

Office of the Inspector General

September 19, 2000

William A. Halter
Deputy Commissioner
of Social Security

Inspector General

Status of Social Security Administration's Implementation of Selected
Recommendations Reported in the Fiscal Year 1998 Management Letter – Part 2
(A-15-99-52020)

The attached final report presents the results of our review. This is a follow-up audit to the PricewaterhouseCoopers LLP, "FY 1998 Management Letter – Part 2, Recommendations to Improve Management Controls and Operations Resulting from Our Fiscal Year 1998 Financial Statement Audit," dated November 20, 1998. The objective of this follow-up audit was to determine the status of selected findings and recommendations in the subject management letter.

Please comment within 60 days from the date of this memorandum on corrective action taken or planned on each recommendation. If you wish to discuss the final report, please call me or have your staff contact Steven L. Schaeffer, Assistant Inspector General for Audit, at (410) 965-9700.

James G. Huse, Jr.

Attachment

**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**STATUS OF SOCIAL SECURITY
ADMINISTRATION'S IMPLEMENTATION
OF SELECTED RECOMMENDATIONS
REPORTED IN THE FISCAL YEAR 1998
MANAGEMENT LETTER – PART 2**

September 2000 A-15-99-52020

AUDIT REPORT



Mission

We improve SSA programs and operations and protect them against fraud, waste, and abuse by conducting independent and objective audits, evaluations, and investigations. We provide timely, useful, and reliable information and advice to Administration officials, the Congress, and the public.

Authority

The Inspector General Act created independent audit and investigative units, called the Office of Inspector General (OIG). The mission of the OIG, as spelled out in the Act, is to:

- Conduct and supervise independent and objective audits and investigations relating to agency programs and operations.
- Promote economy, effectiveness, and efficiency within the agency.
- Prevent and detect fraud, waste, and abuse in agency programs and operations.
- Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations.
- Keep the agency head and the Congress fully and currently informed of problems in agency programs and operations.

To ensure objectivity, the IG Act empowers the IG with:

- Independence to determine what reviews to perform.
- Access to all information necessary for the reviews.
- Authority to publish findings and recommendations based on the reviews.

Vision

By conducting independent and objective audits, investigations, and evaluations, we are agents of positive change striving for continuous improvement in the Social Security Administration's programs, operations, and management and in our own office.

Office of the Inspector General

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OBJECTIVE

This is a follow-up audit to the PricewaterhouseCoopers LLP, "FY 1998 Management Letter – Part 2, Recommendations to Improve Management Controls and Operations Resulting from Our Fiscal Year 1998 Financial Statement Audit," dated November 20, 1998. The objective of this follow-up audit was to determine the status of selected findings and recommendations in the subject management letter.

BACKGROUND

In Fiscal Year (FY) 1998, PricewaterhouseCoopers (PwC), an independent Certified Public Accounting firm, performed an audit of the consolidated financial statements of the Social Security Administration (SSA) as of and for the year ending September 30, 1998. PwC issued its Report of Independent Accountants, dated November 20, 1998, which is included in SSA's Accountability Report for FY 1998. The Office of the Inspector General (OIG) monitored the work of PwC.

The primary objective of the financial statement audit was to:

- Give an opinion on SSA's financial statements as of and for the year ending September 30, 1998, including the related notes.
- Give an opinion as to whether SSA management's assertion about the effectiveness of its internal control was fairly stated.
- Report on SSA's compliance with selected provisions of laws and regulations that could materially affect the principal financial statements.

The audit of SSA's financial statement also identified conditions that did not have a material impact on the financial statements. In order to report these conditions, PwC issued Management Letters – Part 1 and Part 2 to SSA addressing areas in need of management attention. Management Letter, Part 1, contains details of a sensitive

nature to SSA and is, therefore, restricted in its use. It is considered a limited distribution report. Management Letter, Part 2, contains issues of a general nature and is not limited in its distribution, but is intended as information for management and the Inspector General of SSA. In accordance with applicable standards, the Management Letter issues were not considered by PwC to be material weaknesses or reportable conditions. Nonetheless, the letters contain both findings and recommendations requiring management action.

