement systems. Our understanding of the Agency's mission, goals, objectives, and processes was used to

¹ Formerly called the General Accounting Office.

determine if the performance indicators being used appear to be valid and appropriate given our understanding of SSA's mission, goals, objectives and processes. We followed all performance audit standards. In addition to the steps above, we specifically performed the following to test the indicators included in this report:

REDUCTION IN THE SIZE OF THE EARNINGS SUSPENSE FILE

- Interviewed personnel in the Office of Quality Assurance (OQA) and the Office of Earnings, Enumeration, and Administrative Systems (OEEAS).
- Reviewed relevant documentation for the sources of the data included in the Earnings Suspense File (ESF), the matching routines for suspended records and the process for reinstating those records to the Master Earnings File (MEF).
- Performed an application controls audit of the Earnings and Recording Maintenance System (ERMS).
- Reviewed the process for controlling access to the ESF and tested the appropriateness of the access privileges granted to the ESF for a selection of SSA personnel.
- Recalculated the results of the performance indicator by obtaining a copy of the ESF extracts from October 2002 and October 2003 and determining the number of records that were removed during Fiscal Year (FY) 2003.

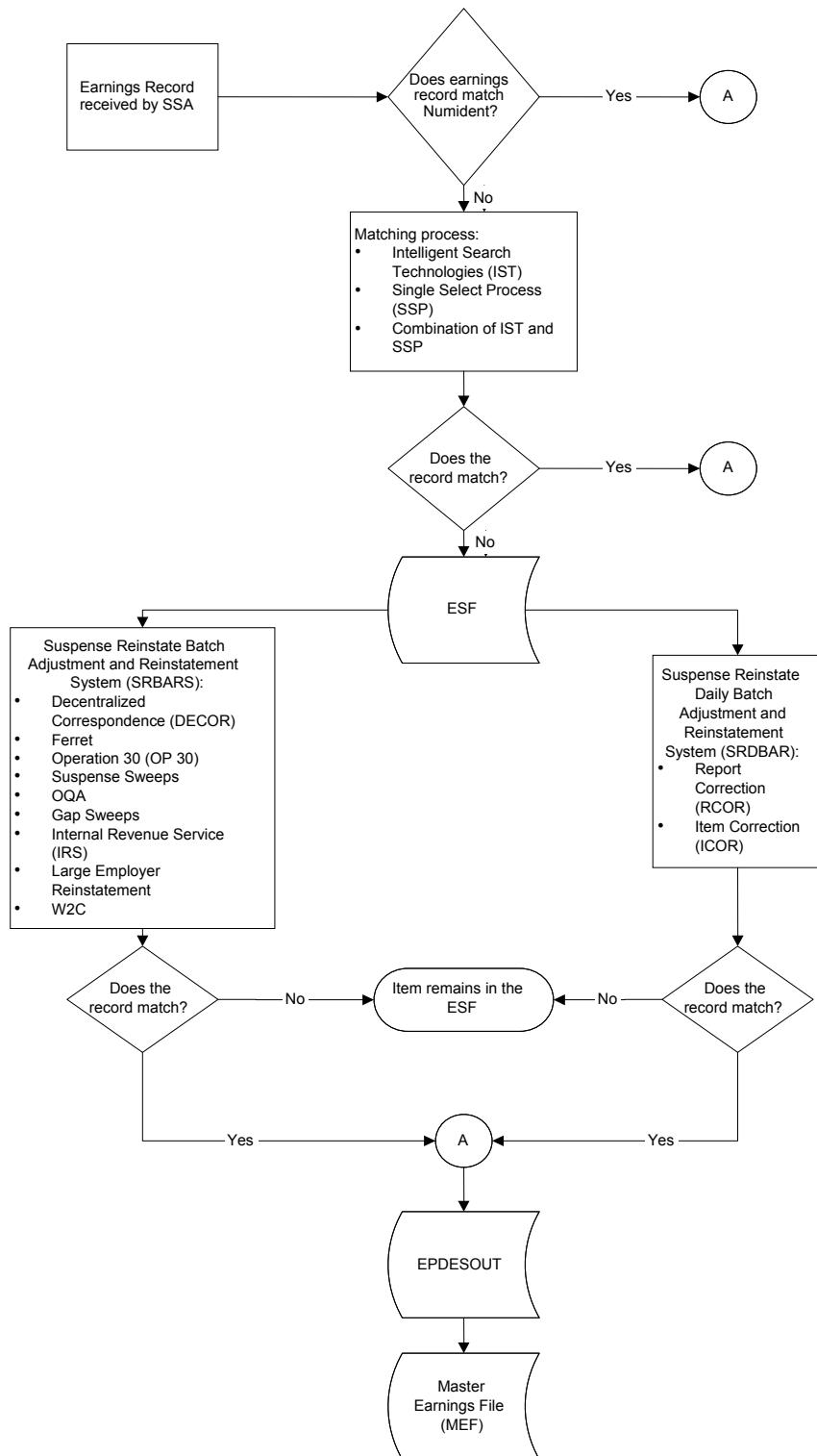
THE PERCENT OF INCOMING EARNINGS ITEMS REMOVED FROM THE SUSPENSE FILE AT THE END OF THE ANNUAL EARNINGS POSTING CYCLE

