



## SOCIAL SECURITY

November 10, 2004

The Honorable Jo Anne B. Barnhart  
Commissioner

Dear Ms. Barnhart:

In November 2000, the President signed the *Reports Consolidation Act of 2000* (*Pub. L. No. 106-531*), which requires that Inspectors General provide a summary and assessment of the most serious management and performance challenges facing Federal agencies and the agencies' progress in addressing them. This document responds to the requirement to include this statement in the *Social Security Administration's Fiscal Year 2004 Performance and Accountability Report*.

In September 2003, we identified six significant management issues facing the Social Security Administration for Fiscal Year 2004.

- **Social Security Number Integrity and Protection**
- **Management of the Disability Process**
- **Improper Payments**
- **Budget and Performance Integration**
- **Critical Infrastructure Protection and Systems Security**
- **Service Delivery**

I congratulate you on the progress you have made during Fiscal Year 2004 in addressing these challenges. I look forward to working with you in continuing to improve the Agency's ability to meet its mission efficiently and effectively. Our assessment of the status of these six management challenges is enclosed.

Sincerely,



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

Enclosure

***Inspector General Statement  
on the  
Social Security Administration's  
Major Management Challenges***

**A-02-05-15092**



November 2004

## **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.**

## **Social Security Number Integrity and Protection**

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In FY 2004, the Social Security Administration (SSA) issued over 17.5 million original and replacement Social Security number (SSN) cards, and SSA received approximately \$545 billion in employment taxes. Protecting the SSN and properly posting the wages reported under SSNs are critical to ensuring eligible individuals receive the full benefits due them.

The SSN has become a key to social, legal, and financial assimilation in this country. Because the SSN is so heavily relied on as an identifier, it is also valuable as an illegal commodity. Criminals improperly obtain SSNs by (1) presenting false documentation; (2) stealing another person's SSN; (3) purchasing an SSN on the black market; (4) using the SSN of a deceased individual; or (5) creating a nine-digit number out of thin air.

Another area of concern related to SSN integrity is the use of nonwork SSNs by noncitizens for unauthorized employment in the United States. SSA assigns nonwork SSNs to lawful aliens only if they can provide evidence of a valid nonwork reason. Our audits have noted a number of issues related to nonwork SSNs, including (1) the type of evidence provided to obtain a nonwork SSN, (2) the reliability of nonwork SSN information in SSA's records, (3) the significant volume of wages reported under nonwork SSNs, and (4) the payment of benefits to noncitizens who qualified for their benefits while working in the country without proper authorization.

Another important part of ensuring SSN integrity is the proper posting of earnings reported under SSNs. Properly posting earnings ensures eligible individuals receive the full retirement, survivor and/or disability benefits due them. If earnings information is reported incorrectly or not reported at all, SSA cannot ensure all eligible individuals are receiving the correct payment amounts. In addition, SSA's disability programs depend on earnings information to determine whether an individual is eligible for benefits and to calculate the amount of benefit payments.

SSA spends scarce resources correcting earnings data when incorrect information is reported. The Earnings Suspense File (ESF) is the Agency's record of annual wage reports for which wage earners' names and/or SSNs fail to match SSA's records. As of October 2003, the ESF had accumulated over \$421 billion in wages and 244 million wage items for Tax Years (TY) 1937 through 2001. SSA attempts to reduce the amount of items in the ESF through edits and correspondence with employees and employers.

While SSA has limited control over the factors that cause the volume of erroneous wage reports submitted each year, there are still areas where the Agency can improve its processes. SSA can improve wage reporting by educating employers on reporting criteria, identifying and resolving employer reporting problems, and encouraging greater use of the Agency's SSN verification programs. SSA also needs to further coordinate with other Federal agencies that have separate, yet related, mandates. For example, the Agency has collaborated with the Internal Revenue Service (IRS) to achieve more accurate wage

reporting. In August 2002, SSA provided a list of all employers with more than 100 items in the ESF to the IRS. The IRS later visited a number of these employers to review their employee records.

