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**OFFICE OF  
THE INSPECTOR GENERAL**

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**SOCIAL SECURITY ADMINISTRATION**

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**THE SOCIAL SECURITY ADMINISTRATION'S  
FOREIGN ENFORCEMENT QUESTIONNAIRES**

September 2012

**A-13-10-11098**

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**AUDIT REPORT**

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## **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.**



## MEMORANDUM

Date: September 14, 2012 Refer To:

To: The Commissioner

From: Inspector General

Subject: The Social Security Administration's Foreign Enforcement Questionnaires  
(A-13-10-11098)

## OBJECTIVE

Our objective was to determine whether the Social Security Administration (SSA) complied with its policies and procedures for foreign enforcement questionnaires (FEQ).

## BACKGROUND

U.S. citizens and noncitizens who meet certain eligibility requirements can receive Old-Age, Survivors and Disability Insurance (OASDI)<sup>1</sup> while living abroad.<sup>2</sup> As of December 2010, there were approximately 548,000 OASDI beneficiaries residing in foreign countries and receiving about \$321 million in monthly benefit payments (about \$3.85 billion, annually).<sup>3</sup> As of April 2011, representative payees<sup>4</sup> were serving about 35,000 beneficiaries residing in foreign countries.

The Foreign Enforcement Program uses various methods to monitor continuing OASDI eligibility for beneficiaries living abroad. For example, it conducts annual nonagenarian

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<sup>1</sup> SSA administers the OASDI program under Title II of the *Social Security Act*. *Social Security Act* § 201 et seq., 42 U.S.C. § 401 et seq.

<sup>2</sup> SSA Publication No. 05-10137, *Your Payments While You Are Outside the United States*, ICN 480085, June 2011.

<sup>3</sup> Annual Statistical Supplement to the *Social Security Bulletin*, 2011, released February 2012.

<sup>4</sup> Congress granted SSA the authority to appoint representative payees to receive and manage Social Security payments for individuals when representative payment would serve the individual's interests. See *Social Security Act* §§ 205(j)(1) and 1631(a)(2)(A)(ii); 42 U.S.C. §§ 405(j)(1) and 1383(a)(2)(A)(ii).

and centenarian integrity studies<sup>5</sup> that involve contacting foreign beneficiaries in person who attain ages 97 and 100, respectively. See Appendix B for more details.

Additionally, SSA uses FEQs to contact beneficiaries and representative payees annually or biennially to ensure beneficiaries are alive and to determine whether there have been any unreported events.<sup>6</sup> The Agency sends beneficiaries receiving their own benefit payments a Form SSA-7162, *Report to United States Social Security Administration*, annually or biennially, depending on their age, country of residence, and benefit type as well as the last two digits of their Social Security number (see Appendix C). Each year, SSA sends representative payees a Form SSA-7161, *Report to United States Social Security Administration by Person Receiving Benefits for a Child or for an Adult Unable to Handle Funds*, to complete on behalf of the beneficiaries they serve (see Appendix D).

According to policy,<sup>7</sup> SSA mails FEQs in May or June of each year.<sup>8</sup> SSA policy directs that beneficiaries return their completed FEQ forms to the Wilkes-Barre Data Operations Center (WBDOC) for scanning, updating the system, and identifying responses that require action.<sup>9</sup> WBDOC staff reviews FEQ responses for completeness and, using written guidance, determines whether the responses are adequate or should be given further review. FEQs that WBDOC staff determines contain adequate answers are considered approvals, and no further action is taken. Staff classifies FEQs requiring further review as actionable and forwards them to the Office of Central Operations' Office of International Operations (OIO) for additional analysis and case development.<sup>10</sup> Staff place documentation related to development and disposition of the cases in the applicable electronic folder in OIO's Paperless System.<sup>11</sup>

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<sup>5</sup> See Appendix B for more information about integrity studies and other procedures for monitoring beneficiaries.

<sup>6</sup> Unreported events include changes in citizenship or residence, marriage, divorce, death, or employment.

<sup>7</sup> RS 02655.005 B. (August 9, 2012).

<sup>8</sup> SSA contracts a vendor each year to mail FEQs to beneficiaries and representative payees.

<sup>9</sup> RS 02655.005 B.4. (August 9, 2012)

<sup>10</sup> Foreign Technical Benefit Examiners and Claims Authorizers develop the FEQ-related cases. Foreign Technical Benefit Examiners make final determinations on the full range of post-adjudicative actions, entitlement and non-entitlement to benefits, continuing entitlement to benefits, and the payment amounts to qualified beneficiaries. Further, Foreign Technical Benefit Examiners initiate, receive, and respond to telephone contacts and written inquiries to resolve issues or discrepancies regarding various Title II, XVI, and XVIII issues. Claims Authorizers adjudicate cases in which at least one beneficiary uses a mailing address, or resides, outside the United States and "District Office Final Authorization" cannot be used. See POMS GN 00905.004 A. (January 29, 1996). A District Office Final Authorization is an adjudicative determination on a claimant's Title II application for benefits. POMS GN 01010.027 A. (May 11, 2012).

<sup>11</sup> OIO's Paperless System uses electronic folders to store documents related to beneficiaries and representative payees.