SCOPE AND METHODOLOGY

To accomplish our objective, we:

- Validated SSA's reported status of management action on selected findings and recommendations.
- Determined whether corrective action has addressed the recommendations.

We performed follow-up audit work on 27 of 48 findings published in PwC's FY 1998 Management Letter – Part 2. We selected the most significant findings in the report for this audit. Twenty-three of the findings remained open from the FY 1997 Management Letter. The other four findings were new in the FY 1998 Management Letter. Because the original audit was SSA wide, the findings and recommendations covered various offices within SSA. For the specific findings that we reviewed see Appendix A.

We conducted our review from September 1999 through January 2000 at SSA Headquarters in Baltimore, Maryland. Our audit was conducted in accordance with generally accepted government auditing standards.

RESULTS OF REVIEW

Of the 27 findings we selected, SSA stated that they completed work on 7 and disagreed with and closed 2 recommendations with no action taken. SSA agreed with, but had not fully completed corrective actions on 17 recommendations and agreed in principal with 1 recommendation, but planned to take no corrective action.

We evaluated SSA's progress and corrective actions by interviewing the responsible SSA contact officials, reviewing PwC's work conducted during the FY 1999 financial statement audit, and performing audit tests where necessary. In some cases, we relied on the audit work performed by PwC. The results of our review are as follows:

Audit Results	Findings/ Recommendations
OIG agrees with SSA's reported status	20
OIG disagrees with SSA's reported status	7
Total	27

Summary of the seven findings/recommendations that the OIG disagrees with SSA on the Status:

1. PwC recommended SSA ensure the title II Redesign include programmed edit routines to prevent erroneous data from being input into the system. SSA agreed and reported action on this recommendation as complete. The OIG disagrees. Our audit found that the new edits do not work for all types of claims. See finding III.1.B. on page 8 of Appendix A.
2. PwC recommended SSA perform a third party review of State agencies' processing of new Social Security number applications. SSA disagreed with this recommendation and plans no action. The OIG agrees with PwC and has initiated an audit in this area. The audit's objectives are to determine whether:
(1) participating hospitals accurately record information on Social Security number applications during the automated Enumeration At Birth process and (2) SSA's internal controls adequately protect the integrity of this process. See finding III.4.D. on page 14 of Appendix A.
3. In 1997 and 1998 PwC compared the Master Beneficiary Record, Supplemental Security Record, and NUMIDENT and identified a number of corresponding records with significant differences in dates of birth. SSA closed this finding without taking further action because there are already edits in place that prevent input typos. The OIG disagrees that sufficient action was taken by SSA. Although edits are in place, SSA needs to investigate and correct instances of invalid data on individual records that may affect payment status. See finding III.6.D. on page 17 of Appendix A.
4. PwC recommended SSA continue to focus on strengthening security policies and procedures to ensure an adequately controlled Financial Accounting System (FACTS) environment promoting compliance with Joint Financial Management Improvement Program requirements. SSA agreed with the recommendation and had reportedly taken action to address the recommendation. The OIG disagrees. The security administrator had not yet received access to data sets needed to conduct reviews of possible access violations. Subsequently, SSA stated its FACTS security administrator gained the necessary accesses and is now conducting the security reviews. See finding IV.1.C. on pages 19 and 20 of Appendix A.
5. PwC recommended SSA develop and implement policies and procedures to ensure the de-obligation process is operating effectively. SSA agreed with this recommendation and reported that action was completed to close the recommendation. The OIG disagrees with the status. Our analysis of SSA's new procedures found that while an improvement, the design of these new procedures does not provide sufficient control over the unliquidated obligations. Since our fieldwork ended, SSA advised us it devised additional new accounting procedures that we believe would effectively gain control over the open obligations if properly implemented. See finding IV.1.F. on page 21 of Appendix A.

