
**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**SINGLE AUDIT OF THE
STATE OF WASHINGTON
FOR THE FISCAL YEAR ENDED
JUNE 30, 2006**

November 2007 A-77-08-00003

**MANAGEMENT
ADVISORY 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: November 28, 2007

Refer To:

To: Candace Skurnik
Director
Audit Management and Liaison Staff

From: Inspector General

Subject: Management Advisory Report: Single Audit of the State of Washington for the Fiscal Year Ended June 30, 2006 (A-77-08-00003)

This report presents the Social Security Administration's (SSA) portion of the single audit of the State of Washington for the Fiscal Year ended June 30, 2006. Our objective was to report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to SSA for resolution action.

The Washington State Auditor performed the audit. The Department of Health and Human Services (HHS) desk review concluded that the audit met Federal requirements. In reporting the results of the single audit, we relied entirely on the internal control and compliance work performed by the Washington State Auditor and the reviews performed by HHS. We conducted our review in accordance with the *Quality Standards for Inspections* issued by the President's Council on Integrity and Efficiency.

For single audit purposes, the Office of Management and Budget assigns Federal programs a Catalog of Federal Domestic Assistance (CFDA) number. SSA's Disability Insurance (DI) and Supplemental Security Income (SSI) programs are identified by CFDA number 96. SSA is responsible for resolving single audit findings reported under this CFDA number.

The Washington Disability Determination Services (DDS) performs disability determinations under SSA's DI and SSI programs in accordance with Federal regulations. The DDS is reimbursed for 100 percent of allowable costs. The Washington Department of Social and Health Services (DSHS) is the Washington DDS' parent agency.

The single audit reported:

1. Washington DDS charged SSA indirect costs of \$62,931 related to the Cooperative Disability Investigative unit that were unallowable under the terms of the Memorandum of Understanding (MOU) since it did not contain a provision for such costs (Attachment, pages 1, 2, and 3). The corrective action plan indicated that SSA officials in the Seattle Region did not consider these costs unallowable. Furthermore, a new MOU was implemented in 2007 that contains a provision for charging indirect costs to SSA.
2. DSHS incorrectly charged SSA \$10,520 for costs that were attributable to its Medicaid workload (Attachment, pages 5, 6, and 7). The corrective action plan indicated internal controls are now in place to ensure these rates are calculated correctly (Attachment, page 8). According to SSA officials in the Seattle Region, the Washington DDS reimbursed SSA for the unallowable costs.
3. Washington DDS did not comply with State regulations for contract procurement of consultative examination (CE) providers because the competitive procurement process was not followed and written contracts did not exist (Attachment, pages 9, 10, 11, and 12). The corrective action plan indicated that personal service contracts for CE providers will begin in October 2007.

The Office of the Inspector General is currently conducting an audit of administrative costs claimed by the Washington DDS (A-09-07-17103) that covers the same time period as this single audit. The administrative cost audit will review the issues identified in the single audit and make recommendations as appropriate. Accordingly, we are not making any recommendations.

If you have any questions contact Ken Bennett at (816) 936-5593.



Patrick P. O'Carroll, Jr.

Attachment

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2006

Federal Findings and Questioned Costs - continued

06-32 The Department of Social and Health Services, Division of Disability Determination Services received reimbursement for unallowable costs for the Social Security Disability Insurance Programs.

Federal Awarding Agency:	U.S. Social Security Administration
Pass-Through Entity:	None
CFDA Number and Title:	96.001 Social Security-Disability Insurance 96.006 Supplemental Security Income
Federal Award Number:	4-0604WAD100
Applicable Compliance Component:	Allowable Costs
Questioned Cost Amount:	\$62,931.38

Background

The Department of Social and Health Services, Division of Disability Determination Services, administers the Social Security Disability Insurance Program (CFDA 96.001) with funds from the U.S. Social Security Administration.

This program pays monthly cash benefits to eligible claimants to replace earnings lost due to physical or mental impairments that prevent the individual from working. State agencies make initial disability determinations for the federal government, which pays the agencies for making the determinations. During fiscal year 2006, the Division spent \$33,361,519 in federal funds to determine claimants' medical eligibility for disability benefits.

Federal regulations require states to follow their own laws and regulations when spending federal funds. Washington has minimum standards for documentation to support expenditures.

Description of Condition

The Division, the Social Security Administration and the Washington State Patrol entered into a memorandum of understanding in October 2004 to create a unit to investigate cases of possible disability fraud. The agreement names specific allowed costs for the Patrol and states the Division will reimburse the Patrol only for those costs. The agreement does not include any provision for indirect costs.