- Interviewed personnel, including OQA and OEEAS.
- Reviewed relevant documentation for the sources of the data included on the ESF and the Reinstates File, the matching routines for suspended records and the process for reinstating those records to the MEF.
- Performed an application controls audit of ERMS.
- Reviewed the process for controlling access to the ESF and Reinstates File and tested the appropriateness of the access privileges granted to the Reinstates File and ESF for a selection of SSA personnel.
- Recalculated the results of the performance indicator by obtaining a copy of the Reinstates File and ESF extracts from October 2003 and determining the number of records that were posted to the Reinstates File from Calendar Year (CY) 2000 based on OQA matching processes and ESF records from CY 2000.

Pertaining to the “Reduction in the Size of the Earnings Suspense File” and “The Percent of Incoming Earnings Items Removed From the Suspense File at the End of the Annual Earnings Posting Cycle” indicators, we could not confirm the execution of OQA matching routines that were responsible for identifying records or reinstatement as these matching routines were completed prior to the audit time period.

Appendix C

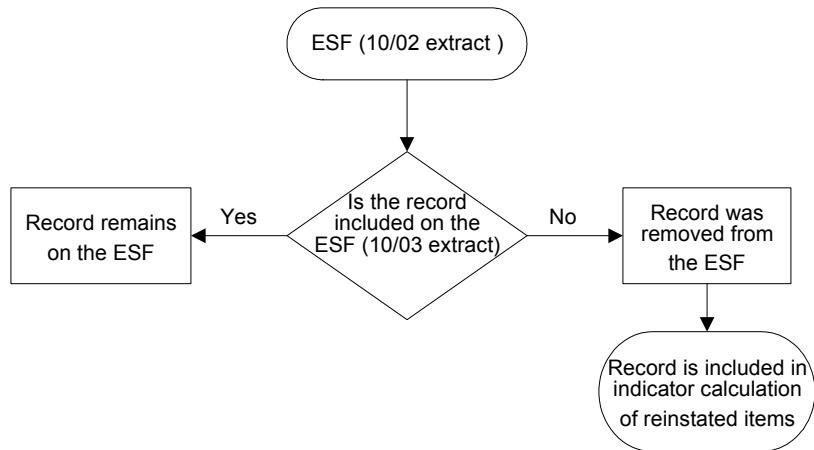
Flowchart of Earnings Suspense File



Earnings Suspense File (ESF)

- Earnings record received by Social Security Administration (SSA).
- Does earnings record match Numident?
 - Yes - EPDESOUT.
 - No - Matching process.
- Matching process:
 - Intelligent Search Technologies (IST).
 - Single Select Process (SSP).
 - Combination of IST and SSP.
- Does the record match?
 - Yes - EPDESOUT.
 - No – ESF.
- ESF.
- Suspense Reinstate Batch Adjustment and Reinstatement System (SRBARS):
 - Decentralized Correspondence (DECOR).
 - Ferret.
 - Operation 30.
 - Suspense Sweeps.
 - Office of Quality Assurance (OQA).
 - Gap Sweeps.
 - Internal Revenue Service (IRS).
 - Large Employer Reinstatement.
 - W-2C.
- Suspense Reinstate Daily Batch Adjustment and Reinstatement System (SRDBAR):
 - Report Correction (RCOR).
 - Item Correction (ICOR).
- Does the record match?
 - Yes - EPDESOUT.
 - No - Item remains in the ESF.
- EPDESOUT.
- Master Earnings File (MEF).

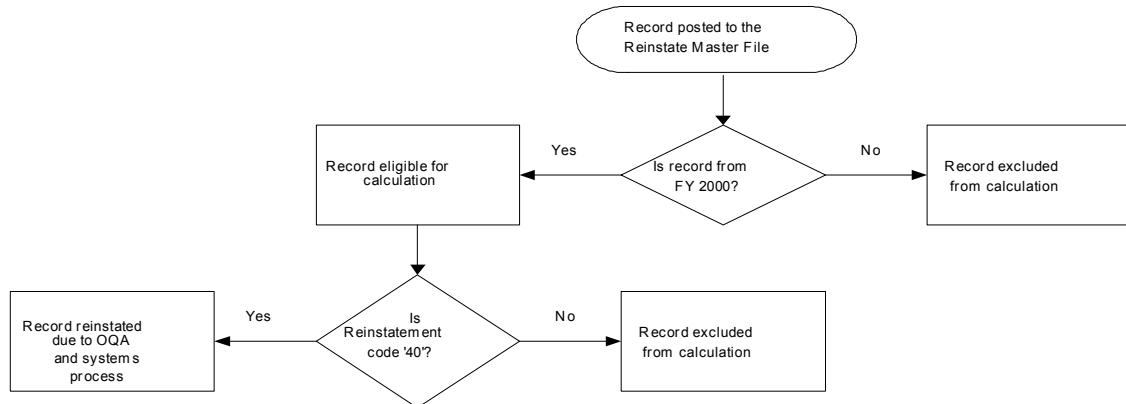
Flowchart of Reduction in the Size of the Earnings Suspense File



Reduction in the Size of the Earnings Suspense File

- ESF (10/02 extract).
- Is the record included on the ESF (10/03 extract)?
 - Yes – Record remains on the ESF.
 - No – Record was removed from the ESF.
- Record was removed from the ESF.
- Record is included in indicator calculation of reinstated items.

