
**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**ADMINISTRATIVE COSTS CLAIMED BY
THE VIRGINIA DISABILITY
DETERMINATION SERVICES**

August 2012

A-03-12-11207

AUDIT REPORT



Mission

By conducting independent and objective audits, evaluations and investigations, we inspire public confidence in the integrity and security of SSA's programs and operations and protect them against fraud, waste and abuse. We provide timely, useful and reliable information and advice to Administration officials, Congress and the public.

Authority

The Inspector General Act created independent audit and investigative units, called the Office of Inspector General (OIG). The mission of the OIG, as spelled out in the Act, is to:

- **Conduct and supervise independent and objective audits and investigations relating to agency programs and operations.**
- **Promote economy, effectiveness, and efficiency within the agency.**
- **Prevent and detect fraud, waste, and abuse in agency programs and operations.**
- **Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations.**
- **Keep the agency head and the Congress fully and currently informed of problems in agency programs and operations.**

To ensure objectivity, the IG Act empowers the IG with:

- **Independence to determine what reviews to perform.**
- **Access to all information necessary for the reviews.**
- **Authority to publish findings and recommendations based on the reviews.**

Vision

We strive for continual improvement in SSA's programs, operations and management by proactively seeking new ways to prevent and deter fraud, waste and abuse. We commit to integrity and excellence by supporting an environment that provides a valuable public service while encouraging employee development and retention and fostering diversity and innovation.



SOCIAL SECURITY

MEMORANDUM

Date: August 27, 2012

Refer To:

To: Terry Stradtman
Regional Commissioner
Philadelphia

From: Inspector General

Subject: Administrative Costs Claimed by the Virginia Disability Determination Services
(A-03-12-11207)

OBJECTIVE

Our objectives were to (1) evaluate Virginia Disability Determination Services' (VA-DDS) internal controls over the accounting and reporting of administrative costs; (2) determine whether costs claimed were allowable and properly allocated and funds were properly drawn; and (3) assess, on a limited basis, the general security controls environment.

BACKGROUND

The Disability Insurance (DI) program, established under Title II of the *Social Security Act* (Act),¹ provides benefits to wage earners and their families in the event the wage earner becomes disabled. The Supplemental Security Income (SSI) program, established under Title XVI of the Act,² provides benefits to financially needy individuals who are aged, blind, or disabled.

The Social Security Administration (SSA) is responsible for implementing policies for the development of disability claims under the DI and SSI programs.³ Disability determinations under both programs are performed by disability determination services (DDS) in each State, Puerto Rico, and the District of Columbia. Each DDS determines claimants' disabilities and ensures adequate evidence is available to support its determinations. To assist in making proper disability determinations, each

¹ *Social Security Act* § 223(a)(1); 42 U.S.C. § 423(a)(1).

² *Social Security Act* §§ 1602 and 1611; 42 U.S.C. §§ 1381a and 1382.

³ SSA, POMS, DI 00115.001 (May 21, 2009).

DDS is authorized to purchase medical examinations, X-rays, and laboratory tests on a consultative basis to supplement evidence obtained from the claimants' physicians or other treating sources.

SSA reimburses the DDS for 100 percent of allowable expenditures up to its approved funding authorization.⁴ The DDS withdraws Federal funds through the Department of the Treasury's Automated Standard Application for Payments system to pay for program expenditures. Funds drawn down must comply with Federal regulations⁵ and intergovernmental agreements entered into by the Department of the Treasury and States under the *Cash Management Improvement Act of 1990*.⁶

An advance or reimbursement for costs under the program must comply with Office of Management and Budget Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*.⁷ At the end of each quarter of the Fiscal Year (FY), each DDS submits a *State Agency Report of Obligations for SSA Disability Programs* (Form SSA-4513) to account for program disbursements and unliquidated obligations.⁸ Form SSA-4513 reports expenditures and unliquidated obligations for Personnel, Medical, Indirect, and All Other Non-personnel costs.⁹

VA-DDS is a component of the Virginia Department for Aging and Rehabilitative Services (VA-DRS). VA-DRS provides VA-DDS such administrative services as accounting for obligations, making purchases, and preparing requests to transfer cash from Treasury to the State Treasurer. In FYs 2009 and 2010, VA-DDS claimed costs of about \$39 and \$43 million, respectively (see Appendix C).

