
**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**ADMINISTRATIVE COSTS
CLAIMED BY THE
NEW JERSEY DEPARTMENT
OF LABOR,
DIVISION OF DISABILITY
DETERMINATION SERVICES**

August 2007

A-02-06-16043

AUDIT REPORT



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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.

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SOCIAL SECURITY

MEMORANDUM

Date: August 3, 2007

Refer To:

To: Beatrice M. Disman
Regional Commissioner
New York

From: Inspector General

Subject: Administrative Costs Claimed by the New Jersey Department of Labor, Division of Disability Determination Services (A-02-06-16043)

OBJECTIVES

For our audit of Fiscal Years (FY) 2003 and 2004 administrative costs claimed by the New Jersey Department of Labor, Division of Disability Determination Services (NJDDS), our objectives were to:

- evaluate NJDDS' internal controls over the accounting and reporting of administrative costs;
- determine whether costs claimed by NJDDS were allowable and funds were properly drawn; and
- assess limited areas of the general security controls environment.

BACKGROUND

Disability determinations under the Social Security Administration's (SSA) Disability Insurance and Supplemental Security Income programs are performed by Disability Determination Services (DDS) in each State or other responsible jurisdiction, according to Federal regulations.¹ Each DDS is responsible for determining claimants' disabilities and ensuring adequate evidence is available to support its determinations. To make proper disability determinations, each DDS is authorized to purchase consultative medical examinations and medical evidence of record from the claimants' physicians or other treating sources. SSA pays the DDS for 100 percent of allowable expenditures using a *State Agency Report of Obligations for SSA Disability Programs* (Form SSA-4513). For additional background information, see Appendix B.

¹ 42 U.S.C §421; 20 C.F.R. §§ 404.1601 *et. seq.* and 416.1001 *et seq.*

RESULTS OF REVIEW

Our tests of the costs NJDDS claimed on Forms SSA-4513 provided reasonable assurances the DDS had accurately reported administrative costs, except for \$6,353 in costs that required adjustments and \$38,945 in costs that were not fully supported. Additionally, we concluded that controls over NJDDS' computer inventory and physical security could be improved. Lastly, we found NJDDS improperly transferred approximately \$5.8 million by using 1 FY's funds to pay another FY's expenditures.

RECONCILIATION OF NJDDS' COSTS

We reconciled NJDDS' Personnel Service, Medical, Indirect, and All Other Nonpersonnel Costs to the final Form SSA-4513 for FYs 2003 and 2004. The total costs claimed for the 2 FYs totaled \$86,061,767. Our review found \$6,353 of Other Nonpersonnel Costs needed to be adjusted.

All Other Nonpersonnel Costs

We found \$6,353 of Other Nonpersonnel Costs required adjustment.

- Three individuals who were not NJDDS employees received a total of \$3,342 for tuition refunds (\$795 and \$752 for FY 2003 and \$1,076 and \$719 for FY 2004).
- Two mailgram expenses totaling \$3,011 were recorded in FY 2004 but were incurred in FY 2005. The two transactions should be recorded as FY 2005 expenses.

During our close-out meeting, the New Jersey Department of Labor (NJDoL) reported it had taken actions in response to our findings concerning tuition refunds incorrectly charged to NJDDS but paid to non-DDS employees and mailgram expenses incorrectly charged to FY 2004.

Medical Consultants Costs

We found NJDDS was missing timesheets for 16 of 50 part-time Medical Consultants. We contacted the New Jersey Department of Labor (NJDoL) Personnel Office staff about the missing timesheets, and they informed us they were unable to locate the supporting documentation. They also informed us the 16 Medical Consultants worked at the same location and should have signed the same timesheet. Therefore, the 16 Medical Consultants represented 1 timesheet that should have been retained for at least 6 years but was not.² Without the timesheet to support the \$38,945 in payroll costs for the 16 Medical Consultants for the period April 3 through April 16, 2004, we were not able to fully ensure the reasonableness of these charges.

² SSA Mainframe Time and Attendance System Users Manual, Chapter 2, Record Retention, page 7, August 1, 2004, states that sign-in sheets should be retained until after a Government Accountability Office audit or when 6 years old, whichever occurs sooner. NJDoL's March 2001 Records Management Policy and Procedures indicates its record retention policy is to keep records for 7 years.