### **SSA Has Taken Steps to Address this Challenge**

SSA has taken steps to strengthen controls in its enumeration process, including establishing an Enumeration Response Team. As a result of the Team's efforts, SSA now performs full collateral verification of all immigration documents before assigning SSNs to noncitizens. SSA requires mandatory interviews for all applicants for original SSNs who are over age 12 (lowered from age 18) and requires evidence of identity for all children, regardless of age. In addition, SSA has established an enumeration center in Brooklyn, New York, that focuses exclusively on assigning SSNs and issuing SSN cards. In FY 2005, SSA will also implement new systems enhancements that will simplify the interpretation of and compliance with the Agency's complex enumeration policies. The system will determine what documents and proofs the SSN applicant must present and will prompt the employee to ask the applicant for mandatory information. SSA has also created an Identity Theft Workgroup in which we participate. Furthermore, the Agency has made enhancements to its Modernized Enumeration System that will interrupt the issuance of SSN cards when parents claim to have an improbably large number of children, and add an alert to an individual's record when the SSN has been used for the purpose of establishing a fictitious identity.

To address nonwork SSN misuse, SSA has placed greater restrictions on the issuance of nonwork SSNs. SSA also monitors noncitizens who have earnings posted under a nonwork SSN and reports this information to the Department of Homeland Security. Recent legislation should also help address this issue. In March 2004, *the Social Security Protection Act of 2004 (Pub. L. No. 108-203)* was signed into law. This act generally precludes the payment of benefits based on the earnings of noncitizens who have never been issued an SSN indicating authorization to work in the United States. This provision is effective with respect to SSNs issued after December 2003.

SSA has taken steps to reduce the size and growth of the ESF. For example, SSA has piloted the Social Security Number Verification Service, which allows employers to verify the names and SSNs of employees before reporting their wages to SSA. The Agency has also modified its automated processes to better identify the numberholder related to items in the ESF. SSA stated the new processes would use information stored on the earnings and benefits records whereas previous internal edits only used the names and SSNs related to the suspended wages. Through September 2004, SSA reduced the ESF by approximately 7.9 million items, short of its FY 2004 goal of 27.6 million items. SSA reported that the principal reason its goal was not met was due to underestimating the time needed to design and fully implement a new series of very complex matching software routines.

Finally, SSA is establishing an Earnings Data Warehouse (EDW) that can track employer-specific reporting trends. This facility will be able to determine the percent of an employer's payroll that contains name and SSN mismatches and should allow for better targeting of problem employers. The EDW should be able to produce a listing of employers showing their wage reporting accuracy by the end of calendar year 2004.

## **Management of the Disability Process**

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SSA needs to improve critical parts of the disability process – determining disabilities, the accuracy of disability payments, and the integrity of the disability programs. In January 2003, the Government Accountability Office (GAO) added modernizing Federal disability programs—including SSA’s—to its 2003 high-risk list. GAO did this, in part, because of outmoded concepts of disability, lengthy processing times, and decisional inconsistencies.

SSA needs to continue its efforts to improve the process used to determine claimant disability by focusing on initiatives that will improve the timeliness and quality of its services. For example, the Office of Hearings and Appeals’ (OHA) average processing time has increased significantly from 297 days in FY 2000 to 391 days in FY 2004. Further, the hearings pending workload for FY 2004 was 635,601 cases, whereas it was 346,756 cases in FY 2000. This represents an 83.3 percent increase in OHA’s pending workload. SSA’s efforts to address its pending workload did not meet the goals established for FY 2004. In FY 2004, SSA processed 497,379 hearings, well below its goal of 538,000.

Another area SSA needs to improve is ensuring the correct benefits are paid to the correct individuals. In a July 2004 report, we estimated that, although SSA identified and assessed about \$1.8 billion in overpayments because of disabled beneficiaries’ work activity, the Agency did not detect an additional \$1.4 billion in improper payments. Our review showed that continuing disability reviews (CDR) are critical to determining whether a disabled beneficiary continues to be eligible for benefits.

Fraud is an inherent risk in SSA’s disability programs. Some unscrupulous people view SSA’s disability benefits as money waiting to be taken. Key risk factors in the disability program are individuals who feign or exaggerate symptoms to become eligible for disability benefits or who, after becoming eligible to receive benefits, knowingly fail to report medical improvements.