6. PwC recommended SSA develop a Memorandum of Understanding between SSA and the Department of the Treasury (Treasury) to formalize the process and procedures for transferring estimated amounts of employment taxes due to the trust funds. As an alternative, SSA published an Accounting Manual chapter documenting the employment taxes' transfer procedures. SSA shared the Accounting Manual chapter with Treasury and closed the recommendation. PwC did not believe the actions taken were sufficient. PwC pointed out that Treasury did not provide SSA with a formal concurrence with the SSA Accounting Manual chapter and did not believe the Accounting Manual provided sufficient detail to resolve possible differences of opinion between SSA and Treasury. The OIG agrees with PwC. A more detailed document would assign responsibilities and accountability for the tasks outlined in the tax transfer procedures. SSA informed us it met with PwC and plans to address the PwC's specific concerns in the Accounting Manual. See finding V.D. on page 25 of Appendix A.
7. PwC recommended SSA complete annual inventories of capitalized and accountable property and any discrepancies noted during these inventories be reviewed by an appropriate level of SSA management and resolved timely. SSA completed an inventory of capitalized property in FY 1999 and closed this recommendation. The OIG disagrees with the status. SSA did perform an inventory during FY 1999, but we found that follow-up of issues found during the inventory was not adequate. See finding V.Q. on page 33 of Appendix A.

Our detailed audit results are located in Appendix A of this report.

CONCLUSIONS

Based on our work, we concluded the status of SSA's action on the 27 findings/recommendations to be:

Audit Conclusions	Findings
Actions by SSA on Findings/Recommendations complete	4
Actions by SSA on Findings/Recommendations incomplete	20
Findings/Recommendations where SSA is not going to take action to correct	3
Total	27

Seventeen of the twenty incomplete recommendations are repeat issues from the FY 1997 audit. The three recommendations that SSA is not going to take action on also remain open from FY 1997. In our opinion, recommendations from the Management Letter are not closed in a timely manner. SSA's continued attention is needed to bring all of these issues to closure within the next audit cycle.

AGENCY COMMENTS AND OIG RESPONSE

SSA generally agreed with our conclusions. SSA does not agree with finding III.4.D in Appendix A that it should perform a third party review of State agencies' processing of new Social Security number applications. SSA noted that it would determine if additional actions are justified upon reviewing the results of the on-going OIG audit of this area. We believe that SSA's actions subsequent to this audit demonstrate its commitment to bring closure to all of these issues expediently.

James G. Huse, Jr.

Appendices

Appendix A – Audit Results: FY 98 Management Letter Part 2

Appendix B – Table of Acronyms

Appendix C – Agency Comments

Appendix D – OIG Contacts and Staff Acknowledgments

Appendix A

Audit Results – FY 98 Management Letter

Part 2

APPENDIX B

Table of Acronyms

ACID	Automated Continuing Investigation of Disability Program
AIMS	Administrative Instructions Manual System
AT	Attorney (a BIC)
BIC	Beneficiary Identification Code
BR	Divorced Husband - First Claimant (a BIC)
BY	Young Husband - First Claimant (a BIC)
CDR	Continuing Disability Review
CDRCF	Continuing Disability Review Control File
CICS	Customer Information Control System
CMM	Capability Maturity Model
CR	Claims Representative
DACUS	Death Alert, Control and Update System
DBCA	Division of Benefit Certification and Accounting
DCIA	Debt Collection Improvement Act of 1996
DCS	Deputy Commissioner for Systems
DDS	Disability Determination Service
DE	Deduct (a SIC code)
DI	Disability Insurance
DIET	Division of Integration and Environmental Testing
EAB	Enumeration at Birth
FACTS	Financial Accounting System
FO	Field Office
GLPSC	Great Lakes Program Service Center
ICBD	Integrated Client Data Base
IDA	Index of Dollar Accuracy
IRS	Internal Revenue Service
IT	Information Technology
JFMIP	Joint Financial Management Improvement Program
KPA	Key Process Areas
MADCAP	Manual Adjustment, Credit and Award Processes
MAP	Maturing Action Program
MATPSC	Mid-Atlantic Program Service Center
MBR	Master Beneficiary Record
MCS	Modernized Claims System
MS	Microsoft
NUMIDENT	A query using the SSN to obtain the name of the number's owner
NCC	National Computer Center
OASDI	Old Age, Survivors and Disability Insurance