INVENTORY CONTROLS

We reconciled SSA records to NJDDS' inventory of computer equipment and found three desktop computers and eight computer monitors did not have the required SSA tags. According to SSA instructions, "The State is responsible for maintenance and inventory of all equipment acquired whether purchased through SSA or the State."³

PHYSICAL SECURITY CONTROLS

We reviewed physical security controls at the three NJDDS regional office locations. We found controls over the identification of computer and utility rooms could be improved at all three locations. SSA guidance states sensitive rooms should not have signs visible to the public.⁴ We found that sensitive rooms were identified with signs at all three locations. Also, the three locations did not test their disaster recovery plans to ensure continuity of operations, as required.⁵ Finally, the three sites did not have completed security action plans, and the plans were not tested as required.⁶

We also identified issues specific to individual regional offices.

- At one location, we observed the entrances to the computer room were not locked at all times and were at-risk of unauthorized access to sensitive SSA information and systems. Also, the room did not have an uninterruptible power source and therefore was at-risk for loss of service if the power supply failed. Further, the room did not have its own sprinkler system zone and was vulnerable to water damage if there was a fire in another part of the building.
- At another regional office, we were informed by an NJDDS official that medical records and folders were not secured overnight in locked cabinets or in locked rooms. We were also informed that the office was cleaned after hours. As a result, cleaning personnel had unrestricted access to documents that contained confidential medical information. According to POMS, SSA requires that all claimant records and files be maintained in a locked drawer, cabinet or room when there is no authorized individual on location.⁷

³ See Program Operations Manual System (POMS), DI 39530.020, *DDS Responsibilities for Equipment*.

⁴ PricewaterhouseCoopers FY 2003 Management Letter, DDS Issues.

⁵ POMS, DI 39566.120, *DDS Security Plan*, Sections C.6, 7.b.

⁶ The DDS Security Plan consists of eight parts that are consistent with Federal regulations that cover security issues and include the following sections: DDS description/profile; DDS systems interconnection access security plan; a systems security awareness and training plan; an annual systems review/recertification plan; a violations reports and resolution plan; a continuity of operations plan; a disaster recovery plan; and a risk assessment/exceptions report (POMS, DI 39566.120, *DDS Security Plan*, Section C.).

⁷ POMS, DI 39566.110, *Safeguarding and Disposition of Data and Records*, Section A.1.

CASH MANAGEMENT

Personnel from NJDDS' parent agency, NJDoL, stated they drew funds from 1 FY's Automated Standard Application for Payments (ASAP)⁸ account to pay for another FY's expenditures. The transfers, totaling \$5,797,572, consisted of cash draws between FY 2002 through 2005 ASAP accounts. See Appendix D for the specific transfers.

The improper transfer of funds between ASAP accounts and the use of 1 FY's funds to pay another FY's expenditures violates Federal law, which states,

The balance of an appropriation or fund limited for obligation to a definite period is available only for payment of expenses properly incurred during the period of availability or to complete contracts properly made within that period of availability and obligated consistent with section 1501 of this title.⁹

The ASAP system allows recipients of Federal funds to transfer cash between accounts. The feature had not been disabled in Region II at the time of our audit. SSA's Office of Finance staff informed us that each regional office decides whether to disable the ASAP system for each DDS. This ASAP feature allows the Regional Office Project Officer to monitor the draw down of funds between FYs.

PAYMENT OF MEDICAL COSTS

NJDDS reimbursed all medical costs by mailing individual checks to medical providers. For FYs 2003 and 2004, NJDDS made at least 300,000 medical payments by check. We considered the mailing of individual checks to medical providers not the most cost beneficial method of payment. We deemed payments made through electronic funds transfer rather than by check to be more cost beneficial. An alternative payment method is to use batch processing to save processing costs.

⁸ The ASAP allows grantee organizations receiving Federal funds to draw from accounts pre-authorized by Federal agencies.

⁹ 31 U.S.C. § 1502(a).

CONCLUSION AND RECOMMENDATIONS

To address the conditions noted in this report, we recommend SSA staff work with the NJDDS to:

1. Verify the adjustment of \$3,342 of disallowed costs representing tuition refunds for employees who did not work for the NJDDS.
2. Verify the adjustment of \$3,011 of Nonpersonnel Service Costs representing mailgram expenses incurred in FY 2005 but charged to FY 2004.
3. Ensure the retention policies for time and attendance records are followed.
4. Review the reasonableness of the Medical Consultant charges totaling \$38,945 claimed on FY 2004 Form SSA-4513 representing payroll costs for 16 part-time Medical Consultants where supporting documentation was missing.
5. Properly account for all computer equipment.
6. Strengthen physical security for those areas noted in the report.
7. Consider coordinating with the New Jersey Department of the Treasury to use alternative payment methods to medical vendors to save processing costs.