SSA policy<sup>12</sup> requires that the Agency create a “nonresponder” file containing beneficiaries who do not return an FEQ within 60 days of the initial mailing. SSA usually sends a second notice to non-responders in September with a request for reply within 45 days.<sup>13</sup> Finally, in January, if beneficiaries or payees take no action, SSA may suspend payments.<sup>14</sup> Beneficiaries who receive Forms SSA-7162 and do not respond are immediately suspended. However, SSA refers to OIO for case development those beneficiaries with payees who receive Forms SSA-7161 but do not respond. If appropriate, at the conclusion of case development, SSA suspends the beneficiaries’ payments.

We asked Office of International Programs staff why suspensions for failure to return the SSA-7161 require development whereas SSA suspends benefits immediately for failure to return the SSA-7162. SSA officials stated that foreign policy mirrors domestic policy when possible.<sup>15</sup> Therefore, when a representative payee does not return the SSA-7161, the Agency must develop the case to determine the cause of the non-response.

To conduct this review, we obtained electronic data files containing information for 313,506 beneficiaries residing in foreign countries that SSA used for the initial FEQ mailings in 2010. We reviewed 100 of these questionnaires to determine whether SSA complied with its policies and procedures for FEQs. Of the 100 questionnaires selected, 50 were Forms SSA-7161, and 50 were Forms SSA-7162. To conduct our analysis, we used information recorded in SSA’s automated systems, including OIO’s Paperless System, Master Beneficiary Records (MBR), the Claims Folder Records Management System, and the Payment History Update System. See Appendix E for our scope and methodology.

## RESULTS OF REVIEW

Generally, SSA complied with its FEQ policies and procedures. However, SSA did not mail FEQs to foreign Army Post (APO) and Fleet Post Office (FPO) addresses, as required.<sup>16</sup> Of the 100 FEQs selected, 13 did not have adequate documentation of case development and disposition, and 4 lacked adequate documentation. In addition, some of SSA’s actions were not appropriate. We also found some policies and procedures related to FEQs were inaccurate or outdated.

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<sup>12</sup> SSA, POMS, RS 02655.010 A. (March 17, 2008).

<sup>13</sup> SSA, POMS, RS 02655.010 B. and C. (March 17, 2008).

<sup>14</sup> SSA, POMS, RS 02655.010 E. (March 17, 2008).

<sup>15</sup> SSA, POMS, RS 02655.010 provides similar guidelines set forth in domestic policy. Cases are developed for failure to return domestic representative payee accounting reports before actions are taken.

<sup>16</sup> APO and FPO addresses are addresses of military posts, and are indicated on the MBR by a State and County Code of “94001,” “95001,” or “96001.”

## APO/FPO ADDRESSES

SSA did not comply with its policy<sup>17</sup> to mail annual or biennial FEQs to beneficiaries and representative payees<sup>18</sup> for those individuals who have a foreign APO/FPO address. To determine the reliability of the Agency's FEQ selection, we reviewed information in the Agency's electronic data file for the initial 2011 FEQ mailings. We used this information to determine whether SSA had identified all beneficiaries and payees who should have received FEQs in 2011. We found SSA failed to include in its electronic FEQ mailing file about 2,800 beneficiaries and representative payees with foreign APO/FPO addresses. SSA excluded them from the mailing although they met the criteria for receiving an FEQ in 2011. Further, discussions with Agency staff confirmed they erroneously excluded APO/FPO addresses from the 2010 mailings.

In September 2011, we informed Office of Central Operations' Center for Security and Integrity (CSI) staff that the Agency had excluded beneficiaries and payees with foreign APO/FPO addresses from the 2011 FEQ mailing. SSA staff was unaware of this issue. CSI staff explained SSA erroneously excluded beneficiaries associated with a foreign APO/FPO address from the Foreign Enforcement Program for at least the last 5 years.

According to SSA staff, beneficiaries and payees with foreign APO/FPO addresses were not included in the FEQ mailings because of a systems programming error. Staff explained the Agency was working to resolve the programming error. Policy<sup>19</sup> directs annual or biennial mailings of questionnaires to beneficiaries, including those with foreign APO/FPO addresses. On March 28, 2012, staff stated the Agency was planning to include all foreign APO/FPO addresses in future annual FEQ mailings. Beginning with the 2012 FEQ mailing, the Agency plans to do such a mailing for the next several years. After evaluating the response rate of beneficiaries and payees receiving annual FEQs, the Agency plans to determine whether it should return to the mailing frequency in its policy.<sup>20</sup>

As of April 2011, we identified about 5,000 beneficiaries in current pay status associated with a foreign APO/FPO address. These beneficiaries were receiving approximately \$57.8 million in OASDI benefits annually. See Table 1 for the age range of beneficiaries with a foreign APO/FPO address.

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<sup>17</sup> SSA, POMS, RS 02655.005 B. (August 9, 2012).

<sup>18</sup> SSA, POMS RS 02655.005 was updated in August 2012 to include representative payees.

<sup>19</sup> Id.

<sup>20</sup> Id.

**Table 1: Beneficiaries with Foreign APO/FPO Address**

Age Range	Number of Beneficiaries
1-25	812
26-50	165
51-75	2,950
76-85	947
86 or older	164
Total	5,038

Of the approximately 5,000 beneficiaries, about 2,800 should have been included in the initial 2011 FEQ mailings. These beneficiaries received an estimated \$30.1 million in Social Security payments each year. There is a risk of these individuals being overpaid because of a lack of monitoring OASDI eligibility with FEQs. Of the 2,800 beneficiaries, 832 receive about \$6 million, annually, in Social Security payments managed by representative payees. Beneficiaries served by these payees are at risk of their needs not being met and/or their payments being misused due to the lack of adequate Agency oversight.

