



SOCIAL SECURITY

Office of the Inspector General

MEMORANDUM

Date: September 20, 2001

Refer To: ICN 31263-23-221

To: Larry G. Massanari
Acting Commissioner
of Social Security

From: Inspector General

Subject: Audit of the Social Security Administration's Fiscal Year 2000 Annual Performance Report (A-02-01-11008)

The attached final report presents the results of our audit. Our objective was to determine compliance with the Government Performance and Results Act and assess the Fiscal Year 2000 Annual Performance Report as a document that describes in a meaningful way the accomplishments of the Social Security Administration.

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

**AUDIT OF THE
SOCIAL SECURITY ADMINISTRATION'S
FISCAL YEAR 2000
ANNUAL PERFORMANCE REPORT**

September 2001

A-02-01-11008

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.

Executive Summary

OBJECTIVE

The objective of the audit was to determine compliance with the Government Performance and Results Act (GPRA) and assess the Fiscal Year (FY) 2000 Annual Performance Report (APR) as a document that describes in a meaningful way the accomplishments of the Social Security Administration (SSA). This audit was initiated as part of the Office of the Inspector General's (OIG) on-going evaluation of GPRA implementation, and in response to congressional interest in GPRA.

BACKGROUND

GPRA of 1993 established a framework through which Federal agencies are required to set goals, measure performance, and report on the extent to which the goals were met. To accomplish this, agencies are required to prepare 5-year strategic plans, annual performance plans (APP), and annual performance reports (APR).

The strategic plan includes a comprehensive mission statement, identifies general goals and objectives, describes how the agency intends to achieve those goals and identifies critical external factors that could affect achievement of strategic goals and objectives. The strategic plan is the starting point for setting annual goals. The APP provides the direct link between the strategic goals and agency performance. The APP identifies (1) the annual performance goals the agency will use to gauge progress toward accomplishing its strategic goals and (2) performance measures to be used to assess annual progress. The APR, due by March 31 of each year, compares an agency's performance with the goals established in its APP, evaluates its goals for the current year, in light of the prior year's performance, and summarizes the results of program evaluations completed.

SSA was a pilot agency to develop APPs and APRs prior to full implementation of GPRA in March 2000. SSA began reporting its accomplishments as part of the agency's Accountability Report in FY 1995. SSA submitted its first strategic plan under GPRA, "Keeping the Promise," in September 1997, and released its second strategic plan, "Mastering the Challenge," for FY's 2000 through 2005 in September 2000. SSA's first APP, which defined performance indicators and goals for FY 1999, was completed in February 1998. SSA released its FY 2000 and 2001 APPs in February 1999 and February 2000, respectively.

RESULTS OF REVIEW

SSA's FY 2000 APR continues to demonstrate a strong commitment to GPRA's objectives and complies with the reporting requirements. The APR tracks performance against established goals and generally offers a rationale for unmet goals and the strategies needed to attain them. Recognizing the evolving implementation of GPRA, we believe that opportunities exist to provide an even more meaningful assessment of SSA's performance. These opportunities include more comprehensive and accurate reporting of overall performance, clearly discussing performance for each measure, and discussing the effect of unmet measures upon strategic goals. Further, the extent to which the APR provides meaningful performance information depends upon the measures established in the APP. In response to recommendations made in previous OIG and U.S. General Accounting Office (GAO) reports, SSA has taken action to improve its FY 2001 and 2002 APP to include more outcome-based measures, as well as goals for measurable management challenges. These actions, and the issues raised in this report, should translate into more informative future APRs.

CONCLUSION AND RECOMMENDATIONS

GPRA is intended to increase agency accountability through a program of strategic planning, establishment of annual goals, and reporting of annual performance against goals. SSA's FY 2000 APR displays a firm commitment by SSA management to comply with GPRA, and provide Congress and the public an objective accounting of SSA performance. GPRA implementation will continue to be an evolutionary process as agencies continue developing outcome-based measures, and enhance the systems and processes that produce credible performance data. The FY 2000 APR reflects certain weaknesses in this implementation that have subsequently been addressed by SSA through strengthened annual performance plans. To enhance the value of future APRs, we recommend that SSA:

- Consistently and clearly summarize overall performance.
- Provide a clear and informative discussion for each measure in order to allow a complete assessment of the extent performance met established goals.
- Discuss the effect of unmet annual performance goals upon strategic goals.

AGENCY COMMENTS

SSA agreed in principle with the three recommendations we made. SSA noted that it will continue to strive to enhance the discussion in the APR of actual performance and its ramifications on goal attainment and future strategies. The full text of SSA's comments is included in Appendix A.

OIG RESPONSE

We are pleased that SSA agreed with our recommendations and believe that implementation of the recommendations will lead to an APR which is a more meaningful document by which SSA's performance can be assessed.