We reported this issue as a finding in the 2005 Statewide Single Audit. We questioned \$76,021 in payments made under this contract for unallowable indirect costs and payments made without adequate support.

During the current audit, we reviewed a summary of costs paid to the Patrol for July 2005 through March 2006, which included payment of \$62,931.38 in indirect costs to the Patrol. These payments were unallowable under terms of the agreement and federal and state regulations.

Cause of Condition

The Division did not adequately review the transaction and the memorandum of understanding to determine which costs were allowable.

Effect of Condition and Questioned Costs

The Division was paid \$62,931.38 in unallowable costs. We are questioning these costs.

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2006

Federal Findings and Questioned Costs - continued

Recommendations

We recommend the Division:

- Strengthen its review of documentation before making future payments and requesting reimbursement.
- Review prior billings to determine if it paid other unallowable costs, request reimbursement for any improper amounts from the Patrol, and reimburse the federal grantor for these amounts.

Department's Response

During State Fiscal Year 2006, the Division of Disability Determination Services (DDS) was operating under a Memorandum of Understanding (MOU) between Social Security Administration (SSA), the Office of Inspector General (OIG), the Washington State Patrol (WSP) and DDS that was dated October 2004. This MOU did not have any written provisions for paying WSP indirect costs.

Per our State Fiscal Year 2005 corrective action plan, the Division was to incorporate language that includes the payment of indirect costs in the next revision of the MOU expected to be issued and signed October 2006. However, due to the number of appointing authorities required to sign this document and geographical dispersion, the MOU has not been signed by all parties.

The Division fully expects that the MOU will have all required signatures by February 2007

Auditor's Concluding Remarks

We appreciate the Department's commitment to resolving the issues identified in the finding and will review the corrective action in the fiscal year 2007 audit. We also appreciate the cooperation extended to us throughout the audit by Department staff.

Applicable Laws and Regulations

Title 20 of the Code of Federal Regulations, Section 437, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, states in part:

437.20 Standards for financial management systems. Financial Administration:

- (a) A State must expend and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds.
- (b) The financial management systems of other grantees and sub-grantees must meet the following standards:
 - (5) Allowable cost. Applicable OMB cost principles, SSA program regulations, and the terms of grant and sub-grant agreements will be followed in determining the reasonableness, allowability, and allocability of costs.
 - (6) Source documentation. Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and sub-grant award documents, etc.

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2006

Federal Findings and Questioned Costs - continued

The Office of Financial Management's State Administrative and Accounting Manual lists the following accounting and control requirements for State Agencies in Section 85.32.10:

It is the responsibility of the agency head, or authorized designee, to certify that all expenditures/expenses and disbursements are proper and correct. Agencies are responsible for processing payments to authorized vendors, contractors, and others providing goods and services to the agency. Agencies are to establish and implement procedures following generally accepted accounting principles.

**State of Washington
Corrective Action Plan**

***OMB Circular A-133 Audit
For the Fiscal Year Ended
June 30, 2006***

(This plan only addresses findings reportable under the revised OMB Circular A-133.)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan						
06	32	<p>Finding:</p> <p>The Department of Social and Health Services, Division of Disability Determination Services received reimbursement for unallowable costs for the Social Security Disability Insurance Programs.</p> <p>Questioned Costs:</p> <table><thead><tr><th>CFDA #</th><th>Amount</th></tr></thead><tbody><tr><td>96.001, 96.006</td><td>\$62,931</td></tr></tbody></table> <p>Status:</p> <p>Corrective action in progress</p> <p>Corrective Action:</p> <p>The Department's Division of Disability Determination's fiscal unit has controls in place to ensure that billings from the Washington State Patrol (WSP) are carefully scrutinized by at least two individuals before payment is made. If the documentation sent with the billing does not support the invoice, the Division withholds payment until adequate documentation is received.</p> <p>The Division is waiting for a new Memorandum of Understanding (MOU) between the WSP, the Social Security Administration (SSA), Office of Inspector General and the Division to be signed by all parties. This is expected by July 2007. The new MOU contains language that provides for payment of up to 35 percent in indirect costs to the WSP.</p> <p>The Division consulted with the Regional Office of the SSA regarding repayment of indirect costs paid to the WSP. The SSA does not consider these costs unallowable and will not be requesting reimbursement from the Division.</p> <p>The condition noted in this finding was previously reported in finding 05-41.</p> <p>Completion Date:</p> <p>Estimated July 2007</p>	CFDA #	Amount	96.001, 96.006	\$62,931		
CFDA #	Amount							
96.001, 96.006	\$62,931							

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2006

Federal Findings and Questioned Costs - continued

06-33 The Department of Social and Health Services, Division of Disability Determination Services charged unallowable costs to Social Security Disability Insurance Programs.