We shared the results of our review with SSA. Subsequently, SSA staff reported the Agency took corrective action to include foreign APO/FPO addresses in FEQ mailings. On July 24, 2012, SSA staff reported the programming error was resolved. Additionally, staff stated SSA mailed FEQs to all beneficiaries with a foreign APO/FPO address in the initial 2012 FEQ mailing and intends to include all such beneficiaries in the 2013 mailings. We did not independently verify APO/FPO addresses were included in the initial 2012 mailing. However, based on information reported by SSA staff, we do not recommend any further action at this time.

## PROCESSING FEQ RESPONSES

We found WBDOC appropriately approved 74 of the 100 FEQs in our sample. The beneficiaries or representative payees adequately completed the FEQs, and no further action was needed. WBDOC forwarded 21 of the remaining 26 FEQs in our sample to OIO for further development in accordance with written policy. Finally, SSA did not receive five FEQ responses, which required that it take further action. See Table 2.

**Table 2: Processing FEQ Responses**

Results of WBDOC Review	Form-7161	Form-7162	Total
Approved	30	44	74
Actionable Items	18	3	21
Missing FEQs Requiring Further Action	2	3	5
Total	50	50	100

## Actionable Items

We reviewed responses to the FEQs that WBDOC forwarded for additional review. Of the 21 actionable FEQs, 13 did not have adequate documentation in the OIO Paperless System about actions taken by OIO staff, while 4 did not have adequate documentation about actions taken and were processed incorrectly. Finally, four had adequate documentation in the OIO Paperless System, and staff processed them correctly.

We discussed processing practices for actionable FEQs with SSA staff. Staff explained there was no specific policy that identified the information necessary to document resolving actionable FEQs in the Paperless System. Staff provided explanations regarding what should have occurred for the 21 actionable items.

SSA staff agreed 17 responses had inadequate documentation to support OIO's case development and disposition. Based on our discussions with OIO staff and information recorded in SSA's automated systems, we concluded there was appropriate case development and disposition for 13 responses. For example, one FEQ was returned with a change of address annotated on the questionnaire. There was no documentation in OIO's Paperless System to determine that case development was performed; however, the address was correctly changed on the MBR. Four responses had inadequate documentation and actions to resolve these items were inappropriate. For example, in one case, documentation in the Paperless System stated, "...please review block 5 for employment." The disposition recorded in the Paperless System was "NAN." We confirmed no further action was taken regarding this response. Additionally, OIO staff stated the case required additional review to determine whether the beneficiary's employment affected OASDI eligibility. Lastly, four responses had adequate documentation of case development and disposition. See Table 3 for more details.

**Table 3: FEQ Actionable Items**

Assessment	Form-7161	Form-7162	Total	Portion
Inadequate Documentation	12	1	13	62%
Inadequate Documentation and Disposition	3	1	4	19%
Adequate Documentation and Disposition	3	1	4	19%
Total	18	3	21	100%

## Missing FEQs

Agency staff could not locate FEQs for five beneficiaries. SSA considered these individuals as non-responders requiring case development. OIO suspended one beneficiary's payments for failure to return a Form SSA-7162. Three of the remaining

four beneficiaries were not required to return an FEQ because they had terminated benefits, moved back to the United States, or had payments suspended at the time of the second FEQ mailing.<sup>21</sup>

SSA did not timely process the reported death of the fifth non-responder. The beneficiary died in August 2008. The beneficiary's son reported the beneficiary's death to SSA in April 2009. However, SSA did not suspend benefit payments until December 2010. A benefit payment delivered in November 2010 was returned to SSA. Had the payment not been returned, overpayments may have continued.

Furthermore, SSA staff did not process the fifth non-responder's FEQ correctly. After receiving notice of the beneficiary's death in April 2009, OIO requested the Foreign Service Post (FSP) confirm the information.<sup>22</sup> The first processing error was an inadequate initial review by the FSP. The FSP reported that it checked the MBR to confirm the beneficiary was in current pay status as well as confirmed that payments were regularly sent to the bank. There was no attempt to contact the beneficiary or obtain a death certificate. The FSP's response to OIO was that the beneficiary was alive. A second processing error occurred when OIO reviewed the FSP's response and documented "NAN" in the Paperless System. SSA's review did not detect the inadequacy of the FSP's actions to confirm the beneficiary's death.

The Agency overpaid \$30,740 because SSA staff did not process the FEQ timely and correctly. SSA collected about \$23,551 of the overpayment. As of May 25, 2012, the Agency had not collected the \$7,189 balance.

## **WRITTEN POLICIES AND PROCEDURES**

SSA's policies and procedures for FEQs were not always accurate. Some of SSA's policies related to FEQs were incorrect and outdated. Specifically, POMS, RS 02655.005 B., states, "...FEQs are mailed directly to the beneficiaries." Interviews with SSA staff indicated this was incorrect. SSA mails Forms SSA-7162 directly to beneficiaries; however Agency staff stated they mail Forms SSA-7161 directly to representative payees.

