

# Mosaic, an Organizational Representative Payee for the Social Security Administration

## A-07-13-23007



June 2013

Office of Audit Report Summary

### Objectives

To determine whether Mosaic (1) had effective safeguards over the receipt and disbursement of Social Security benefits, (2) used and accounted for Social Security benefits in accordance with Social Security Administration (SSA) policies and procedures, and (3) adequately protected beneficiaries' personally identifiable information (PII). In addition, we reviewed Mosaic national headquarters' oversight of representative payees at its other sites in Kansas, Nebraska, and Iowa as well as the two collective bank accounts in which funds were deposited for beneficiaries at those sites.

### Background

Some individuals cannot manage or direct the management of their finances because of their youth or mental and/or physical impairments. Congress granted SSA the authority to appoint representative payees to receive and manage these beneficiaries' payments. Representative payees are responsible for managing benefits in the beneficiaries' best interests.

### Our Findings

Our audit period was from June 1, 2011 to May 31, 2012. Mosaic generally had adequate safeguards over the receipt and disbursement of Social Security benefits, used and accounted for Social Security benefits in accordance with SSA policies and procedures, and adequately protected PII. Also, Mosaic's national headquarters had adequate oversight of the representative payee program at its other sites in the Kansas City Region as well as the two collective bank accounts in which funds were deposited for beneficiaries at those sites.

However, Mosaic could improve its safeguards over the disbursement of Social Security benefits by maintaining adequate documentation for all beneficiaries' expenditures. This includes documentation for cash given to beneficiaries whom SSA had determined were incapable of managing or directing the management of their benefits.

### Our Recommendation

We recommended that SSA instruct Mosaic to maintain sufficient and appropriate documentation for all the beneficiaries it serves to support that it uses Social Security benefits in the beneficiaries' best interest.

SSA agreed with our recommendation.