### ***SSA Has Taken Steps to Address this Challenge***

SSA continues to focus on improving the disability process. In September 2003, the Commissioner proposed a new approach for improving the disability determination process and making the right decision as early in the process as possible. The approach includes several initiatives that emphasize timely and accurate disability decisions. For example, a quick-decision step would initially sort claims based on information provided by claimants to identify people who are obviously disabled. The expedited claims would be processed by expert review units, allowing for both timely decisions and Disability Determination Services (DDS) to focus their resources on more complex claims. Additionally, the Commissioner proposed an in-line quality review process managed by the DDSs. A centralized quality control unit would replace the current SSA quality control system to quickly identify problem areas and implement corrective actions.

The Commissioner views her September 2003 proposal as the first step in a collaborative process eventually leading to a final plan for disability improvements. Concurrent with the new approach, the Commissioner plans to conduct several demonstration projects to help people with disabilities return to work.

In addition to her long-term proposal, the Commissioner has accelerated the Agency's transition to the electronic disability folder stating it is critical to improving SSA's disability process. The electronic disability folder will allow for disability claims information to be stored electronically and transmitted between field offices, hearing offices, and DDSs.

SSA is addressing the integrity of its disability programs through the Cooperative Disability Investigations (CDI) program. The CDI program's mission is to obtain evidence that can resolve questions of fraud in SSA's disability programs. SSA's Offices of Operations and Disability Programs, along with the Office of the Inspector General, manage the CDI program. There are 18 CDI units operating in 17 States. Since the program's inception in FY 1998, CDI efforts have resulted in over \$410 million in projected savings to SSA's disability programs and over \$266 million in projected savings to non-SSA programs. In FY 2004, the CDI units saved SSA over \$132 million by identifying fraud and abuse related to initial and continuing claims within the disability program.

## **Improper Payments**

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SSA is responsible for issuing benefit payments under the Old-Age, Survivors and Disability Insurance (OASDI) and Supplemental Security Income (SSI) programs. In FY 2003, SSA issued about \$499 billion in benefit payments to about 51 million people. Since SSA is responsible for issuing timely benefit payments for complex entitlement programs to millions of people, even the slightest error in the overall process can result in millions of dollars in over- or underpayments.

Improper payments are defined as payments that should not have been made or were made for incorrect amounts. Examples of improper payments include inadvertent errors, payments for unsupported or inadequately supported claims, or payments to ineligible beneficiaries. Furthermore, the risk of improper payments increases in programs with

- a significant volume of transactions,
- complex criteria for computing payments, and
- an overemphasis on expediting payments.

The President and Congress have expressed interest in measuring the universe of improper payments within the Government. In August 2001, the Office of Management and Budget (OMB) published the FY 2002 President's Management Agenda (PMA), which included a Government-wide initiative for improving financial performance, including reducing improper payments. In November 2002, the *Improper Payments Information Act of 2002* (*Pub. L. No. 107-300*) was enacted, and OMB issued guidance in May 2003 on implementing this law. Under the Act, SSA must estimate its annual amount of improper payments and report this information in the Agency's annual *Performance and Accountability Report*. OMB will then work with SSA to establish goals for reducing improper payments in its programs.

SSA and the Office of the Inspector General have discussed such issues as detected versus undetected improper payments and avoidable overpayments versus unavoidable overpayments that are outside the Agency's control and a cost of doing business. In August 2003, OMB issued specific guidance to SSA to only include avoidable overpayments in its improper payment estimate because those payments can be reduced through changes in administrative actions. Unavoidable overpayments that result from legal or policy requirements are not to be included in SSA's improper payment estimate.

In FY 2004, our work in this area focused on improper payments related to disabled beneficiaries who work. As discussed in the preceding section of this report, we found that SSA identified and assessed about \$1.8 billion in overpayments for about 117,320 beneficiaries. However, we estimated the Agency did not detect about \$1.4 billion in overpayments to approximately 63,000 disabled beneficiaries.