Federal Awarding Agency:	U.S. Social Security Administration
Pass-Through Entity:	None
CFDA Number and Title:	96.001 Social Security Disability Insurance 96.006 Supplemental Security Income
Federal Award Number:	4-0604WADI00
Applicable Compliance Component:	Allowable Costs
Questioned Cost Amount:	\$10,520

Background

The state Department of Social and Health Services, Division of Disability Determination Services administers the Social Security Disability Insurance and the Supplemental Security Income programs. The disability insurance program was established to provide benefits to disabled wage earners and their families should the wage earner become disabled. The supplemental security income program provides benefits to financially needy individuals who are aged, blind or disabled. These programs are funded by the U.S. Social Security Administration. During fiscal year 2006, the Division spent \$33,360,715 in federal funds to determine claimants' medical eligibility for disability benefits.

The disability process begins when an applicant completes a claim for benefits. The claim is forwarded to the Department for a medical determination of disability. In addition to making disability determinations for claimants under Social Security Administration programs, the Department also performs disability determinations for individuals applying for assistance under Medicaid Title XIX. Medicaid is not funded by the Social Security Administration.

The cost of making disability determinations is shared by the Social Security Administration and Medicaid programs. The Department and the Social Security Administration have entered into an agreement that stipulates how costs are to be charged to each grant.

Description of Condition

In reviewing charges to the grant, we found the Department used an incorrect percentage to allocate shared costs. In September 2006, the Division had identified an error that affected the percentages used from January 2006 through August 2006, but did not adjust its billing.

Cause of Condition

The Department stated it did not determine the amount of the error or adjust the billing because staff assumed the error was minimal.

Effect of Condition and Questioned Costs

The Department charged the Social Security Administration \$10,520 in unallowable costs. We are questioning these costs.

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2006

Federal Findings and Questioned Costs - continued

Recommendations

We recommend the Department

- Return the unallowable reimbursements to Social Security Administration.
- Strengthen internal controls to ensure accurate calculations.

Department's Response

The Department agrees with this finding.

The Division of Disability Determinations Fiscal Unit staff use an Excel spreadsheet to calculate monthly the rate of non-grant/Medicaid only cases that will be charged in the cost allocation system the following month. The spreadsheet is used to determine the amount of administrative cost to be charged to the Social Security Administration and the amount to be charged to Medicaid. The spreadsheet contained a formula error that carried forward for the next six months. The formula error caused the rate to be off by a thousandth of a percentage. The formula error in the spreadsheet was noticed and corrected in September 2006. Based on our calculations, the Division overcharged the Social Security Administration \$10,520 over the six month period that the formula error went undetected. The Division will contact SSA to determine if repayment is necessary.

Auditor Concluding Remarks

We appreciate the Department's commitment to resolving the issues identified in the finding and will review the corrective action in the fiscal year 2007 audit. We also appreciate the cooperation extended to us throughout the audit by Department staff.

Applicable laws and Regulations

U.S. Office of Management and Budget Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, states:

Attachment A, Section C

1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:...
 - b. Be allocable to Federal awards under the provisions of this Circular.
3. Allocable costs.
 - a. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received.

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2006

Federal Findings and Questioned Costs - continued

The Memorandum of Understanding between the U.S. Social Security Administration and the State of Washington Department of Social and Health Services provides:

Section E. Determination of Costs

On a monthly basis, the total cost for processing the Title XIX workload will be determined by both actual charges for such items as postage, medical evidence and claimant travel, and by using the cumulative shared costs method for other cost items

1. Direct Costs

- a. Those items that can be actually charged to individual Title XIX cases:

- i. Purchased Medical Evidence of Record
- ii. Consultative Examinations/Testing
- iii. Applicant Travel
- iv. Interpreter Service, if required
- v. Postage

- b. The cost of purchased evidence will be charged as incurred directly to the Medicaid program.

2. Shared Costs:

- a. To arrive at total shared costs, the cost of the services listed under direct charges for Medicaid will be subtracted from DDS total costs.
- b. The remaining costs will be computed using the following formula:

The Number of Medicaid Cases

$$\text{Medicaid \%} = \frac{\text{Total Number of SSA, Purified Cases}}{\text{Total Number of SSA, Purified Cases} + \text{Medicaid Cases}}$$

- c. The Medicaid percentage will be applied to the total shared costs for the period to arrive at Medicaid's cumulative shared cost obligation for the period. . .