OASI	Old Age and Survivors Insurance
OCACT	Office of the Chief Actuary
OFPSD	Office of Financial Policy and Systems Design
OIG	Office of the Inspector General
OIM	Office of Information Management
OQA	Office of Quality Assurance
OS	Office of Systems
OSDD	Office of Systems Design and Development
OSR	Office of Systems Requirements
OTSO	Office of Telecommunications and Systems Operations
PAS	Property Accountability System
PC-CDR	Personal Computer – Continuing Disability Review (i.e. work and earnings)
PEF	Problem Evaluation Form
PET	Platinum Process Engineering
POMS	Program Operations Manual System
PwC	PricewaterhouseCoopers LLP
QA	Quality Assurance
QTFL	Quarterly Trust Fund Letter
REACT	Returned Check Action Program
RSI	Retirement and Survivors Insurance
SAC	Special Action Code
SALT	Suspension and Life Termination Program
SAS	Statements on Auditing Standards
SET	Software Engineering Technology
SIC	Special Indication Code
SQL	Structured Query Language
SR	Service Representative
SRC	System Release Certification
SSA	Social Security Administration
SSI	Supplemental Security Income
SSR	Supplemental Security Record
TREBDET	Terminated Record Balancing Debt Transfer
TRO	Tax Refund Offset
TSO	Time Sharing Option
Treasury	Department of the Treasury
VTTS	Validation Transaction Tracking System
Y2K	Year 2000

Appendix C

Agency Comments

COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL (OIG)
DRAFT REPORT, "STATUS OF SOCIAL SECURITY ADMINISTRATION'S
IMPLEMENTATION OF SELECTED RECOMMENDATIONS REPORTED IN THE
FISCAL YEAR 1998 MANAGEMENT LETTER - PART 2" (A-15-99-52020)

Thank you for the opportunity to review this OIG draft report, which presents the results of OIG's review of SSA implementation of recommendations contained in prior PricewaterhouseCoopers (PwC) reports. The following includes updated information concerning the seven issues of disagreement highlighted in this OIG report, followed by additional and updated information relating to other issues appearing in Appendix A of the OIG report that have not been highlighted in the OIG report as areas of disagreement.

1. Title II Edit Routines for Preventing Input of Erroneous Data (Appendix A, item III.1.B. - page 8)

Concerning the Modernized Claims System (MCS), the OIG is correct that further work is required to completely prevent erroneous generation of discrepant data within the small population of disabled widow and disabled adult child (DAC) claims. Edits to prevent this from continuing are included in the MCS software release scheduled for November 2000. The edits being put into place are front-end MCS edits. This is relevant because claims processed via the Manual Adjustment, Credit and Award Processes (MADCAP) system utilize the front-end of MCS; therefore, the November 2000 release will effectively prevent generation of discrepant data via MADCAP, as well. (See additional technical comments on this issue in the "Other Matters" section below.)

2. Third Party Review of State Agencies' Processing of Social Security Number (SSN) Applications (Appendix A, item III.4.D. - page 14)

We continue to believe that the States are responsible for registering births and issuing birth certificates to individuals, and SSA has no basis to question the States' procedures and processes. The OIG draft report notes that OIG has initiated a separate audit in this area. We will await the results of this audit to determine whether additional actions are justified.

3. The Need to Investigate and Correct Instances of Invalid Data on Individual Records That May Affect Payment Status
(Appendix A, item III.6.D. - page 17)

As noted in Appendix A of the OIG draft report, systems enhancements already in place have addressed the problem of invalid data on individual records on a prospective basis. However, there remain instances of invalid data that occurred prior to the systems enhancements, and we agree that this needs to be analyzed. Additional analysis is needed to determine the cost effectiveness of a retrospective correction of discrepant data between the Supplemental Security Record (SSR) and the NUMIDENT. We do not now have sufficient data to confirm that a significant problem concerning invalid data remains. Subsequent contacts with our claimants relating to replacement of Social Security cards, subsequent claims, and redeterminations frequently generate a review between the SSR and NUMIDENT records for their accuracy and any necessary correction. Therefore, our analysis will include an examination of whether these regular processes are sufficient to address this issue. We will complete our analysis to determine the cost effectiveness of correction of discrepant SSR/NUMIDENT data by the end of December 2000.