In addition, we noted that some of the FEQ-related policies refer to paper processes instead of the electronic processes used by the Agency. We found SSA had policy explaining FEQ storage and retention. However, Agency staff stated that computer scanning procedures make the information cited in this policy no longer relevant. WBDOC scans FEQs upon receipt, and FEQs are stored electronically for at least 7 years. Additionally, POMS, RS 02655.007, contains similar language regarding

<sup>21</sup> Before each mailing, SSA compares the FEQ mailing file to the MBR to determine whether individuals no longer meet the criteria to receive an FEQ. For example, SSA removes from the mailing file beneficiaries who moved to the United States or have an updated and ineligible Beneficiary Identification Code.

<sup>22</sup> FSPs are offices located in foreign countries that take claims and develop them on-site in foreign countries to save time and provide more complete and accurate claims information.

retention and storage. Further, other SSA policy instructs individuals to place a red "X" and annotate their clerk/unit numbers next to actionable answers on FEQs. Thus, the instructions are for a paper process, rather than the automated process now used. During our discussions with SSA staff, the Agency acknowledged that some policies are outdated.

## **CONCLUSION AND RECOMMENDATIONS**

SSA generally complied with its policies and procedures regarding FEQs. However, we identified weaknesses in SSA's use of FEQs for the oversight of OASDI beneficiaries living abroad. Our review found SSA (a) did not mail questionnaires to all beneficiaries, as required by its policy; (b) did not always have adequate documentation of case development and actions taken to resolve inadequate questionnaire responses; (c) actions taken for some questionnaire responses were inappropriate; and (d) had inaccurate and outdated policies and procedures for the handling of FEQs. Based on the results of our review, we recommend SSA:

1. Take corrective actions to resolve the four cases we identified involving inappropriate Agency actions and complete the collection process for the remaining \$7,189 from an overpayment involving a deceased FEQ non-responder.
2. Revise its FEQ policies to provide guidance for documentation of case development and resolution of actionable FEQ responses and update policies to correct inaccuracies and reflect current processes.

## **AGENCY COMMENTS**

SSA agreed with our recommendations. See Appendix F for the Agency's comments.



Patrick P. O'Carroll, Jr.

# Appendices

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APPENDIX A – Acronyms

APPENDIX B – Integrity Studies and Other Procedures for Monitoring Beneficiaries Abroad

APPENDIX C – *Report to The United States Social Security Administration*  
(Form SSA-7162)

APPENDIX D – *Report to United States Social Security Administration by Person Receiving Benefits for a Child or for an Adult Unable to Handle Funds*  
(Form SSA-7161)

APPENDIX E – Scope and Methodology

APPENDIX F – Agency Comments

APPENDIX G – OIG Contacts and Staff Acknowledgments

## ***Appendix A***

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### **Acronyms**

APO	Army Post Office
CSI	Center for Security and Integrity
FEQ	Foreign Enforcement Questionnaire
FPO	Fleet Post Office
FSP	Foreign Service Post
MBR	Master Beneficiary Record
OASDI	Old-Age, Survivors and Disability Insurance
OIG	Office of the Inspector General
OIO	Office of International Operations
POMS	Program Operations Manual System
SSA	Social Security Administration
WBDOC	Wilkes-Barre Data Operations Center

# **Integrity Studies and Other Procedures for Monitoring Beneficiaries Living Abroad**

The Foreign Enforcement Program uses various methods to monitor Old-Age, Survivors and Disability Insurance (OASDI)<sup>1</sup> beneficiaries living abroad. The Social Security Administration (SSA) performs nonagenarian and centenarian integrity studies in which it annually contacts older beneficiaries. Additionally, the Agency has death reporting agreements with some countries.

### **Integrity Studies**

The Office of Central Operations' Center for Security and Integrity (CSI) and Foreign Service Posts (FSP) conduct nonagenarian and centenarian integrity studies annually. According to CSI, the integrity studies confirm the identity and existence of nonagenarian and centenarian beneficiaries. FSP staff contact foreign beneficiaries who attain ages 97 and 100 to confirm their identities.

According to SSA staff, during these studies, FSP representatives attempt to contact 100 percent of foreign beneficiaries who attain ages 97 and 100 except Canadian residents. Since Canada does not have an FSP, CSI conducted a telephone integrity study in 2010 and provided us their report. CSI staff provided us the following information about studies conducted in 2010.

#### **2010 Nonagenarian Study**

As of October 2011, SSA had completed 762 of the 779 cases for beneficiaries identified as attaining age 97 in 2010. According to SSA, personal contact efforts found 121 deaths, of which 65 were unreported. SSA stated that the 65 unreported deaths resulted in about \$313,056 in overpayments. However, reclamation efforts of the FSPs and Office of Central Operations' Office of International Operations (OIO) resulted in recovery of about \$90,935, reducing the outstanding overpayment balance to about \$222,121.

#### **2010 Centenarian Study**

As of October 2011, SSA had completed 277 of the 279 cases for beneficiaries identified as attaining age 100 during 2010. SSA stated that personal contact efforts found 51 deaths, of which 27 deaths were unreported, and resulted in about

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<sup>1</sup> SSA administers the OASDI program under Title II of the *Social Security Act*. *Social Security Act* § 201 et seq., 42 U.S.C. § 401 et seq.