**State of Washington
Corrective Action Plan**

***OMB Circular A-133 Audit
For the Fiscal Year Ended
June 30, 2006***

(This plan only addresses findings reportable under the revised OMB Circular A-133.)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan		
06	33	Finding:	The Department of Social and Health Services, Division of Disability Determination Services charged unallowable costs to Social Security Disability Insurance Programs.	

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2006

Federal Findings and Questioned Costs - continued

- 06-34 The Department of Social and Health Services, Division of Disability Determination Services, did not comply with state and federal regulations when contracting for services paid with Social Security Disability Insurance Program funds.**

Federal Awarding Agency:	U.S. Social Security Administration
Pass-Through Entity:	None
CFDA Number and Title:	96.001 Social Security Disability Insurance 96.006 Supplemental Security Income
Federal Award Number:	4-0604WADI00
Applicable Compliance Component:	Procurement
Questioned Cost Amount:	None

Background

The Department of Social and Health Services, Division of Disability Determination Services, administers the Social Security Disability Insurance Program (CFDA 96.001) with funds from the U.S. Social Security Administration. This Program pays monthly cash benefits to eligible claimants to replace earnings lost due to physical or mental impairments that prevent the individual from working. In general, State agencies make initial disability determinations for the federal government, which then pays them, either in advance or in reimbursement, for the costs of making such determinations. During fiscal year 2006, the Division spent \$33,360,715 in federal funds to determine claimants' medical eligibility for disability benefits.

To assist in making proper determinations, the Division purchases medical examinations, X-ray services and laboratory tests to supplement evidence obtained from the claimants' physicians or other health care sources. These purchases are for personal services known as consultative evaluations and are obtained from two sources: individual medical professionals and companies that employ or subcontract with medical professionals. In state fiscal year 2006, the Division spent \$6,077,258 for consultative evaluations.

During our state fiscal year 2005 audit, the Department received a finding because the Division did not follow state competitive procurement processes applicable to personal service contracts. The Division disagreed with the finding, stating it believed the services were considered client services, which are exempt from competitive procurement requirements. The Office of Financial Management was consulted regarding the proper classification for these services, and subsequently determined that the services provided to claimants by physicians, psychologists, and psychiatrists are in fact, to be classified as personal services and therefore subject to competitive procurement procedures.

Federal regulations applicable to the awarding of federal funds to states require the states to follow their own laws and regulations for contracting for services with these funds. Personal service contracts in this state must follow prescribed procurement regulations, including a formal competitive procurement process if the amount is more than \$20,000.

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2006

Federal Findings and Questioned Costs - continued

Description of Condition

The Division did not comply with state regulations for contract procurement and therefore is not in compliance with federal regulations. During our review, we found:

For consultative evaluations by individual medical practitioners:

- No competitive procurement process was followed for these services. The Division learned of interested providers informally through word-of-mouth. Many practitioners were paid amounts that substantially exceeded the threshold of \$20,000, requiring a formal competitive procurement process.
- No written contracts existed for any of these services.

Cause of Condition

The Department did not change its contracting practices pending a formal determination from the Office of Financial Management on the proper classification of the services in question. The determination was made at the end of Fiscal Year 2006, so any contracts let for 2006 were still not in compliance with Personal Service Contracting Rules. The department has changed its contracting for consultative evaluations effective for State Fiscal Year 2007.

Effect of Condition

The Department cannot ensure the state's resources were used in the most economical manner possible. In addition, the state may not be adequately protected when more than \$6 million in services is purchased without written contracts and terms.

Recommendation

We recommend the Department:

- Properly classify consultative evaluation contracts as personal service contracts.
- Follow appropriate competitive procurement procedures.
- Prepare and maintain contract documentation for consultative evaluations by individual medical practitioners.

Department's Response

The Department agrees with the finding.

The Division of Disability Determinations Services obtains the services of medical providers to perform medical and psychological evaluations that assist with disability determinations of claimants who apply for Social Security Disability payments. During State Fiscal Year 2005, the Division received a finding for not competitively procuring for these services and not contracting with these providers.

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2006

Federal Findings and Questioned Costs - continued

As a result of the 2005 finding, the Division received a decision from the Washington State Office of Financial Management (OFM) in April 2006 regarding whether a contract with a medical provider who examines disability claimants would be considered a personal service contract or a client service contract. OFM determined that these types of contracts were personal service contracts. As we indicated in our corrective action plan for the 2005 finding, the Division is in the process of developing a personal service contract for our medical providers. Our goal is to develop and implement the new contracts by October 2007. Once implemented, the Division will have all medical providers who examine disability claimants under contract.