RESULTS OF REVIEW

Generally, VA-DDS had effective controls over the accounting and reporting of administrative costs. The costs VA-DDS claimed on Forms SSA-4513 as of April 2012 for FYs 2009 and 2010 were allowable and properly allocated, and funds were properly drawn.

⁴ 20 C.F.R. §§ 404.1626 and 416.1026.

⁵ 31 C.F.R. § 205.1 *et seq.*

⁶ *Cash Management Improvement Act of 1990*, Pub. L. No. 101-453, 104 Stat. 1058 (1990).

⁷ Office of Management and Budget Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, (Revised May 10, 2004), establishes principles and standards for determining costs for Federal awards carried out through grants, cost reimbursement contracts, and other agreements with State and local governments and federally-recognized Indian tribal governments (governmental units).

⁸ SSA, POMS, DI 39506.201 and SSA, POMS, DI 39506.202 (March 12, 2002). SSA, POMS, DI 39506.200 B.4 (March 12, 2002) provides, in part, that, "Unliquidated obligations represent obligations for which payment has not yet been made. Unpaid obligations are considered unliquidated whether or not the goods or services have been received."

⁹ *Id.*

However, we found that VA-DDS had been operating under a Memorandum of Understanding (MoU) that had been issued in January 1991 (over 20 years ago) and did not have a specified period of performance or expiration date. Although SSA issued instructions to all Regional Commissioners in February 2009¹⁰ to update any existing MoUs that did not have an expiration date, we found, as of May 2012, the regional office (RO) had not finalized and signed a new MoU with VA-DDS.

Finally, our limited review of VA-DDS' physical security controls generally showed that controls were in place. Although the VA-DDS employees received the security awareness training online, the DDS needs to ensure its staff also signs the required security awareness acknowledgment statements.

MEMORANDUM OF UNDERSTANDING

We found that VA-DDS had been operating under an MoU that had been issued in January 1991 (over 20 years ago) and did not have a specified period of performance or expiration date. The purpose of the DDS MOU is to define the terms and conditions under which the DDS makes disability determinations for non-SSA workloads.

The January 1991 MoU provided VA-DDS with fiscal and administrative procedures regarding their processing of work and its accounting and reporting requirements for non-SSA workloads. However, the MoU did not include provisions for governing the disclosure of SSA data or an expiration date because these were not requirements in 1991. In 2009, the Agency issued new requirements for MoUs informing the regions that if they had a non-SSA workload, for example Medicaid claims, their MoU should be renegotiated if it did not have a specified termination date. All DDS MoUs should now include language for the safeguard and disclosure of SSA data, language that gives SSA access all necessary SSA records to verify compliance with the agreement, and have a specified period of performance.

In February 2009, SSA instructed Regional Commissioners that all DDS MoUs, including those that did not have an expiration date, must be updated in FY 2009 to meet Office of General Counsel (OGC) guidelines. RO staff stated they had begun negotiating a revised MoU to meet the needs of the new Medicaid operation with VA-DDS in July 2008. Further, on May 16, 2012, the RO sent a draft MoU to SSA Headquarters for legal, budget, and security review. When we asked why the MoU had not been finalized, the RO informed us that there were multiple changes in the personnel responsible for negotiating the MoU at VA-DDS and the RO, and these breaks in continuity slowed the progress of a final MoU. Additionally, the MoU process is an ancillary duty, and there was no dedicated staff working on MoUs. The DDS also informed us that, in addition to vetting the MoU within SSA and the DDS, part of the document also required formal approval by two additional Federal agencies which caused delays in the approval process.