Flowchart of Percent of Incoming Earnings Items Removed from the Suspense File at the End of the Annual Earnings Posting Cycle



Percent of Incoming Earnings Items Removed from the Suspense File at the end of the Annual Earnings Posting Cycle

- Record posted to the Reinstate Master File.
- Is record from Fiscal Year 2000?
 - Yes - Record eligible for calculation.
 - No - Record excluded from calculation.
- Record eligible for calculation.
- Is Reinstatement code '40'?
 - Yes - Record reinstated due to OQA and systems process.
 - No - Record excluded from calculation.

Appendix D

Agency Comments



SOCIAL SECURITY

MEMORANDUM

33296-24-1157

Date: July 30, 2004

Refer To: S1J-3

To: Patrick P. O'Carroll, Jr.
Acting Inspector General

From: Larry W. Dye /s/
Chief of Staff

Subject: Office of the Inspector General (OIG) Draft Report, "Performance Indicator Audit: Earnings Suspense File" (A-15-04-14069)--INFORMATION

We appreciate PricewaterhouseCooper and OIG's efforts in conducting this review. Our comments on the report are attached.

Please let us know if we can be of further assistance. Staff questions can be referred to Candace Skurnik on extension 54636.

Attachment:
SSA Response

COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL (OIG) DRAFT REPORT, “PERFORMANCE INDICATOR AUDIT: EARNINGS SUSPENSE FILE (ESF)” A-15-04-14069

We appreciate the opportunity to comment on the draft report. The Agency continues to strive to meet all of our performance goals and workload objectives.

Our comments to the specific recommendations are below.

Recommendation 1

Ensure that the performance indicator titles, definitions, and goals are explicit and consistent.

Comment

We agree in principle; however, we disagree that there is any need for change. We believe the performance indicator titles, definitions and goals are consistent as stated on the Agency’s tracking report and meet these standards.

For the performance indicator “Reduction in the Size of the Earnings Suspense File,” PwC states the performance indicator is misleading because the size of the ESF increased with the new wage items postings for the 2002 tax year. However, the Performance Indicator Definition on the tracking report states, “This goal relates to the suspense file items for years *prior to 2001*” (emphasis added). Therefore, we do not believe the performance indicator and its related definitions and goals are misleading.

Recommendation 2

Document the policies and procedures used to prepare and disclose the results of the performance indicators.

Comment

We agree. We will ensure that written procedures outlining the steps to be taken to compute the results for the performance indicators will be documented. However, while the procedures used to prepare the results did not meet the documentation standard used by PwC, we note when the auditors followed our methodology and process, PwC matched the results reported by the Agency.

Recommendation 3

Disclose in the Performance and Accountability Report (PAR) the limitations within the ESF and Reinstates File that may have resulted in the potential understatement of the results for these performance indicators.

Comment

We disagree. The Agency alerted PwC during the audit that we had intentionally understated the counts as we had chosen not to include counts which could not be validated and/or explained. When the PwC auditors followed the Agency methodology, the counts matched. We believe disclosing the limitations in the PAR would not make a significant difference in the results and the technical explanation of the limitations could mislead the reader.

Recommendation 4

Maintain an independent audit trail including the computer files used to perform the calculations.

Comment

We disagree. The Agency has no compelling reason to maintain archived independent copies of the ESF. There is nothing in the business practice for resolving the ESF that would benefit from maintaining archived copies.

Recommendation 5

Restrict access to the ESF and Reinstate File based on the concept of least privileged access.

Comment

We agree. The Agency continues to implement its Standardized Security Profiles. As these activities take place, the ESF and Reinstate File will be brought under the concept of least privilege.

Overview of the Office of the Inspector General

The Office of the Inspector General (OIG) is comprised of our Office of Investigations (OI), Office of Audit (OA), Office of the Chief Counsel to the Inspector General (OCCIG), and Office of Executive Operations (OEO). To ensure compliance with policies and procedures, internal controls, and professional standards, we also have a comprehensive Professional Responsibility and Quality Assurance program.

Office of Audit

OA conducts and/or supervises 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 and program evaluations and projects on issues of concern to SSA, Congress, and the general public.

Office of Investigations

OI conducts and coordinates investigative activity 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 OIG liaison to the Department of Justice on all matters relating to the investigations of SSA programs and personnel. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

Office of the Chief Counsel to the Inspector General

OCCIG provides independent legal advice and counsel to the IG on various matters, including statutes, regulations, legislation, and policy directives. OCCIG 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. Finally, OCCIG administers the Civil Monetary Penalty program.

Office of Executive Operations

OEO supports OIG by providing information resource management and systems security. OEO also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, OEO is the focal point for OIG's strategic planning function and the development and implementation of performance measures required by the Government Performance and Results Act of 1993.