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Acronyms

APP	Annual Performance Plan
APR	Annual Performance Report
DI	Disability Insurance
FY	Fiscal Year
GAO	General Accounting Office
GPRA	Government Performance and Results Act
OIG	Office of the Inspector General
OMB	Office of Management and Budget
SSA	Social Security Administration
SSI	Supplemental Security Income

Introduction

OBJECTIVE

The objective of the audit was to assess the Fiscal Year (FY) 2000 Annual Performance Report (APR) as a document that describes in a meaningful way the accomplishments of the Social Security Administration (SSA). This audit was initiated as part of the Office of the Inspector General's (OIG) on-going evaluation of the Government Performance and Results Act (GPRA) of 1993¹ implementation, and to respond to congressional interest in GPRA.

BACKGROUND

The intent of GPRA is to improve the performance of Government programs by having agencies clarify their missions, establish goals and strategies for attaining them, measure performance, and report progress in achieving established goals. The first APR required by GPRA was due March 31, 2000, and reported on accomplishments for FY 1999.

The strategic plan includes a comprehensive mission statement, identifies general goals and objectives, describes how the agency intends to achieve those goals and identifies critical external factors that could affect achievement of strategic goals and objectives. The strategic plan is the starting point for setting annual goals. The Annual Performance Plan (APP) provides the direct link between the strategic goals and agency performance. The APP identifies: (1) the annual performance goals the agency will use to gauge progress toward accomplishing its strategic goals and (2) performance measures to be used to assess annual progress. An APR, due by March 31 of each year, compares agency performance with the goals established in its APP, evaluates its goals for the current year in light of the prior year's performance, and summarizes the results of program evaluations completed.

SSA was a pilot agency that developed APPs and APRs prior to full implementation of GPRA in March 2000. SSA began reporting its accomplishments as part of the Accountability Report in FY 1995. SSA submitted its first strategic plan under GPRA, "Keeping the Promise," in September 1997, and released its second strategic plan, "Mastering the Challenge," for FY's 2000 through 2005 in September 2000. SSA's first APP, which defined performance indicators and goals for FY 1999, was completed in February 1998. SSA released the FY 2000 and 2001 plans in February 1999 and February 2000, respectively.

¹ Public Law No. 103-62.

GPRA specifies the content of the APR, and implementing guidance is provided by the Office of Management and Budget (OMB)². Basically, the APR contains two main parts: (1) a report on actual performance achieved as compared with the performance goals established in the APP; and (2) the plans and schedules to achieve any goals that were not met. Specifically, the APR must:

- compare actual performance with planned performance set out in the APP, with at least 4 previous years of performance presented;
- describe why a projected level of performance was not met, and what steps will be taken to meet the goal in the future;
- contain an evaluation of performance for the current FY;
- summarize the findings of any program evaluations completed during the FY, and how copies can be obtained;
- include relevant budget information consistent with the obligation amounts shown in the Budget Appendix for the FY;
- identify any discontinued goals, while reporting performance;
- report performance against only revised goals, and not both initial and revised;
- disclose when information currently not available will be available, and
- discuss the completeness and reliability of the performance and financial data reported and identify any actions needed to resolve inadequacies in the completeness or reliability of the data, if any.

Since 1995, SSA has reported performance data in its Annual Accountability Report under OMB authority to consolidate various reporting requirements under this report. SSA released its first APR as required by GPRA in November 1999, which reported on SSA performance toward the goals established in the FY 1999 APP. The FY 2000 APR was released in December 2000.

The Reports Consolidation Act of 2000³ requires that an agency's Accountability Report contain a statement by the OIG that summarizes what the OIG considers to be the most serious management and performance challenges facing the agency and briefly assesses the progress in addressing those challenges. Since this Act was passed subsequent to SSA's release of its FY 2000 APR, the OIG's statement was issued as an addendum to the FY 2000 APR. The OIG's statement contained in Appendix B of this

² OMB Circular No. A-11, Part 2, "Preparation and Submission of Strategic Plans, Annual Performance Plans, and Annual Program Performance Reports," July 1999.

³ Public Law No. 106-531.

report, discusses SSA's progress in addressing major management challenges. This report addresses SSA's overall performance for all goals reported in the APR.

SCOPE AND METHODOLOGY

To meet our objectives, we analyzed SSA's FY 2000 APR to assess its adherence to GPRA requirements and implementing guidance from OMB. The reliability of the reported performance is not within the scope of this audit, but is being addressed in individual OIG audits on each of the performance goals. We reviewed reports by the GAO and The Mercatus Center of George Mason University that analyzed SSA's FY 1999 APR to assess the extent to which concerns with prior APR's were addressed.

The GAO reviewed the FY 1999 APRs and FY 2001 APPs of 24 agencies (including SSA) at the request of Senators Fred Thompson and Joseph I. Lieberman, Committee on Governmental Affairs. The Mercatus Center also reviewed the FY 1999 APR of the same 24 agencies as part of its on-going research on GPRA implementation.