¹⁰ Email from Associate Commissioner for Disability Determinations to all Regional Commissioners, *Subject: Non-SSA Program Work Performed in the DDS-ACTION (February 9, 2009)*.

GENERAL SECURITY CONTROLS

Our limited review of VA-DDS' physical security controls generally showed that controls were in place. However, the VA-DDS needs to ensure its staff also signs the required security awareness acknowledgment statements.

The VA-DDS staff completed the annual security awareness training online; however, there was conflicting guidance provided to the DDS regarding security awareness training, and employees did not sign the required acknowledgment statement. All SSA information system users are required to complete annual security awareness training, including awareness of security risks, user responsibilities, Agency security compliance policies and procedures, and role-based training needs.¹¹ SSA's current policy states that management must provide training to personnel at least annually on security awareness and responsibilities in protecting personally identifiable information and maintaining integrity; and management must validate the training.¹² In addition, all employees and contractors must sign an annual statement acknowledging their understanding of security awareness. Further, the DDS should keep the signed statement on file in the DDS for at least 1 year, and send a copy to the designated RO component, such as the Centers for Disability Programs or Security and Integrity.¹³

When we asked to view the signed statements for FY 2011, we found that VA-DDS did not require that employees sign statements attesting that they received the required annual training that year. The DDS informed us that although all employees received the training online, they did not ensure all employees signed the acknowledgment statement. When we contacted regional managers about the annual training acknowledgment statements, they indicated the region did not request copies of the signed statements from the DDS because they were able to track the training through DDS employees' personal identification numbers.

The Agency informed us that staff was revising policy to require that the DDS send copies of signed annual security awareness training statements to the RO. Instead of copies of statements, the revised policy will require that DDS managers provide a report containing the names and personal identification numbers of all DDS employees and contractors who received security awareness training. In addition to the names and personal identification numbers, the report will be certified by a DDS manager validating that all required DDS employees and contractors received the training and signed the acknowledgment statement.

¹¹ SSA, OIS, *Information Systems Security Handbook (ISSH): Systems Security Training & Awareness Policy*, Chapter 9.0 (March 19, 2007).

¹² *Id.* at 9.3.1.

¹³ DDS Administrators' Letter No. 715, from Associate Commissioner for Disability Determinations to all Regional Commissioners and State Disability Determination Services Administrators, *Subject: DDS Security Reminders – INFORMATION*, (October 16, 2006).

CONCLUSION AND RECOMMENDATIONS

VA-DDS' internal controls over the accounting and reporting of administrative costs were effective. However, SSA's Philadelphia Region should adhere to the Agency's instructions sent to all ROs in February 2009 to update, finalize, and sign a new MoU. Also, VA-DDS should conduct security awareness training annually and ensure that it maintains the signed security acknowledgment statements.

Based on the results of our audit, we recommend that SSA:

1. Finalize and sign a new MoU that complies with the current guidance.
2. Instruct VA-DDS to conduct security awareness training annually and maintain the signed annual security acknowledgment statements on file for a minimum of 1 year, and validate to the RO that all employees and contractors received the training and signed the acknowledgment statement.

AGENCY COMMENTS

SSA and the VA-DRS agreed with our recommendations. See Appendices E and F, respectively, for the full texts of the comments.

A handwritten signature in black ink, appearing to read "Patrick P. O'Carroll, Jr."

Patrick P. O'Carroll, Jr.