We also recommend:

8. Responsible SSA Headquarters' components, the Regional Office's Center for Disability and NJDDS personnel work together to determine the appropriateness of the movement of ASAP funds between FYs.

SSA AND STATE AGENCY COMMENTS

SSA's New York Regional Commissioner and NJDoL agreed with all our recommendations. Please see Appendices E and F for the full text of SSA's and NJDoL's comments.



Patrick P. O'Carroll, Jr.

Appendices

[APPENDIX A](#) – Acronyms

[APPENDIX B](#) – Background, Scope, and Methodology

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

[APPENDIX D](#) – Transfer of Funds Between Fiscal Years

[APPENDIX E](#) – Agency Comments

[APPENDIX F](#) – State Agency Comments

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

Appendix A

Acronyms

ASAP	Automated Standard Application for Payments
C.F.R.	Code of Federal Regulations
DDS	Disability Determination Services
Form SSA-4513	State Agency Report of Obligations for SSA Disability Programs
FY	Fiscal Year
NJDDS	New Jersey Department of Labor, Division of Disability Determination Services
NJDoL	New Jersey Department of Labor and Workforce Development
OIG	Office of the Inspector General
POMS	Program Operations Manual System
Pub. L. No.	Public Law Number
SSA	Social Security Administration
U.S.C.	United States Code

Background, Scope, and Methodology

BACKGROUND

The Disability Insurance (DI) program, established under Title II of the *Social Security Act*, 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, provides benefits to financially needy individuals who are aged, blind, and/or disabled.

The Social Security Administration (SSA) is responsible for implementing policies for the development of disability claims under the Disability Insurance and Supplemental Security Income programs. Disability determinations under both programs are performed by disability determination services (DDS) in each State, Puerto Rico and the District of Columbia in accordance with Federal regulations.¹ In carrying out its obligation, each DDS is responsible for determining claimants' disabilities and ensuring adequate evidence is available to support its determinations. To assist in making proper disability determinations, each 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. The DDS withdraws funds through the United States Department of the Treasury's Automated Standard Application for Payments system to pay for program expenditures. Funds drawn down must comply with Federal regulations² and intergovernmental agreements entered into by the United States Department of the Treasury and States under the *Cash Management Improvement Act of 1990*.³ 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*. 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.

¹ 20 C.F.R. §§ 404.1601 et seq. and 416.1001 et seq.

² 31 C.F.R. Part 205.

³ Pub. L. No. 101-453, 104 Stat. 1058 (1990).

SCOPE

To accomplish our objectives, we reviewed the administrative costs New Jersey Department of Labor, Division of Disability Determination Services (NJDDS), reported on its Forms SSA-4513 for FYs 2003 and 2004. 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 as appropriate, as defined by SSA's 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 NJDDS and draw down of SSA funds.
- Interviewed staff at NJDDS and the SSA 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 NJDDS on Forms SSA-4513 for FYs 2003 and 2004.
- Examined the administrative expenditures (personnel, medical service, and all other non-personnel costs) incurred and claimed by NJDDS for FYs 2003 and 2004 on Forms SSA-4513.
- Examined the indirect costs claimed by NJDDS for FYs 2003 and 2004 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 State of New Jersey Single Audit report issued in 2003.
- Conducted limited general control testing—which encompassed reviewing the physical access security within the DDS.
- Reviewed the transfer of funds between FYs 2002 to 2005 Automated Standard Application for Payments accounts.
- Researched alternative methods of payment for medical costs.

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 NJDDS in Newark, New Brunswick and Trenton, New Jersey and the Office of Audit in New York, New York, from September 2005 through January 2007. We conducted our audit in accordance with generally accepted government auditing standards.

METHODOLOGY

Our sampling methodology encompassed the four general areas of costs as reported on Forms SSA-4513: (1) Personnel, (2) Medical, (3) Indirect, and (4) All Other Non-personnel costs. We obtained computerized data from NJDDS for FYs 2003 and 2004 for use in statistical sampling. Also, 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 2004. We tested regular and overtime payroll and hours for each employee selected. We verified that approved time records were maintained and supported the hours worked. We tested payroll records to ensure NJDDS correctly paid employees and adequately documented these payments.

We also sampled 50 Medical Consultant costs from 1 randomly selected pay period in FY 2004. We determined whether sampled costs were reimbursed properly and ensured the selected Medical Consultants were licensed.