### ***SSA Has Taken Steps to Address this Challenge***

SSA has been working to improve its ability to prevent over- and underpayments by obtaining beneficiary information from independent sources sooner and using technology

more effectively. For example, the Agency is continuing its efforts to prevent improper payments after a beneficiary dies through the use of Electronic Death Registration information. Also, the Agency's CDR process is in place to identify and prevent beneficiaries who are no longer disabled from receiving payments. Finally, SSA is implementing eWork—a new automated system to control and process work-related CDRs—which should strengthen SSA's ability to identify and prevent improper payments to disabled beneficiaries.

SSA is also taking action to recover improper payments. The Agency reported that approximately 42 percent of OASDI overpayments and about 54 percent of SSI overpayments were in a collection arrangement.

We have helped the Agency reduce improper payments to prisoners and improper SSI payments to fugitive felons. However, our work has shown that improper payments—such as those related to workers' compensation—continue to diminish the Social Security trust funds. Additionally, with the passage of the *Social Security Protection Act of 2004*, SSA has new opportunities and faces new challenges in preventing and recovering improper payments—such as OASDI benefits to fugitives.

## **Budget and Performance Integration**

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This area encompasses SSA's efforts to provide timely, useful, and reliable data to assist internal and external decisionmakers in effectively managing Agency programs, as well as evaluating performance and ensuring the validity and reliability of performance, budgeting, and financial data.

To effectively meet its mission, manage its programs, and report on its performance, SSA needs sound performance and financial data. Congress, the general public, and other interested parties also need sound and credible data to monitor and evaluate SSA's performance. The PMA has emphasized the management and performance integration of Federal agencies. SSA has demonstrated a commitment to the *Government Performance and Results Act of 1993* (Pub. L. No. 103-62) by developing strategic plans, annual performance plans and annual performance reports. However, we believe SSA can further strengthen its use of performance information by fully documenting the methods and data used to measure performance and by improving its data sources.

Our work has found that SSA has not consistently developed or documented detailed policies and procedures to collect, review, and report information for individual performance indicators. For the indicators we reviewed in FY 2004, SSA did not consistently document the data sources, data interfaces, data modifications, or controls used to ensure performance indicator data were complete, accurate, and valid. Considering the crucial role of the underlying data in all of SSA's performance, financial, and data-sharing activities, the Agency needs clear processes in place to ensure the reliability and integrity of its data.

We audited 16 performance measures in FY 2004 and found the data for 8 of the measures were reliable while the data for 6 of the measures were not reliable. We were unable to determine the reliability of the data used for two of the measures because SSA did not maintain archived copies of the data used to calculate indicator results.

### ***SSA Has Taken Steps to Address this Challenge***

Our audits and reviews of SSA's financial statements, annual performance plans and reports, and individual performance measures disclosed that SSA has demonstrated commitment to the production and use of reliable performance and financial management data. For example, SSA continues to work on its Managerial Cost Accountability System (MCAS) and expects some MCAS projects to go into production in FY 2005. SSA is the only Federal agency that has received the *Certificate of Excellence in Accountability Reporting for its Performance and Accountability Report* every year since the award program began in FY 1998. Additionally, OMB updated the PMA scorecard in FY 2004, continuing to rate SSA's status in Financial Management as green, and raising the Agency's rating for Budget and Performance Integration from yellow to green.

The Agency has taken steps to better align its ability to match resources to performance. The Commissioner has developed a multi-year Service Delivery Budget Plan, which aligns costs and work years with overarching performance goals in SSA's Strategic Plan. The Plan was developed to demonstrate the resources required to address core workloads;

process special workloads; eliminate backlogs of disability claims, hearings and appeals and other operational workloads; and to improve productivity and fiscal stewardship. Additionally, SSA is developing an automated system that will build on the current financial, performance and management information systems and enable the Agency to better project how resource changes affect various workloads, outputs and outcomes. It has also demonstrated a macro budget formulation model which helps estimate what level of performance to expect at different levels of funding and productivity.