\$89,986 in overpayments. According to SSA, reclamation efforts of the FSPs and OIO staff resulted in recovery of about \$45,431 in overpayments, reducing the outstanding balance to about \$44,555.

## 2010 Canadian Telephone Integrity Study

According to SSA, the objective of this integrity study was to assess the accuracy of SSA payments to the nonagenarian and centenarian beneficiary populations in Canada. SSA contacted beneficiaries by telephone and asked questions to verify their identity. According to the report, the populations identified included 245 individuals who attained age 97 and 82 individuals who attained age 100 in Calendar Year 2010. SSA stated that during the survey period, 80 deaths were reported timely to SSA or Border District offices and benefits were terminated as necessary.

During the review, SSA was unable to contact nine beneficiaries and their benefits were subsequently suspended. According to SSA, these nine individuals' monthly benefits totaled \$7,564. Additionally, nine unreported deaths were discovered, which resulted in \$36,579 in overpayments, of which \$16,828 was recovered. Further, CSI sent 22 requests to OIO for representative payee development.

## Death Reporting Agreements

The Agency maintains death-reporting agreements with Australia, the Netherlands, and Sweden. The agreements create an automated reciprocal death data exchange with these countries, which allows SSA to receive timely death reports for deceased beneficiaries residing abroad.<sup>2</sup> Australia, the Netherlands, and Sweden accounted for approximately 20,420 (3.6 percent) of our data extract of 554,680 foreign beneficiaries as of April 2011. Additionally, South Korea has agreed to participate in the data exchange. South Korea accounted for 2,585 (0.5 percent) of the 554,680 foreign beneficiaries. Further, SSA is negotiating with Germany, Italy, and the United Kingdom to obtain a death-reporting agreement. These countries accounted for 105,567 (19 percent) of the 2011 foreign beneficiaries.

Death reporting agreements may reduce SSA's Integrity Study workload. Also, a significant amount of money could be saved by reducing overpayments due to unreported deaths. SSA would benefit if other countries with large beneficiary populations would agree to report deaths as shown in Table B-1. The Table lists countries of interest regarding death reporting agreements with SSA. Additionally, the table lists the respective countries' percentage of the 554,680 foreign beneficiary population, as of April 2011.

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<sup>2</sup> In August 2005, SSA created and certified an exchange known as Totalization Data Exchange. The main purpose of Totalization Data Exchange is to allow the exchange of information required to support international social security agreements via a Government-to-Government Online Suite of Services electronic data exchange. One aspect of the Totalization Data Exchange is that countries participating agree to exchange death data with SSA.

**Table B-1: Foreign Countries Where OASDI Beneficiaries Live**

Country	Consular Code	Percent of Population <sup>3</sup>
Death Reporting Agreement Countries	708, 718, 738 (Australia), 825, 874 (the Netherlands), 782 (Sweden)	4
Countries with Death Reporting Agreement in Process	732 (Germany), 700 (Italy), 800 (United Kingdom), 916 (South Korea)	19
Other Countries with Large Populations <sup>4</sup>		
Canada	953	20
Mexico <sup>5</sup>	704, 773, 783	9
Japan	713, 723, 733, 753	8
Philippines	301	5
Greece	701	4

<sup>3</sup> Percentages are in relation to total foreign beneficiary population of 554,680 as of April 2011.

<sup>4</sup> We selected five countries with the largest foreign beneficiary population that neither have a death-reporting agreement with SSA, nor are in the process of entering into a death-reporting agreement.

<sup>5</sup> Some countries, such as Mexico, have multiple Consular Codes.