Appendices

[APPENDIX A](#) – Acronyms

[APPENDIX B](#) – Scope and Methodology

[APPENDIX C](#) – Schedule of Total Costs Reported on Forms SSA-4513—State Agency Reports of Obligations for SSA’s Disability Programs

[APPENDIX D](#) – Agency Comments

[APPENDIX E](#) – Parent Agency Comments

[APPENDIX F](#) – OIG Contacts and Staff Acknowledgments

Appendix A

Acronyms

Act	<i>Social Security Act</i>
C.F.R.	Code of Federal Regulations
DDS	Disability Determination Services
DI	Disability Insurance
FY	Fiscal Year
MOU	Memorandum of Understanding
OGC	Office of General Counsel
OIG	Office of the Inspector General
POMS	Program Operations Manual System
Pub. L. No.	Public Law Number
RO	Regional Office
SSA	Social Security Administration
SSI	Supplemental Security Income
VA-DDS	Virginia Disability Determination Services
VA-DRS	Virginia Department for Aging and Rehabilitative Services
U.S.C.	United States Code

FORM

SSA-4513	<i>State Agency Report of Obligations for SSA Disability Programs</i>
----------	---

Scope and Methodology

To accomplish our objectives, we reviewed the administrative costs Virginia Disability Determination Services (VA-DDS) reported on its State Agency Report of Obligations for SSA's Disability Programs, Forms SSA-4513, for Fiscal Years (FY) 2009 and 2010. For the periods reviewed, we obtained evidence to evaluate recorded financial transactions and determine whether they were allowable under Office of Management and Budget Circular A-87, and appropriate, as defined by the Social Security Administration's (SSA) Program Operations Manual System (POMS).

We also:

- Reviewed applicable Federal laws, regulations and pertinent parts of POMS, DI 39500, *DDS Fiscal and Administrative Management*, and other instructions pertaining to administrative costs incurred by VA-DDS and draw down of SSA funds.
- Interviewed staff at VA-DDS and the Philadelphia Regional Office.
- Evaluated and tested internal controls regarding accounting and financial reporting and cash management activities.
- Verified the reconciliation of official State accounting records to the administrative costs reported by VA-DDS on Forms SSA-4513 for FYs 2009 and 2010.
- Examined the administrative expenditures (Personnel, Medical Service, and All Other Non-personnel costs) incurred and claimed by VA-DDS for FYs 2009 and 2010 on Forms SSA-4513.
- Examined the indirect costs claimed by VA-DDS for FYs 2009 and 2010 and the corresponding Indirect Cost Rate Agreements.
- Compared the amount of SSA funds drawn to support program operations to the allowable expenditures reported on Forms SSA-4513.
- Reviewed the June 2009 State of Virginia Single Audit report issued in and the May 2006 VA-DDS audit
- Conducted limited general control testing, which encompassed reviewing the physical access security within the DDS.

The electronic data used in our audit were sufficiently reliable to achieve our audit objectives. We assessed the reliability of the electronic data by reconciling them with the costs claimed on the Forms SSA-4513. We also conducted detailed audit testing on selected data elements in the electronic data files.

We performed our audit at the VA-DDS Administrative Building, VA-DDS Central Regional Office, and Department of Rehabilitative Services in Richmond, Virginia; VA-DDS Richmond Office; and Office of Audit in Philadelphia, Pennsylvania, from

March through May 2012. We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient and 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.

METHODOLOGY

Our sampling methodology encompassed the four general areas of costs as reported on Forms SSA-4513: (1) Personnel, (2) Medical, (3) Medical Consultants, and (4) All Other Non-personnel costs. We obtained computerized data from VA-DDS for FYs 2009 and 2010 for use in statistical sampling. In addition, we reviewed general security controls the DDS had in place.

Personnel Costs

We sampled 50 employee salary items from 1 randomly selected pay period in FY 2010. We tested regular and overtime payroll and hours for each individual selected. We verified that approved time records were maintained and supported the hours worked. We tested payroll records to ensure the VA-DDS correctly paid employees and adequately documented these payments.

We reviewed all 28 medical consultant costs from 1 randomly selected pay period in FY 2010. We determined whether costs were reimbursed properly and ensured the medical consultants were licensed.

Medical Costs

We sampled a total of 100 medical evidence of records and consultative examination records (50 items from each FY) using a proportional random sample. We determined whether sampled costs were properly reimbursed.