4. Financial Accounting System (FACTS) Security Controls
(Appendix A, item IV.1.C. - page 19)

We agree with OIG's assessment that the TOP SECRET security administrator for FACTS had not received access to data sets to conduct reviews of possible access violations. Subsequently, the TOP SECRET security administrator has gained access, and on a monthly basis informs the FACTS security administrator of any suspected violations or lack thereof.

In addition, we believe the "OIG Confirmation of Status" on page 20 of Appendix A should recognize that SSA deliberately revised its procedures on August 31, 1999 to recertify FACTS user access annually rather than every 6 months.

We consider this corrective action completed.

5. Policies and Procedures for Controls Over Unliquidated Obligations (Appendix A, item IV.1.F. - page 21)

We agree that we needed to obtain better control over our unliquidated obligations and have developed additional procedures to strengthen the validation of open obligations. In May 2000, at a Financial Policy and Operations/Systems Conference, SSA regional and headquarters attendees discussed the significance of reviewing open obligations and the implications that inaccuracies have for current year funding levels. We have also developed a report that includes the age of unliquidated obligations and stratifies them by dollar value. On or about the first day of July, August, and September our financial staff will issue reminders to every SSA component budget office and instruct them to use on-line FACTS access to review outstanding obligations. These and other steps will be formally incorporated into SSA Accounting Manual procedures.

6. Process and Procedures for Transferring Estimated Amounts of Employment Taxes Due the Social Security Trust Funds (Appendix A, item V.D. - page 25)

We agree with OIG's assessment that work on this recommendation is incomplete. As an alternative to a memorandum of understanding recommended earlier by PwC, we prepared an SSA Accounting Manual chapter to document the estimation process for transferring employment taxes. However, the new procedures did not clearly assign accountability between SSA and the Department of Treasury. After receiving additional input from PwC subsequent to the prior PwC recommendation, we are revising the procedures and will obtain Treasury's concurrence. We plan to issue the revised SSA Accounting Manual during July 2000.

7. Completion of Annual Inventories of Capitalized and Accountable Property (Appendix A, item V.Q. - page 33)

We agree with the original PwC recommendation, and with the actions described below, consider this item as closed. We completed an inventory of capitalized property during fiscal year (FY) 1998. During its review, OIG located 5 items, all reported by the same custodial officer, that were not correctly displayed on our inventory. Two of the misreported items were due to the fact that the custodial

officer used computer listings from an internal SSA component data base rather than performing an actual physical inventory of equipment. This procedure is not consistent with our regular physical inventory procedures. Our managers in this area have had discussions with this custodial officer on the need to correctly adhere to these procedures. The other three items, which had not been removed from the inventory as appropriate, were the result of clerical oversight, and have since been corrected.

Other Matters

Item III.1.B. of Appendix A (page 9)

The report states, "SSA also stated that some beneficiaries have a history on the MBR from a prior claim. When a new claim for the individual is processed, all the data fields may not be updated and cause the data to appear discrepant. In light of these explanations, we conclude that other actions need to be taken to ensure that discrepant data does not end up on the MBR regardless of the cause of the discrepancy."

We believe there may be a misunderstanding of the information communicated to the auditors during the review which leads them to believe that other actions need to be taken to fix unspecified problems. Onset data is a record of what was alleged/recoded in each claim filed and while apparent discrepancies in data might appear to exist, the two claims represent separate and discrete events. The perceived discrepancies only come about because comparisons are essentially being made between non-comparable data. It may be helpful for SSA systems staff to examine specific MCS cases which OIG believes represent error conditions and explain to OIG staff why Master Beneficiary Record (MBR) data fields contain the data they do.