## Appendix C

### Report to the United States Social Security Administration (Form SSA-7162)

7162		
SOCIAL SECURITY ADMINISTRATION		
<b>REPORT TO THE UNITED STATES SOCIAL SECURITY ADMINISTRATION</b>		
IMPORTANT: Failure to complete and return this form within 60 days will result in suspension of benefits. <b>SIGN AND RETURN THIS FORM IN THE ENCLOSED ENVELOPE. SEE INSTRUCTIONS ENCLOSED.</b>		
1.	Print your address here only if it is different from the one shown below.	
2.	Telephone number at which you may be contacted during the day.	
IF YOU ANSWER "YES" TO ANY OF THE QUESTIONS BELOW, PLEASE TURN THIS FORM OVER AND CONTINUE ON THE BACK. YOU MUST SIGN YOUR NAME IN ITEM 7 ON THE BACK OF THIS FORM.		
3.	Has there been a change in your citizenship or your country of residence that you have not yet reported to SSA? →	
4.	Have you married or had a divorce or annulment since you last reported your marital status to SSA? →	
5.	Did you work for someone else or were you self-employed (i.e. did you own a business or farm) since your last report of work to SSA? →	
Answer Question 6 only if you are the parent of a child under age 16 or disabled and you receive Social Security benefits because you have this child in your care.		
6.	Did you and the child live apart since you last reported the child's living arrangements to SSA? →	
<b>OTHER REPORTABLE EVENTS</b> In addition to the events listed on this form, you are responsible for reporting any other event that may affect benefit payments.		(For SSA Use Only) <input type="checkbox"/> <input type="checkbox"/> - <input type="checkbox"/> - <input type="checkbox"/> <input type="checkbox"/> SSN
<p><b>Privacy Act Statement/Collection and Use of Personal Information</b> - The United States Code of Federal regulations (42 U.S.C. § 403(c), 403(g), 405(a) and 405(l)) authorize us to collect the information on this form. The information you provide will be used to determine if we can continue to pay you Social Security benefits. Your response is voluntary. However, failure to provide the requested information may prevent us from making an accurate and timely decision on your claim, or could result in the loss of benefits.</p> <p>We rarely use the information provided on this form for any purpose other than for determining the continued entitlement to benefit payments. However, in accordance with § U.S.C. § 552(a)(6) of the Privacy Act, we may disclose the information provided on this form (1) to enable a third party or an agency to assist Social Security in establishing rights to Social Security benefits another coverage; (2) to make determinations for eligibility in similar health and income maintenance programs at the Federal, State and local level; (3) to comply with Federal laws requiring the disclosure of the information from our records; and (4) to facilitate statistical research, audit or investigative activities necessary to assure the integrity of SSA programs.</p> <p>We may also use the information you provide when we match records by computer. Computer matching programs compare our</p> <p>records with those of other Federal, State or local government agencies. Information from these matching programs can be used to establish or verify a person's eligibility for Federally-funded or administered benefit programs and for repayment of payments or delinquent debts under these programs.</p> <p>A complete list of routine uses for this information is contained in our System of Records Notice 60-0089 (Claims Folders System). Additional information regarding this form and our other system of records notices and Social Security programs are available from our Internet website at <a href="http://www.socialsecurity.gov">www.socialsecurity.gov</a> or at any U.S. Embassy, consulate, VAAC or U.S. Social Security office.</p> <p><b>Paperwork Reduction Act Statement</b> - This information collection meets the requirements of 44 U.S.C. § 3507, as amended by section 2 of the Paperwork Reduction Act of 1995. You do not need to answer these questions unless we display a valid Office of Management and Budget control number. We estimate that it will take about 5 minutes to read the instructions, gather the facts, and answer the questions. You may send comments on our time estimate above to: SSA 6401 Security Blvd, Baltimore, MD 21235-6401 USA. Send only comments relating to our time estimate to this address, not the completed form.</p>		
Form SSA-7162-OCR-SM (7-2011) Destroy Prior Editions		7162
		Continued on the Reverse →

IF YOU HAVE ANSWERED "YES" TO ANY OF THE QUESTIONS ON THE OTHER SIDE OF THIS FORM, YOU MUST COMPLETE THE CORRESPONDING BLOCK(S) BELOW. IF YOU ANSWERED "NO" TO ALL OF THE QUESTIONS ON THE OTHER SIDE OF THE FORM, YOU SHOULD GO TO ITEM 7, SIGN, DATE, AND RETURN THE FORM.

3. If you answered "Yes" to question 3 on the reverse, complete the information below.		
(a) Country of new citizenship		Date acquired (Month-Day-Year)
(b) Current country of residence		Date of change (Month-Day-Year)
4. If you answered "Yes" to question 4 on the reverse, complete the information below.		
(a) <input type="checkbox"/> Marriage      (b) <input type="checkbox"/> Divorce      (c) <input type="checkbox"/> Annulment		(d) Enter date event occurred (Month-Day-Year)
5. If you answered "Yes" to question 5 on the reverse, complete the information below.		
(a) Check one <input type="checkbox"/> Employee <input type="checkbox"/> Self-Employed	(b) Date work began (Month-Day-Year)	(c) If ended, enter date work stopped (Month-Day-Year)
(d) List each month that you worked 45 hours or less (Explain in "Remarks")		
(e) Was this work done in the United States or did you pay United States Social Security taxes on earnings from this work? <input type="checkbox"/> Yes <input type="checkbox"/> No		
(f) If you answered "Yes" to (e) above, enter your total earnings for: the year before last → \$ and last year → \$ also give your estimate of earnings for this year → \$		
6. If you answered "Yes" to question 6 on the reverse, complete the information below.		
(a) Date child left (Month-Day-Year)	(b) Date child returned (Month-Day-Year)	(c) Name of child
(d) Reason for absence		
(e) If the child has not returned, print the address of the child here.		

REMARKS

IMPORTANT: I declare under penalty of perjury that I have examined all of the information on this form, and on any accompanying statements or forms, and it is true and correct to the best of my knowledge. I understand that anyone who knowingly gives a false or misleading statement about a material fact in this information, or causes someone else to do so, commits a crime and may be sent to prison, or may face other penalties, or both.

7. Signature or mark of beneficiary (Note: If this form is signed with a mark, a witness must sign below.)		Date
8. Signature of witness		Date

## Appendix D

### *Report to United States Social Security Administration by Person Receiving Benefits for a Child or for an Adult Unable to Handle Funds (SSA-7161)*