Indirect Costs

We reviewed the indirect cost base and computations used to determine those costs for reimbursement purposes. Our objective was to ensure SSA reimbursed VA-DDS in compliance with the approved Indirect Cost Rate Agreement. We analyzed the approved rate used, ensuring the indirect cost rate changed when the Indirect Cost Rate Agreement was modified. We reviewed the documentation and traced the base amounts to Forms SSA-4513 for the indirect cost computation components. We determined whether the approved rate used was a provisional, predetermined, fixed, or final rate.

All Other Non-Personnel Costs

We stratified All Other Non-personnel costs into nine categories: (1) Occupancy, (2) Contracted Costs, (3) New Electronic Data Processing, (4) Equipment Rental, (5) Communications, (6) Applicant Travel, (7) DDS Travel, (8) Supplies, and (9) Miscellaneous. We selected a stratified random sample of 50 items from FY 2009 and 50 items from FY 2010 based on the percentage of costs in each category to total costs. We also performed a 100-percent review of 20 unidentifiable cost items for the Richmond DDS office.

General Security Controls

We conducted limited general security control testing. Specifically, we reviewed the following eight areas relating to general security controls: (1) Perimeter Security, (2) Intrusion Detection, (3) Key Management, (4) Internal Office Security, (5) Equipment Rooms, (6) Security Plan, (7) Continuity of Operations, and (8) Other Security Issues. We determined whether the general security controls the DDS had in place were satisfactory.

Personally Identifiable Information

We reviewed a random sample of various mailed documents VA-DDS produced to determine whether personally identifiable information was referenced only on those deemed necessary.

Appendix C

Schedule of Total Costs Reported on Forms SSA-4513—*State Agency Reports of Obligations for SSA's Disability Programs*

Virginia Disability Determination Services		
REPORTING ITEM	FY 2009 <i>as of April 30, 2012</i>	FY 2010 <i>as of April 30, 2012</i>
Disbursements		
Personnel	\$22,148,430	\$25,966,679
Medical	\$7,048,996	\$8,573,568
Indirect Costs	\$4,572,509	\$5,295,314
All Other Non-Personnel	\$4,837,819	\$3,527,116
Total Disbursements	\$38,607,754	\$43,362,677
Unliquidated Obligations	\$100,495*	\$9,183
Total Obligations	\$38,708,249	\$43,371,860

*As of May 29, 2012, \$99,646 is for recently installed and billed telephone system upgrade

Agency Comments

August 1, 2012

In response to the draft audit report on Administrative Costs Claimed by the Virginia Disability Determination Services (A-03-12-11207) for fiscal years 2009 and 2010, the Philadelphia Region is submitting the following corrective action plan that also provides a status of each recommendation:

Recommendation #1:

Finalize and sign a new MOU that complies with the current guidance.

Response:

A new memorandum of understanding (MOU) between SSA, Virginia Department for Aging and Rehabilitative Services, and Virginia Department of Medical Assistance Services was approved and finalized with an effective date of July 1, 2012.

Recommendation #2:

Instruct VA-DDS to conduct security awareness training annually, maintain the signed annual security awareness statements on file for a minimum of 1 year, and validate to the RO that all DDS employees and contractors received the training and signed the acknowledgement statement.

Response:

The Virginia DDS conducted its annual security awareness training on time. SSA tracked the completion of the training through the DDS employees' Personal Identification Numbers. SSA will instruct the DDS to maintain the signed annual security awareness statements on file for a minimum of 1 year and validate to the Regional Office that all DDS employees and contractors received the training and signed the acknowledgement statements.

Staff questions should be directed to [Jim Steiner](#) by email, or at 215-597-2046 in the Center for Disability Programs.