## **Critical Infrastructure Protection and Systems Security**

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The information technology revolution has changed the way governments and businesses operate. In today's world, every computer system is a potential target. Any disruptions in the operation of information systems that are critical to the nation's infrastructure should be infrequent, manageable, of minimal duration and cause the least damage possible. The Government must make continuous efforts to secure information systems for critical infrastructures. Protection of these systems is essential to the operation of the telecommunications, energy, financial services, manufacturing, water, transportation, health care, and emergency services sectors.

SSA's information security challenge is to understand and mitigate system vulnerabilities. This means ensuring the security of its critical information infrastructure, such as access to the Internet and the Agency's networks. Since 1997, SSA has had an internal controls reportable condition concerning its protection of information based on weaknesses in controls over access to its electronic information, technical security configuration standards, suitability, and continuity of systems operations. Access to the information, or access control, is the most important of these factors. The reportable condition will not be resolved until SSA employees only have access to the data they need to do their jobs.

While protecting its critical information infrastructure, the Agency is tasked with offering more electronic services to the public. The Expanded Electronic Government, or e-Government, initiative of the PMA calls for the expanded use of the Internet to provide faster and better access to government services and information. Specifically, e-Government calls for the Agency to help citizens find information and obtain services organized according to their needs, and not according to the divisions created by the Agency's organizational chart. SSA needs to ensure that the expansion of its electronic services does not increase the risks to its systems.

### ***SSA Has Taken Steps to Address this Challenge***

SSA addresses the protection of its critical information infrastructure and systems security in a variety of ways. For example, it created a Critical Infrastructure Protection workgroup that continuously works toward compliance with various directives, such as the Homeland Security Presidential Directive and the *Federal Information Security Management Act of 2002* (Pub. L. No. 107-347). Further, SSA created the Office of Information Technology Security Policy within the Office of the Chief Information Officer. Additionally, SSA routinely releases security advisories to its employees and has hired outside contractors to provide expertise in this area.

SSA has been working to comply with the security portion of the e-Government initiative of the PMA. Some of the specific steps the Agency has taken in attempt to move from an OMB rating of yellow to green on the e-Government initiative, while maintaining an effective overall security framework, include

- participating in *Forward Challenge 04*, the Government-wide disaster recovery exercise;

- assessing and adjusting the access of about 49,000 operations employees;
- implementing an automated tool to better track security weaknesses and help monitor their resolution;
- revising its Certification and Accreditation process to comply with new National Institute of Standards and Technology guidance; and
- progressing on the Standard Security Profile Project with the objective of eventually removing the reportable condition.

SSA needs to take additional steps to remove the reportable condition. Particularly, the Agency needs to do more to ensure the number of programmers who have access to production data is limited to only those who require the access to perform their jobs and no more, have security configuration models for all its servers and computers, and ensure compliance with the security configuration models. SSA also needs to ensure it continues to sustain and expand the steps taken to date to reach the OMB rating of green for e-Government.

## **Service Delivery**

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The Agency's goal of "service" encompasses traditional and electronic services provided to applicants for benefits, beneficiaries and the general public. It includes services to and from States, other agencies, third parties, employers, and other organizations including financial institutions and medical providers. SSA's service-related goal supports the delivery of "citizen-centered" services through the use of e-Government and therefore affords SSA opportunities to advance the level of its service. Given the complexity of the Agency's programs, the billions of dollars in payments at stake, and the millions of citizens who rely on SSA, the Agency is challenged to provide quality, timely, and appropriate services consistently to its clients and the public-at-large. E-Government, human capital, and the representative payee process pose significant challenges that impact service delivery.

The PMA calls for improved service delivery through the use of e-Government in creating more cost-effective and efficient ways to provide service to citizens. The increased use of e-Government will be vital as the Agency addresses rising workloads associated with the aging of the baby-boom generation.

Another challenge to service delivery is human capital. In January 2001, GAO found that human capital management was a pervasive problem Government-wide and added it to its list of high-risk Federal programs and operations. In addition, Strategic Management of Human Capital was designated as one of five Government-wide initiatives contained in the PMA. The Agency's critical loss of institutional skills and knowledge, combined with greatly increased workloads at a time when the baby-boom generation will require its services, must be addressed by succession planning, recruitment efforts, and the effective use of technology, as previously discussed.