7161		
SOCIAL SECURITY ADMINISTRATION		
REPORT TO UNITED STATES SOCIAL SECURITY ADMINISTRATION BY PERSON RECEIVING BENEFITS FOR A CHILD OR FOR AN ADULT UNABLE TO HANDLE FUNDS		
IMPORTANT: FAILURE TO COMPLETE AND RETURN THIS FORM WITHIN 60 DAYS WILL RESULT IN A SUSPENSION OF BENEFITS. SIGN AND RETURN THIS FORM IN THE ENCLOSED ENVELOPE. SEE INSTRUCTIONS ENCLOSED.		
1.	Print your address here only if it is different from the one shown below.	
2.	Telephone number at which you may be contacted during the day.	
*		
IF YOU ANSWER "YES" TO ANY OF THE QUESTIONS 3 THROUGH 8 BELOW, PLEASE TURN THIS FORM OVER AND CONTINUE ON THE BACK. YOU MUST SIGN YOUR NAME IN ITEM 11 ON THE BACK OF THIS FORM		
3.	Has anyone for whom you receive benefits changed his/her citizenship or country of residence in the past 15 months? → <input type="checkbox"/> YES <input type="checkbox"/> NO	
4.	Has anyone for whom you receive benefits married, had a divorce (or annulment) or died in the past 15 months? → <input type="checkbox"/> YES <input type="checkbox"/> NO	
5.	Has the parent (natural, adoptive or stepparent) of any child for whom you receive benefits died, married or had a divorce (or annulment) in the past 15 months? (It is not necessary that the parent have been receiving benefits.) → <input type="checkbox"/> YES <input type="checkbox"/> NO	
6.	Did anyone for whom you receive benefits work for someone else or own a business or farm in the past 15 months? → <input type="checkbox"/> YES <input type="checkbox"/> NO	
7.	Did any person for whom you receive benefits live apart from you during any of the past 15 months? → <input type="checkbox"/> YES <input type="checkbox"/> NO	
8.	Did you give the Social Security checks or the full amount of the benefits to another person (for example, the beneficiary's custodian or the beneficiary himself) during the past 15 months? → <input type="checkbox"/> YES <input type="checkbox"/> NO	
9.	Were all Social Security benefits received during the past 15 months used for the beneficiary and/or held for the beneficiary? → <input type="checkbox"/> YES <input type="checkbox"/> NO If "No", explain in "Remarks" on the back of this form what was done with the benefits.	
10.	A. Show the manner in which any amounts not used for the beneficiary are being held:  <input type="checkbox"/> Bank Account <input type="checkbox"/> Other    If "Other", explain in "Remarks" on the back of this form.	B. Show the Title or Ownership of the Account:
<b>OTHER REPORTABLE EVENTS</b> In addition to the events listed on this form, you are responsible for reporting any other event that may affect benefit payments.		
(For SSA Use Only) <span style="border: 1px solid black; padding: 2px;">  </span> <span style="border: 1px solid black; padding: 2px;">  </span> <span style="border: 1px solid black; padding: 2px;">  </span> - <span style="border: 1px solid black; padding: 2px;">  </span> <span style="border: 1px solid black; padding: 2px;">  </span> - <span style="border: 1px solid black; padding: 2px;">  </span> <span style="border: 1px solid black; padding: 2px;">  </span> <span style="border: 1px solid black; padding: 2px;">  </span> <span style="border: 1px solid black; padding: 2px;">  </span> <b>SSN</b> <span style="border: 1px solid black; padding: 2px;">  </span>		

IF YOU HAVE ANSWERED "YES" TO ANY OF QUESTIONS 3 THROUGH 8 ON THE OTHER SIDE OF THIS FORM, YOU MUST COMPLETE THE CORRESPONDING BLOCK(S) BELOW. IF YOU ANSWERED "NO" TO ALL OF THE QUESTIONS 3 THROUGH 8 ON THE OTHER SIDE OF THE FORM, YOU SHOULD GO TO ITEM 11, SIGN, DATE, AND RETURN THE FORM.

3. If you answered "Yes" to question 3 on the other side, complete the information below.				
	(a) Name of person	(b) Country of new citizenship	(c) Date acquired	(d) Current country of residence
				(e) Date residence began
4. If you answered "Yes" to question 4 on the other side, complete the information below.				
	(a) Name of person	(b) Check which event occurred <input type="checkbox"/> Marriage <input type="checkbox"/> Annulment <input type="checkbox"/> Divorce <input type="checkbox"/> Death	(c) Date event occurred	
5. If you answered "Yes" to question 5 on the other side, complete the information below.				
	(a) Name of parent	(b) Check which event occurred <input type="checkbox"/> Death <input type="checkbox"/> Marriage <input type="checkbox"/> Divorce <input type="checkbox"/> Annulment	(c) Date event occurred	
6. If you answered "Yes" to question 6 on the other side, complete the information below.				
	(a) Name of person	(b) Check one <input type="checkbox"/> Employee <input type="checkbox"/> Self-Employed	(c) Date work began	
	(d) If ended, enter date work stopped	(e) List each month that he/she worked 45 hours or less (Explain in Remarks)		
	(f) Was this work done in the United States or did he/she pay United States Social Security taxes on earnings from this work? <input type="checkbox"/> Yes <input type="checkbox"/> No	(g) If you answered "yes" to (f), enter his/her total earnings for last year _____ → \$ _____ AND give your estimate of this year's earnings. _____ → \$ _____		
7. If you answered "Yes" to question 7 on the other side, complete the information below.				
	(a) Name of beneficiary who did not live with you	(b) Date beneficiary left	(c) Reason for leaving	(d) Date beneficiary returned
	(e) If you listed someone in (a) above who has not returned, enter the address where he/she can be reached. (Include ZIP code)			
8. If you answered "Yes" to question 8 on the other side, show to whom the funds were given.				