Medical Costs

We sampled 100 medical evidence of records and consultative examination records (50 items from FYs 2003 and 2004) 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 NJDDS 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) Electronic Data Processing Maintenance, (4) Equipment Purchases and Rental, (5) Communications, (6) Applicant Travel, (7) DDS Travel, (8) Supplies, and (9) Miscellaneous. We selected a stratified random sample of 50 items from each FY based on the percentage of costs in each category

(excluding the rent portion of Occupancy) to total costs. For those cost categories where we found costs that required adjustment, we expanded our review to include more transactions. We also performed a 100 percent review of the rent portion of Occupancy expenditures.

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 NJDDS had in place were satisfactory.

Appendix C

Schedule of Total Costs Reported on Forms SSA-4513—*State Agency Reports of Obligations for Social Security Administration Disability Programs*

New Jersey Disability Determination Services

FISCAL YEARS (FY) 2003 and 2004 COMBINED

REPORTING ITEMS	DISBURSEMENTS	UNLIQUIDATED OBLIGATIONS	TOTAL OBLIGATIONS
Personnel	52,621,731	0	52,621,731
Medical	17,271,017	0	17,271,017
Indirect	7,064,342	0	7,064,342
All Other	9,104,677	0	9,104,677
TOTAL	86,061,767	0	86,061,767

FY 2003

REPORTING ITEMS	DISBURSEMENTS	UNLIQUIDATED OBLIGATIONS	TOTAL OBLIGATIONS
Personnel	25,642,879	0	25,642,879
Medical	8,404,409	0	8,404,409
Indirect	3,877,092	0	3,877,092
All Other	4,550,894	0	4,550,894
TOTAL	42,475,274	0	42,475,274

FY 2004

REPORTING ITEMS	DISBURSEMENTS	UNLIQUIDATED OBLIGATIONS	TOTAL OBLIGATIONS
Personnel	26,978,852	0	26,978,852
Medical	8,866,608	0	8,866,608
Indirect	3,187,250	0	3,187,250
All Other	4,553,783	0	4,553,783
TOTAL	43,586,493	0	43,586,493

Appendix D

Transfer of Funds Between Fiscal Years

No.	FY Funds were Authorized	FY Funds were Expended	New Jersey Department of Labor Explanation for Transfer	Amount
1.	2002	2003	Transfer to reconcile administrative costs.	\$2,992,727.59
2.	2002	2003	Transfer made for medical cost adjustment.	\$216,319.89
3.	2003	2002	Transfer made for payroll purposes.	\$1,331,789.00
4.	2003	2002	Transfer made for payroll purposes.	\$532,715.60
5.	2003	2004	Transfer made for medical cost adjustment.	\$294,239.92
6.	2004	2003	Transfer made to reconcile FY 2003 amounts.	\$26,916.46
7.	2004	2005	Transfer made for medical cost adjustment.	\$134,288.00
8.	2005	2004	No explanation.	\$268,576.00
Total				\$5,797,572.46

Appendix E

Agency Comments



SOCIAL SECURITY

MEMORANDUM

Date: July 9, 2007

Refer To: S2D2G5

To: Inspector General

From: Regional Commissioner
New York

Subject: Administrative Costs Claimed by the New Jersey Department of Labor, Division of Disability Determination Services (A-02-06-16043) -- REPLY

I appreciate the opportunity to review the attached draft report. I am pleased that the auditors found that the New Jersey (NJ) Division of Disability Determination Services (DDS) reported administrative costs of \$86,061,767 with virtually 100% accuracy over the two year period that this review covered.

I concur with the recommendations outlined in the draft report. They will assist us in further improving the DDS' adherence to SSA policies concerning equipment inventory requirements, physical security controls, and retention of time and attendance records and will also help reduce case processing costs.

Should your staff have any questions regarding this reply, they may contact Gene Purk in the Center for Disability, at 212 264-7283.

/s/

Beatrice M. Disman

Appendix F

State Agency Comments



State of New Jersey

JON S. CORZINE
Governor

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
PO BOX 110
TRENTON, NEW JERSEY 08625-0110

DAVID J. SOCOLOW
Commissioner

June 18, 2007

Mr. Patrick P. O'Carroll, Jr.
Inspector General
Office of the Inspector General
Social Security Administration
Baltimore, Maryland 21235-0001

Dear Mr. O'Carroll:

We have reviewed the draft audit report covering Administrative Costs Claimed by the New Jersey Department of Labor, Division of Disability Determination Services for Federal Fiscal Years 2003 and 2004. We are pleased that your audit tests, as well as the Single Audit reports covering these two years, provide reasonable assurance that we had accurately reported \$86,061,767 of costs.