The integrity of the representative payee process is another specific challenge in this area. When SSA determines a beneficiary cannot manage his or her benefits, SSA selects a representative payee who manages and solely uses the payments for the beneficiary's needs. SSA reported that there are about 5.4 million representative payees who manage about \$44.8 billion in benefits for about 6.9 million beneficiaries. While representative payees provide a valuable service for beneficiaries, SSA must continue to ensure representative payees meet their responsibilities to the beneficiaries they serve.

In March 2004, the President signed into law the *Social Security Protection Act of 2004*. This Act provides several new safeguards for those individuals who need a representative payee, while presenting significant challenges to SSA to ensure representative payees meet beneficiaries' needs. For example, it requires that SSA conduct additional periodic, on-site reviews of representative payees. It also authorizes SSA to impose civil monetary penalties for offenses involving misuse of benefits received by a representative payee.

Our audits of representative payees have shown that improved SSA oversight and monitoring of representative payees are needed. We identified deficiencies with representative payees' financial management and accounting for benefit receipts and disbursements; vulnerabilities in safeguarding beneficiary payments; poor monitoring and

reporting to SSA of changes in beneficiary circumstances; inappropriate handling of beneficiary conserved funds; and improper charging of fees.

SSA also needs to improve its selection of representative payees. For example, we estimated in one audit report that over 1,700 individuals who had representative payees themselves were selected as representative payees for others. These representative payees with representative payees were responsible for managing \$7.6 million in OASDI and SSI payments over a 1 year period. We have also identified cases where SSA did not establish representative payees for individuals found to need them. We estimated that at least 17,000 beneficiaries were directly paid at least \$342 million that should have been paid through representative payees.

### ***SSA Has Taken Steps to Address this Challenge***

SSA has taken steps to address its e-Government, human capital, and representative payee challenges. Within the next 5 years, the Agency expects to provide cost-effective e-Government services to citizens, businesses and other government agencies that will give them the ability to easily and securely transact most of their business with SSA electronically. In the past 5 years, the Agency has launched the Internet Social Security Benefit Application, and created on-line requests for Social Security Statements, replacement Medicare cards, proof of income letters (formerly known as Benefit Verification Statements) and change of address. Most recently, the Agency added the Adult Disability and Work History Report, the Childhood Disability Report and the Appeals Disability Report to its on-line services. Within 1 year, the recently launched electronic disability folder will be implemented nationwide.

The Agency has taken steps to meet its future workforce needs. Studies have been conducted to predict staff retirements and attritions for major job positions. Further, SSA planning documents comply with the PMA and achieve expected near-term results related to the strategic management of human capital. SSA's ongoing progress has resulted in the Agency obtaining a green rating for Human Capital on OMB's PMA Scorecard.

SSA has taken steps to address its representative payee process challenge. It has established workgroups to implement each section of the *Social Security Protection Act of 2004*. The Act calls for increased monitoring of representative payees. Accordingly, the Agency is modifying the system selection processes for its site review program so it can review fee-for-service representative payees, volume representative payees (serving 50 or more beneficiaries) who are subject to expanded monitoring, and individual representative payees serving 15 or more beneficiaries, as required by Section 102(b) of the *Social Security Protection Act of 2004*. SSA performs these reviews triennially.

# Appendices

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**APPENDIX A** – Acronyms

**APPENDIX B** – Related Office of the Inspector General Reports

**APPENDIX C** – Office of the Inspector General Contacts

## **Appendix A**

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### **Acronyms**

CDI	Cooperative Disability Investigations
CDR	Continuing Disability Review
DDS	Disability Determination Services
EDW	Earnings Data Warehouse
ESF	Earnings Suspense File
FY	Fiscal Year
GAO	Government Accountability Office
IG	Inspector General
IRS	Internal Revenue Service
MCAS	Managerial Cost Accountability System
OASDI	Old-Age, Survivors and Disability Insurance
OHA	Office of Hearings and Appeals
OIG	Office of the Inspector General
OMB	Office of Management and Budget
PMA	President's Management Agenda
SSA	Social Security Administration
SSI	Supplemental Security Income
SSN	Social Security Number
TY	Tax Year