Terry M. Stradtman
Regional Commissioner

Appendix E

Parent Agency Comments



COMMONWEALTH OF VIRGINIA
DEPARTMENT FOR AGING AND REHABILITATIVE SERVICES

JAMES A. ROTHROCK
Commissioner

DISABILITY DETERMINATION SERVICES
8004 Franklin Farms Drive
Henrico, VA 23229

LEON SCALES
Director
Office (804) 662-7625
Toll free (800) 552-5019
TTY users dial 711
Fax (804) 662-7275
leon.scales@ssa.gov
www.dars.virginia.gov

August 1, 2012

MEMORANDUM

SUBJECT: Response to OIG Audit Report, *Administrative Cost Claimed by the Virginia Disability Determination Services (A-03-12-11207)*

FROM: James A. Rothrock, Commissioner

TO: Patrick P. O'Carroll, Jr.

A handwritten signature in blue ink that reads "James A. Rothrock".

Thank you for the opportunity to review and respond to the Office of Inspector General audit report, *Administrative Costs Claimed by the Virginia Disability Determination Services (A-03-12-11207)* dated July 2, 2012.

The comments below represent a response from the Virginia Disability Determination Services (DDS) to recommendations 1 and 2.

OIG RECOMMENDATIONS AND DDS RESPONSE

OIG Recommendation 1: Finalize and sign a new MOU that complies with the current guidance.

DDS Corrective Action: DDS concurs with the recommendation.

A new memorandum of understanding (MOU) between SSA, Virginia Department for Aging and Rehabilitative Services, and Virginia Department of Medical Assistance Services was approved and finalized with an effective date of July 1, 2012.

An Equal Opportunity/Affirmative Action Employer

Due to changes in technology, organizational structure, and the programmatic changes within the SSA and Medicaid programs, as early as 2007 the DDS recognized the need for a new MOU that would govern work and reporting on the non-SSA workload. Since that point, the DDS has worked constantly with SSA (regional and central office), the Virginia Department of Medical Assistance Services (DMAS), Centers for Medicare & Medicaid Services (CMS), and HHS Division of Cost Allocation (DCA) to produce a MOU. There was active work on execution of a document satisfactory to all stakeholders for approximately four years. The primary delay with the MOU was the ever-increasing number of stakeholders, multiple agencies requiring approval, proper discussion and vetting of critical issues, and education across all agencies/divisions. In May of 2009, it became apparent that the most critical piece of the MOU would be the cost allocation addendum, at this point CMS and DCA were involved. Due to staffing shortages, DCA, the federal agency responsible for approval of the cost allocation addendum, transferred the responsibility through three different regions around the country and did not approve the cost allocation plan until March 5, 2012. The DDS and SSA promptly attached the approved addendum and routed the document for execution. As of July 1, 2012, the MOU was fully executed by DDS/DARS, DMAS, and SSA.

OIG Recommendation 2: Instruct VA-DDS to conduct security awareness training annually, maintain the signed annual security awareness statements on file for a minimum of 1 year, and validate to the RO that all DDS employees and contractors received the training and signed the acknowledgement statement.

DDS Corrective Action: DDS concurs with the recommendation.

Prior to 2011 there was no online security awareness training for the DDS, the local security officer (LSO) at each site would deliver the training via PowerPoint presentation locally, and obtain a signed acknowledgement from each user to document compliance. Training under that format did not occur at the Richmond, VA site in 2011. This is the process/standard by which auditors are required to confirm compliance; since the training via this protocol did not occur, we concur with the audit finding and recommendation.

Additionally, we find it relevant to document, that the institution of the online training delivered by SSA in 2011 resulted in a level of confusion. The online training was essentially the same material that the LSO traditionally covered. Compliance for the new online training is tracked via user PIN, not via signed acknowledgement statement. The LSO made an assumption that the online training replaced the local training. If not for the rollout of the online training, the Richmond site would have completed the training under the traditional format.

There is no POMS guidance on compliance documentation for the online training. The online training was offered in 2011 with the understanding that SSA would reconcile active users from Top Secret against their list of PINS with successful completion of the online training. DDS staff completed the online training with greater than 99% compliance (per the SSA reconciliation report) the exceptions were on extended leave.