Remarks

**IMPORTANT:** I declare under penalty of perjury that I have examined all the information on this form, and on any accompanying statements or forms, and it is true and correct to the best of my knowledge. I understand that anyone who knowingly gives a false or misleading statement about a material fact in this information, or causes someone else to do so, commits a crime and may be sent to prison, or may face other penalties, or both.

11.	Signature or mark of payee (Note: If this form is signed with a mark, a witness must sign below.)	Date
12.	Signature of witness	Address (Include ZIP code)

Form SSA-7161-OCR-SM (03-2004)

# **Scope and Methodology**

To achieve our audit objective, we:

- Reviewed applicable Federal laws and regulations, sections of the Social Security Administration's (SSA) Program Operations Manual System, and SSA publications related to the Foreign Enforcement Program.
- Identified and reviewed prior Office of the Inspector General reports pertaining to the Foreign Enforcement Program and foreign enforcement questionnaire (FEQ).
- Compared SSA's information used for the 2011 FEQ mailings to our electronic data extract based on the criteria used for the mailings. During this analysis, we found SSA excluded individuals with Army Post and Fleet Post Office addresses from the FEQ mailings. Agency staff explained beneficiaries associated with such addresses were excluded from the Foreign Enforcement Program for at least the last five years. Consequently, the scope of our review was limited to the 2010 FEQ population we received from SSA, which we estimate did not include about 2,800 individuals with an Army Post or Fleet Post Office address.
- Obtained Microsoft Excel files from SSA comprising the data for 313,506 beneficiaries to whom SSA sent FEQs in 2010. We selected a sample of
  - ✓ 50 of 31,107 representative payees who received Forms SSA-7161, *Report to United States Social Security Administration by Person Receiving Benefits for a Child or for an Adult Unable to Handle Funds* and
  - ✓ 50 of 282,399 beneficiaries who received Forms SSA-7162, *Report to United States Social Security Administration*.
- Reviewed responses for each FEQ and related documents in the Claims Folder Records Management System to determine whether it was an approval, requiring no additional actions from SSA, or an actionable questionnaire, requiring additional actions by Office of International Operations staff.
- Analyzed 21 actionable questionnaires with the assistance of a Foreign Benefits Technical Examiner, by reviewing
  - ✓ questionnaires completed in previous years and
  - ✓ information and documents about beneficiaries in the Office of International Operations' Paperless System, SSA's Master Beneficiary Records, Claims Folder Records Management System, Payment History Update System, Modernized Development Worksheet and the Query Response Selection List.

- Researched five FEQ non-responders.
- Obtained summary information from the Agency about its 2010 nonagenarian and centenarian integrity studies. We also obtained SSA's 2010 Canadian integrity study report that contacted nonagenarians and centenarians in Canada.
- Contacted or interviewed management and staff in SSA's Office of International Programs; and Office of Central Operations' Office of International Operations, Center for Security and Integrity, and the Center for Program Support.

We performed our fieldwork at SSA Headquarters from September 2011 to April 2012. The principle entity audited was the Office of the Deputy Commissioner for Operations. We determined that the data used in this report were sufficiently reliable given the audit objective and intended use of the data. We conducted tests to determine the completeness and accuracy of the data, which allowed us to assess the reliability of the data and achieve our audit objective. Although we found and reported certain data integrity issues, we were able to use the data for its intended purpose.

We conducted our review in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

## ***Appendix F***

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### **Agency Comments**



## SOCIAL SECURITY

### MEMORANDUM

Date: September 5, 2012 Refer To: S1J-3

To: Patrick P. O'Carroll, Jr.  
Inspector General

From: Dean S. Landis /s/  
Deputy Chief of Staff

Subject: Office of the Inspector General Draft Report, "The Social Security Administration's Foreign Enforcement Questionnaires" (A-13-10-11098)—INFORMATION

Thank you for the opportunity to review the draft report. Please see our attached comments.

Please let me know if we can be of further assistance. You may direct staff inquiries to Amy Thompson at (410) 966-0569.

Attachment

**COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL DRAFT REPORT,  
“THE SOCIAL SECURITY ADMINISTRATION’S FOREIGN ENFORCEMENT  
QUESTIONNAIRES” (A-13-10-11098)**

**Recommendation 1**

Take corrective actions to resolve the four cases we identified involving inappropriate Agency actions and complete the collection process for the remaining \$7,189 from an overpayment involving a deceased FEQ non-responder.

**Response**

We agree.

**Recommendation 2**

Revise its FEQ policies to provide guidance for documentation of case development and resolution of actionable FEQ responses and update policies to correct inaccuracies and reflect current processes.

**Response**

We agree.

## **Appendix G**

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# OIG Contacts and Staff Acknowledgments

### ***OIG Contacts***

Shirley E. Todd, Audit Director

Florence Wolford, Audit Manager

### ***Acknowledgments***

In addition to those named above:

Bryan Kaminski, Auditor

For additional copies of this report, please visit our Website at <http://oig.ssa.gov> or contact the Office of the Inspector General's Public Affairs Staff at (410) 965-4518. Refer to Common Identification Number A-13-10-11098.

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Chairman and Ranking Minority, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, House of Representatives  
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## **Overview of the Office of the Inspector General**

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

### **Office of Audit**

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

### **Office of Investigations**

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

### **Office of the Counsel to the Inspector General**

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

### **Office of External Relations**

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

### **Office of Technology and Resource Management**

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