## ***Appendix B***

### **Related Office of the Inspector General Reports**

Management Challenge Area, Report Title and Common Identification Number	Report Issued
<b>Social Security Number Integrity and Protection</b>	
Congressional Response Report: Title II Beneficiaries with Military Earnings (A-03-04-24049)	October 27, 2003
Follow-Up Review of Employers with the Most Suspended Wage Items (A-03-03-13026)	October 30, 2003
Management Advisory Report: The Social Security Administration's Procedures for Enumerating Foreign Students (A-05-03-23056)	December 17, 2003
Utility of Older Reinstated Wages from the Earnings Suspense File (A-03-02-22076)	December 17, 2003
Internal Control Review over the Processing of Social Security Number Cards (Limited Distribution) (A-15-03-23025)	January 29, 2004
Management Advisory Report: Review of Universities' Issuance of Temporary Social Security Numbers to Foreign Students (A-08-04-24018)	April 26, 2004
Social Security Numbers with More Than One Owner (A-03-03-23003)	June 23, 2004
The Social Security Administration's Internal Use of Employees' Social Security Numbers (A-13-04-24046)	August 19, 2004
Brooklyn Social Security Card Center's Compliance with Policies and Procedures When Processing Noncitizen Social Security Number Applications (A-08-04-14061)	August 30, 2004
Compliance with Policies and Procedures When Processing Noncitizen Social Security Number Applications at Foreign Service Posts (A-08-04-14060)	August 30, 2004
Field Offices' Compliance with Policies and Procedures When Processing Noncitizen Social Security Number Applications (A-08-04-14005)	August 30, 2004
Congressional Response Report: Survey of Educational Institutions' Issuance of Work Authorization Documents to Foreign Students (A-08-04-24102)	September 30, 2004
<b>Management of the Disability Process</b>	
Appeals Council Process Improvement Action Plan (A-12-02-12015)	January 21, 2004
Operations of the Office of Hearings and Appeals Megosite (A-12-03-13039)	February 3, 2004

Management Challenge Area, Report Title and Common Identification Number	Report Issued
Congressional Response Report: Review of File Assembly Contracts at Office of Hearings and Appeals (A-07-04-24076)	March 3, 2004
Disability Determination Services' Claims Processing Performance (A-07-03-13054)	August 30, 2004
Best Practices in Highest Producing Hearing Offices (A-12-04-14020)	August 31, 2004
<b>Improper Payments</b>	
Impact on the Social Security Administration's Programs When Auxiliary Beneficiaries Have Incorrect Social Security Numbers (A-01-03-33020)	November 26, 2003
Social Security Funds Held in Dormant Bank Accounts (A-02-03-23080)	February 18, 2004
Social Security Administration Controls over the Taxation and Suspension of Payments to Foreign Beneficiaries (A-14-03-23005)	March 3, 2004
Conserved Funds for Deceased Beneficiaries with Non-Related Representative Payees (A-13-03-23085)	March 18, 2004
Interim Assistance Reimbursement to Los Angeles County, California, Under the Supplemental Security Income Program (A-13-02-12039)	March 25, 2004
Supplemental Security Income Overpayments (A-01-04-24022)	April 16, 2004
Disabled Title II Beneficiaries with Earnings Reported on the Master Earnings File (A-01-03-13019)	July 12, 2004
Collection of Old-Age, Survivors and Disability Insurance Overpayments to Representative Payees for Deceased Beneficiaries (A-13-03-13049)	July 21, 2004
Title II Underpayments for Deceased Beneficiaries (A-03-03-13014)	July 21, 2004
The Social Security Administration's Prisoner Incentive Payment Program (A-01-04-24067)	July 30, 2004
Payments to Student Beneficiaries Beyond the Maximum Age of Entitlement (A-09-04-14050)	August 13, 2004
Overpayments in the Old-Age, Survivors and Disability Insurance Program (A-01-04-24023)	August 26, 2004
Individuals Receiving Multiple Childhood Disability Benefits (A-01-04-24078)	September 16, 2004
<b>Budget and Performance Integration</b>	
Inspector General Statement on the Social Security Administration's Major Management Challenges (A-02-04-14034)	November 6, 2003
Oversight of the Fiscal Year 2003 Financial Statement Audit (A-15-03-13068)	November 10, 2003
The Social Security Administration's Oversight of Indirect Costs Claimed by Disability Determination Services (A-07-03-23086)	March 16, 2004