The Division has received guidance from and will work with the Department's Central Contract Services to meet the competitive procurement requirements for personal service contracts as defined by OFM.

Auditor's Concluding Remarks

We appreciate the Department's commitment to resolving the issues identified in the finding and will review the corrective action in the fiscal year 2007 audit. We also appreciate the cooperation extended to us throughout the audit by Department staff.

Applicable Laws and Regulations

The U.S. Office of Management and Budget's *Cost Principles for State, Local and Indian Tribal Governments*, Circular A-87, Attachment A, Section C states in part:

1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:
 - c. Be authorized or not prohibited under State or local laws or regulations.

RCW 39.29.006 states in part:

(3) "Competitive solicitation" means a documented formal process providing an equal and open opportunity to qualified parties and culminating in a selection based on criteria which may include such factors as the consultant's fees or costs, ability, capacity, experience, reputation, responsiveness to time limitations, responsiveness to solicitation requirements, quality of previous performance, and compliance with statutes and rules relating to contracts or services.

(7) "Personal service" means professional or technical expertise provided by a consultant to accomplish a specific study, project, task, or other work statement.

RCW 39.29.011 states in part:

All personal service contracts shall be entered into pursuant to competitive solicitations, except for...

- (1) Emergency contracts;
- (2) Sole source contracts;
- (3) Contract amendments;

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2006

Federal Findings and Questioned Costs - concluded

- (4) Contracts between a consultant and an agency of less than twenty thousand dollars. However, contracts of five thousand dollars or greater but less than twenty thousand dollars shall have documented evidence of competition. Agencies shall not structure contracts to evade these requirements.

The Office of Financial Management's *State Administrative and Accounting Manual*, states in Section 15.10.10:

Personal services are to be procured and awarded by state agencies in accordance with the requirements of Chapter 39.29 RCW.

Section 15.20.30.a states:

Competitive solicitation for contracts of \$20,000 or greater requires a documented, formal solicitation process as described in the following subsections. (*Auditor's note: Following this section are detailed regulations for this process.*)

Section 20.20.20 states in part:

Each agency director is responsible for establishing and maintaining an effective system of internal control throughout the agency.

The Office of Financial Management's *Guide to Personal Service Contracting*, Section 1.3, states in part:

Personal services are professional or technical services provided by a consultant to accomplish a specific study, project, task, or other work statement. Consultants, who provide personal services, serve state agencies as objective advisers by rendering professional opinions, judgments, or recommendations.

Section 1.6 of the *Guide* lists as an example of personal services:

Medical and psychological services, including evaluation and consultative services

The Office of Financial Management's *Guide to Client Service Contracting*, Introduction, page 2, states in part:

Clients are those individuals the agency has statutory responsibility to serve, protect, or oversee.

**State of Washington
Corrective Action Plan**

***OMB Circular A-133 Audit
For the Fiscal Year Ended
June 30, 2006***

(This plan only addresses findings reportable under the revised OMB Circular A-133.)

Department of Social and Health Services (DSHS)

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
06	34	<p>Finding:</p> <p>The Department of Social and Health Services, Division of Disability Determination Services, did not comply with state and federal regulations when contracting for services paid with Social Security Disability Insurance Program funds.</p> <p>Questioned Costs:</p> <table><thead><tr><th>CFDA #</th><th>Amount</th></tr></thead><tbody><tr><td>96.001, 96.006</td><td>\$0</td></tr></tbody></table> <p>Status:</p> <p>Corrective action in progress</p> <p>Corrective Action:</p> <p>The Department's Division of Disability Determination Services consulted with the Department's Central Contracts Services to develop a personal service contract for consultative providers. The Division will identify prospective contractors through a "Request for Qualification" process, in accordance with the State's RCW 39.29.040 and the Office of Financial Management guidelines. The Division will offer personal service contracts by October 2007, to all qualifying providers willing to accept standard fees published on the Department's internet website at: http://fortress.wa.gov/dshs/maa/DDDS/Fee%20Schedule.pdf.</p> <p>The Division will create contracts and maintain records for each contractor, in accordance with Department policies.</p> <p>The condition noted in this finding was previously reported in finding 05-39.</p> <p>Completion Date:</p> <p>Estimated October 2007</p>	CFDA #	Amount	96.001, 96.006	\$0	
CFDA #	Amount						
96.001, 96.006	\$0						

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 Resource Management (ORM). 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 Resource Management

ORM supports OIG by providing information resource management and systems security. ORM also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, ORM 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.