Your audit also provided recommendations to improve some physical security controls, and controls over our inventory of computers in the Division of Disability Determinations. We have already taken action on those recommendations. In addition, the \$6,353 in cost adjustments that the audit recommended have been appropriately addressed.

A detailed response to each of the report's conclusions and recommendations is attached. If you require additional information related to this response, please contact Mr. James M. King, Director of Internal Audit at 609-292-1885.

Sincerely,

COMMISSIONER

Attachment

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AD-18A(R-6-06)

**N.J. Department of Labor and Workforce Development
Response to
Social Security Administration
Office of Inspector General
Review of Administrative Costs Claimed by New Jersey
Division of Disability Determination Services
FFY 2003 and 2004**

Conclusion and Recommendations No. 1

Verify the adjustment of \$3,342 of disallowed costs representing tuition refunds for employees who did not work for the NJDDS.

LWD Response

DDS has been reimbursed \$3,342 for tuition refunds of employees that do not work for DDS. This correction was made as follows:

1. Document EM 45450009511 for \$718.56 that reimbursed DDS from Employment Security on 5/15/06.
2. Document EM 45450009510 for \$1,547.15 that reimbursed DDS from Employment Security on 5/15/06.
3. Document AV 45355000441 for \$1,076.50 that reimbursed DDS from Vocational Rehabilitation on 5/19/06.

Documentation has been provided to the Office of Inspector General (OIG).

Conclusion and Recommendations No. 2

Verify the adjustment of \$3,011 of Nonpersonnel Service Costs representing mailgram expenses incurred in FY 2005 but charged to FY 2004.

LWD Response

With regard to the \$3,011 for NPS mailgram expense that should be a FY 2005 expense. This correction was made as follows:

1. Document EM 45150000465 for \$3,011.22 that reimbursed FY 2004 from FY 2005 on 5/16/06.

Documentation has been provided to the OIG.

Conclusion and Recommendations No. 3

Ensure the retention policies for time and attendance records are followed.

LWD Response

The New Jersey Department of Labor and Workforce Development has instituted the e-CATS payroll system (Electronic Cost Accounting Timesheet System). Effective April 1, 2006, all time and attendance records are now kept electronically with appropriate back-up and retention systems in place.

Conclusion and Recommendations No. 4

Review the reasonableness of the Medical Consultant charges totaling \$38,945 claimed on FY 2003 Form SSA-4513 representing payroll costs for 16 part-time Medical Consultants where supporting documentation was missing.

LWD Response

DDS has reviewed these charges and believe them to be reasonable. The 16 part-time Medical Consultants at \$38,945 represent one payroll timesheet that we are unable to find. This problem has been corrected with the e-CATS which is discussed above.

Conclusion and Recommendation No. 5

Properly account for all computer equipment.

LWD Response

The three (3) desktops and eight (8) monitors were all tagged with SSA control numbers. The workstation replacements which occurred in March and April of 2007 all have SSA control numbers. DDS currently maintains a database for all computer equipment and updates this database on a regular basis.

Conclusion and Recommendation No. 6

Strengthen physical security for those areas noted in the report.

LWD Response

- All computer rooms remain locked at all times, and all computer rooms have an uninterrupted power supply. All computer rooms are key-padded. In the event of a power outage, keys are available but are kept in a secure location.
- NJDDS has a fully electronic case management system, therefore a majority of the claims are electronic and the paper cases are secure in the file cabinets at the close of business.
- All signs identifying the computer rooms have been removed.

Conclusion and Recommendation No. 7

Consider coordinating with the New Jersey Department of the Treasury to use alternative payment methods to medical vendors to save processing costs.

LWD Response

DDS is working with Versa, Division of Accounting, and the Department of Treasury to institute a better payment method to medical providers. We are working on a system which will batch the expenditures for MER and CE on a two week basis. Before the checks are issued a letter will be sent out to the vendor detailing what payments are in the check that the vendor will receive.

Appendix G

OIG Contacts and Staff Acknowledgments

OIG Contacts

Tim Nee, Director, (212) 264-5295

Vicki Abril, Audit Manager, (212) 264-0504

Staff Acknowledgments

In addition to those named above:

Stephen L. Liebman, Senior Auditor

Robert Blake, Senior Auditor

Abraham Pierre, Auditor

For additional copies of this report, please visit our web site at <http://www.ssa.gov/oig> or contact the Office of the Inspector General's Public Affairs Specialist at (410) 965-3218. Refer to Common Identification Number A-02-06-16043.

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Social Security Advisory Board

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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.

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