Appendix F

OIG Contacts and Staff Acknowledgments

OIG Contacts

Cylinda McCloud-Keal, Director, Philadelphia Audit Division

Carol Madonna, Audit Manager

Acknowledgments

In addition to those named above:

Damon Mahoner, Auditor-in-Charge

Michael J. Brooks, Auditor

Walter Mingo, Auditor

For additional copies of this report, please visit our Website at <http://oig.ssa.gov/> or contact the Office of the Inspector General's Public Affairs Staff at (410) 965-4518. Refer to Common Identification Number A-03-12-11207.

DISTRIBUTION SCHEDULE

Commissioner of Social Security

Chairman and Ranking Member, Committee on Ways and Means

Chief of Staff, Committee on Ways and Means

Chairman and Ranking Minority Member, Subcommittee on Social Security

Majority and Minority Staff Director, Subcommittee on Social Security

Chairman and Ranking Minority Member, Committee on the Budget, House of Representatives

Chairman and Ranking Minority Member, Committee on Oversight and Government Reform

Chairman and Ranking Minority Member, Committee on Appropriations, House of Representatives

Chairman and Ranking Minority, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, House of Representatives

Chairman and Ranking Minority Member, Committee on Appropriations, U.S. Senate

Chairman and Ranking Minority Member, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, U.S. Senate

Chairman and Ranking Minority Member, Committee on Finance

Chairman and Ranking Minority Member, Subcommittee on Social Security Pensions and Family Policy

Chairman and Ranking Minority Member, Senate Special Committee on Aging

Social Security Advisory Board

Overview of the Office of the Inspector General

The Office of the Inspector General (OIG) is comprised of an Office of Audit (OA), Office of Investigations (OI), Office of the Counsel to the Inspector General (OCIG), Office of External Relations (OER), and Office of Technology and Resource Management (OTRM). To ensure compliance with policies and procedures, internal controls, and professional standards, the OIG also has a comprehensive Professional Responsibility and Quality Assurance program.

Office of Audit

OA conducts financial and performance audits of the Social Security Administration's (SSA) programs and operations and makes recommendations to ensure program objectives are achieved effectively and efficiently. Financial audits assess whether SSA's financial statements fairly present SSA's financial position, results of operations, and cash flow. Performance audits review the economy, efficiency, and effectiveness of SSA's programs and operations. OA also conducts short-term management reviews and program evaluations on issues of concern to SSA, Congress, and the general public.

Office of Investigations

OI conducts investigations related to fraud, waste, abuse, and mismanagement in SSA programs and operations. This includes wrongdoing by applicants, beneficiaries, contractors, third parties, or SSA employees performing their official duties. This office serves as liaison to the Department of Justice on all matters relating to the investigation of SSA programs and personnel. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

Office of the Counsel to the Inspector General

OCIG provides independent legal advice and counsel to the IG on various matters, including statutes, regulations, legislation, and policy directives. OCIG also advises the IG on investigative procedures and techniques, as well as on legal implications and conclusions to be drawn from audit and investigative material. Also, OCIG administers the Civil Monetary Penalty program.

Office of External Relations

OER manages OIG's external and public affairs programs, and serves as the principal advisor on news releases and in providing information to the various news reporting services. OER develops OIG's media and public information policies, directs OIG's external and public affairs programs, and serves as the primary contact for those seeking information about OIG. OER prepares OIG publications, speeches, and presentations to internal and external organizations, and responds to Congressional correspondence.

Office of Technology and Resource Management

OTRM supports OIG by providing information management and systems security. OTRM also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, OTRM is the focal point for OIG's strategic planning function, and the development and monitoring of performance measures. In addition, OTRM receives and assigns for action allegations of criminal and administrative violations of Social Security laws, identifies fugitives receiving benefit payments from SSA, and provides technological assistance to investigations.