Management Challenge Area, Report Title and Common Identification Number	Report Issued
Summary of State Disability Determination Services Administrative Cost Audits Completed in Fiscal Years 2000 through 2003 (A-15-03-13061)	June 18, 2004
Performance Indicator Audit: Management Information Systems Development and Protection (A-15-04-14071)	August 13, 2004
Performance Indicator Audit: Earnings Suspense File (A-15-04-14069)	August 20, 2004
Performance Indicator Audit: President's Management Agenda Related Initiatives (A-15-04-14070)	September 3, 2004
Management Advisory Report: Summary of Single Audit Oversight Activities May 2003 through April 2004 (A-07-04-14063)	September 3, 2004
Performance Indicator Audit: Employment for Disabled Beneficiaries (A-02-04-14068)	September 20, 2004
<b>Critical Infrastructure Protection and Systems Security</b>	
Controls over the Social Security Administration's Processing Center Action Control System (A-14-03-23076)	February 3, 2004
Project Matrix Step Two: Analysis of the Social Security Administration's Headquarters Complex and the Office of Central Operations (A-14-04-24006)	March 25, 2004
Congressional Response Report: Security of the Social Security Administration's National Computer Center Back-up Tapes and Records (A-14-04-24101)	May 28, 2004
The Social Security Administration's Monitoring of Potential Employee Systems Security Violations (A-14-04-23004)	July 27, 2004
Fiscal Year 2004 Evaluation of the Social Security Administration's Compliance with the Federal Information Security Management Act (A-14-04-14040)	September 30, 2004
The Impact on Network Security of the Social Security Administration's Operating Systems' Conversions (A-14-04-24019)	September 17, 2004
<b>Service Delivery</b>	
Suitability of Individuals Acting as Representative Payees (A-02-03-13032)	October 6, 2003
San Francisco Department of Human Services – An Organizational Representative Payee for the Social Security Administration (A-09-03-13011)	November 19, 2003
Management Advisory Report: Current Practices in Electronic Records Authentication (A-04-04-24004)	February 3, 2004
Inventory Review at the National Records Center (A-07-04-20426)	February 18, 2004
The Social Security Administration's Regional Office Procedures for Addressing Employee-Related Allegations in Region VI (A-06-03-13075)	March 8, 2004

Management Challenge Area, Report Title and Common Identification Number	Report Issued
Cabinet for Families and Children, Department for Community Based Services, Division of Protection and Permanency - An Organizational Representative Payee for the Social Security Administration (A-08-03-13084)	March 10,2004
The Social Security Administration's Regional Office Procedures for Addressing Employee-Related Allegations in Region IX (A-09-04-14014)	May 17, 2004
The Social Security Administration's Representative Payee Selection Process (A-01-04-14008)	May 21, 2004
The Social Security Administration's Regional Office Procedures for Addressing Employee-Related Allegations in Region VIII (A-06-04-14075)	June 22, 2004
The Social Security Administration's Procedures for Addressing Employee-Related Allegations in Region IV (A-04-04-20425)	June 22, 2004
The Social Security Administration's Procedures for Addressing Employee-Related Allegations in Region II (A-02-04-14007)	June 24, 2004
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The Social Security Administration's Procedures for Addressing Employee-Related Allegations in Region V (A-05-04-14086)	August 30, 2004
The Effectiveness of Policies and Procedures Used to Identify Incarcerated Representative Payees (A-02-04-14031)	September 16, 2004
The Social Security Administration's Regional Office Procedures for Addressing Employee-Related Allegations in Region III (A-03-04-14044)	September 23, 2004
Mental Health Center of Boulder County, Inc. - An Organizational Representative Payee for the Social Security Administration (A-06-04-14038)	September 29, 2004

## ***Appendix C***

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### **Office of the Inspector General Contacts**

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Judith Oliveira, Director

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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.