A short example may clarify this: Prior to implementation of the Numident match in the claims-taking process, a parent filed a claim for a DAC. In the course of data entry, the child's date of onset (actually 1/1/74) was entered as 1/1/64 and the date of birth was entered correctly as 1/1/74. The claim was denied because of a lack of insured status on the number-holder's part. There was limited editing on older systems and no editing or other reconciliation would have taken place on the relationship between the date of birth and date of onset; and, more importantly, the discrepancy was irrelevant in light of the disallowance. The MBR reflected the date of birth as 1/1/74 and

the initial date of onset of 1/1/64. Subsequently, the number-holder gained insured status, filed a new claim and the DAC was awarded benefits effective with his/her correct date of birth and onset, 1/1/74. The MBR would show the initial claim's onset date as 1/1/64 and the subsequent claim's onset date of 1/1/74. When the second claim was filed, the date of birth was overlaid as there is only one possible date of birth. The date of onset in the initial claim is a matter of historical record; whether the data is correct or not has no bearing on accuracy of entitlement or benefits on the subsequent claim.

Item III.2.A. of Appendix A (page 10)

More detailed Program Operations Manual System (POMS) procedures for SSA field office (FO) review of the Quarterly Force Pay Listings have been prepared and are scheduled for distribution to the FOs by the end of August 2000.

Item III.4.A. (page 13)

Actions are nearly complete to address this recommendation. In December 1999, an Administrative Message (AM - 99343 - Report on the Quality of the Enumeration Process for Calendar Year 1998) was issued to SSA operational staff. The AM provides information concerning the proper coding of the application form for a Social Security Number (SSN - form SS-5). In addition, an Interactive Video Training (IVT) session on policy and procedures for the issuance of new SSNs in identity theft and domestic abuse cases is scheduled for release by the end of September 2000. This IVT session will also include segments on the proper coding of form SS-5 and SSN evidentiary documentation requirements.

Item V.B. of Appendix A (page 22)

A variety of actions have been taken and are underway to enable us to better track and retrieve case folders. A disability program circular was issued to operational staff in early FY 2000 outlining procedures for tracking and control of continuing disability review (CDR) files, as well as procedures for determining which cases do not require performance of a CDR. To enhance disability case processing and facilitate performance of quality reviews, in September 1999 an initiative began to emphasize to operational staff the importance of improving the quality of information collected at the front end of the disability process, and to gather information on regional quality improvement plans and activities. This effort has

resulted in provision of additional communications to regional personnel during early calendar year 2000 geared to increasing the understanding of the importance of quality reviews and the role of the actions of field staff in facilitating efficiencies in the performance of them. We have also prepared POMS instructions to assist operational staff in locating and retrieving lost disability folders. These instructions completely revise the existing lost folder process for CDRs, and will be published in the POMS in early FY 2001.

We are continuing to develop our Paperless System, which will use electronic client records to reduce reliance on paper records in our program service centers, and thereby better serve the public. We have been piloting the system in various SSA offices, and will complete its implementation by the end of December 2000.

We are also piloting an electronic claims folder, which is a central repository of disability application data, to be used by SSA field and hearings offices, and disability determination service offices.

Item V.E. of Appendix A (page 26)

In April 2000 we purchased a fireproof safe and now store the monthly back-up tapes for the revenue estimation models REVEARN and MODEEM in this safe. Due to unavailability of off-site space, and the costs associated with obtaining such space for storing these tapes, the tapes are stored at SSA headquarters. This concludes our actions on this finding/recommendation.

Item V.H. of Appendix A (page 28)

To resolve the reported accounting reconciliation issues, we will establish a workgroup in the summer of 2000 to further analyze the causes for continuing out of balance conditions.

An Initiative Information Document will be prepared by the end of June 2000 to place this corrective action in our 5-year systems planning process.

Item V.M. of Appendix A (page 29)

Several actions are underway at SSA to address this issue. We are developing four debt collection tools. Two of these tools have the highest expected debt collections, and two are title XVI tools for which we already have a process for title II

in place. The two tools with the greatest potential for collections are Cross Program Recovery (the collection of a title XVI debt from any title II benefits payable to the debtor), and Administrative Wage Garnishment, which is the collection of a delinquent debt from the wages of the debtor. Cross Program Recovery was authorized by different legislation than the Debt Collection Improvement Act of 1996, and we estimate that it will yield \$175 million in collections over 5 years. Implementation will take place in January 2001. We are now developing Administrative Wage Garnishment, and expect to complete the required planning and analysis in early summer 2000, with implementation scheduled for FY 2001.

Expansion to title XVI of our: 1) existing credit bureau reporting; and 2) administrative offset programs (recently authorized by the Foster Care Independence Act of 1999) is currently undergoing planning and analysis that is scheduled for completion in early summer of 2000. Implementation for title XVI of both of these programs will occur in January 2001.

When these four tools are successfully implemented, we will begin work on developing other new debt collection tools. We expect that Federal salary offset will be the next tool considered for implementation, however this tool is still in the development process at the Department of Treasury and the timeframe needs to be worked out with Treasury. All other collection tools (private collection agencies and interest charging) will be developed in turn.

Item V.N. of Appendix A (page 31)

The OIG report lists several scheduled SSA actions to enhance CDR tracking and reporting. Changes to that schedule are as follows:

- Replace ACID title II work functionality - target date is now September 2000, rather than after September 2000;
- Expanding the CDR Control File - the appeals target date has been moved up to October 2000, and the 831/833 target date has been moved up to September 2000. The suspense/ defer delay capability and batch establishment/correction/ deletion capacity actions are still documented in our systems 5- year plan, and planning and analysis are ongoing. However, due to resource constraints and other priorities, these actions are now listed as unscheduled items.

Item V.P of Appendix A (page 32)

Our finance staff continue to develop Access queries and reports that will enable them to create the various Quarterly Trust Fund Letter tables without the additional manual keying step. Tax Year 2000 earnings data will be downloaded from the mainframe computers and reformatted by the end of March 2001 to a file that can be appended to an Access database, thereby eliminating the manual keying step.

Appendix D

OIG Contacts and Staff Acknowledgments

OIG Contacts

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Acknowledgments

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Overview of the Office of the Inspector General

Office of Audit

The Office of Audit (OA) conducts comprehensive financial and performance audits of the Social Security Administration's (SSA) programs and makes recommendations to ensure that program objectives are achieved effectively and efficiently. Financial audits, required by the Chief Financial Officers Act of 1990, assess whether SSA's financial statements fairly present the Agency's financial position, results of operations, and cash flow. Performance audits review the economy, efficiency, and effectiveness of SSA's programs. OA also conducts short-term management and program evaluations focused on issues of concern to SSA, Congress, and the general public. Evaluations often focus on identifying and recommending ways to prevent and minimize program fraud and inefficiency.

Office of Executive Operations

The Office of Executive Operations (OEO) provides four functions for the Office of the Inspector General (OIG) – administrative support, strategic planning, quality assurance, and public affairs. OEO supports the OIG components by providing information resources management; systems security; and the coordination of budget, procurement, telecommunications, facilities and equipment, and human resources. In addition, this Office coordinates and is responsible for the OIG's strategic planning function and the development and implementation of performance measures required by the Government Performance and Results Act. The quality assurance division performs internal reviews to ensure that OIG offices nationwide hold themselves to the same rigorous standards that we expect from the Agency. This division also conducts employee investigations within OIG. The public affairs team communicates OIG's planned and current activities and the results to the Commissioner and Congress, as well as other entities.

Office of Investigations

The Office of Investigations (OI) conducts and coordinates investigative activity related to fraud, waste, abuse, and mismanagement of SSA programs and operations. This includes wrongdoing by applicants, beneficiaries, contractors, physicians, interpreters, representative payees, third parties, and by SSA employees in the performance of their duties. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

Counsel to the Inspector General

The Counsel to the Inspector General provides legal advice and counsel to the Inspector General on various matters, including: 1) statutes, regulations, legislation, and policy directives governing the administration of SSA's programs; 2) investigative procedures and techniques; and 3) legal implications and conclusions to be drawn from audit and investigative material produced by the OIG. The Counsel's office also administers the civil monetary penalty program.