Supported by our knowledge of SSA operations and GPRA documents, we analyzed the FY 2000 APR to assess the extent to which it provided a balanced and informative presentation of SSA's performance against the goals established in the FY 2000 APP. Additionally, we reviewed the changes made to the FY 2001 APP to determine whether the related subsequent APR would be more informative. Specific comments related to the FY 2001 APP are communicated in a separate report⁴.

Our field work was conducted at the OIG New York Field Office and SSA Headquarters in Baltimore, Maryland during January and February 2001. The entity audited was the Office of Strategic Management within the Office of the Commissioner. Our audit was performed in accordance with generally accepted government auditing standards, as applicable to a performance audit.

⁴ "Review of the Social Security Administration's Fiscal Year 2001 Annual Performance Plan" (A-02-00-10038), June 2001.

Results of Review

SSA's FY 2000 APR continues to demonstrate a strong commitment by SSA management to comply with GPRA objectives and reporting requirements. The APR complies with GPRA, and tracks performance against established goals and generally offers a rationale for unmet goals and the strategies needed to attain them.

We believe opportunities exist to provide an even more meaningful assessment of SSA's performance. These opportunities include more comprehensive and accurate reporting of overall performance, clearly discussing performance for each measure, and discussing the effect of unmet measures upon strategic goals. Further, the extent to which the APR provides meaningful performance information directly depends upon the quality of the goals and measures established in the related APP. Prior reviews by the OIG identified actions to make the FY 1999 and 2000 APP more meaningful. Actions already taken by SSA and agreement to implement OIG recommendations to enhance the FY 2001 APP should result in more informative future APRs.

APR DISCLOSES THAT MANY OF SSA'S FY 2000 GOALS WERE MET

SSA's FY 2000 APR is evidence of SSA's commitment to meet GPRA objectives and complies with GPRA and OMB reporting requirements. SSA incorporated its GPRA Performance Report in its FY 2000 Accountability Report, which was released in December 2000, ahead of the required deadline of March 30, 2001. GPRA performance is reported in both the Management's Discussion and Analysis section of SSA's Annual Accountability Report, as well as in the separate APR section. The former provides an informative overall assessment of performance and discloses performance for key indicators in each of SSA's strategic objectives. The APR contains a detailed accounting of performance for most measures. Performance is discussed under each of SSA's five strategic goals in both sections.

The APR disclosed that SSA has demonstrated an improvement in meeting established goals and in fact met or exceeded 66 percent of the indicators for which it had an established goal in FY 2000 or for which data was available to evaluate its measures. (Refer to Appendix B for a comparison of planned to actual performance.) Additionally, SSA further reported that 44 percent of the measures included in the APR represented an improvement over performance achieved in the previous year.

In terms of progress toward its strategic goals, for FY 2000, SSA reported meeting:

- 93 percent of the goals for which data was available for the strategic goal relating to research activity;
- 46 percent of the goals related to delivering customer responsive, world-class service;
- 69 percent of the goals related to making SSA programs the best in the business with zero tolerance for fraud;

- 71 percent of the goals relating to being an employer that values and invests in each employee; and
- 100 percent of the goals relating to strengthening public understanding of the Social Security programs.

OPPORTUNITIES EXIST FOR MORE MEANINGFUL DISCLOSURE

For the most part, the APR clearly discloses the goals and measures that were established and assesses progress made toward achieving them. As required, an explanation for why a goal was not met, when applicable, is provided, along with plans to ensure future achievement. We believe that opportunities exist to further enhance the usefulness of future APR's. SSA should include: (1) a consistent and clear identification of overall performance; (2) a more comprehensive discussion of what was planned and actually achieved for certain measures; and (3) an overall assessment of how performance achieved furthers each of the strategic goals.

More Comprehensive and Accurate Reporting of Overall Performance Possible

In the APR, SSA summarizes its overall performance and provides a detailed accounting of each measure. In the summarization of its performance, SSA reports that 66.2 percent of its FY 2000 goals were met and 33.8 percent were not met. However, these statistics, as disclosed in a footnote, excluded budgeted workload measures and indicators that did not have a FY 2000 goal or for which data was not available. The exclusions included 12 budgeted workload measures, representing 13 percent of all measures, and 14 performance measures, or 15 percent of all measures, for which data were not currently available. Similarly, when comparing FY 2000 to FY 1999 performance, SSA excluded 26 non-numeric measures. We believe all indicators should be included when SSA summarizes its performance, whether the indicator is a budgeted workload, numeric and nonnumeric, or those for which data are unavailable. Including all indicators in the presentation and calculation of overall performance would provide a more comprehensive picture of annual performance, as well as of trends from year to year.

Also, we were unable to reconcile data in SSA's summary of overall performance presented in the pie charts entitled *Summary of Achievement FY 2000 Performance Goals* and *Comparison of FY 2000 Performance to FY 1999 Performance*. SSA lacked documentation to support its conclusion that 66 percent of the FY 2000 measures were met. Other conclusions reached were also not supported. For instance, the APR concludes that SSA continues to demonstrate a favorable trend in performance from year to year. In support of this statement, the APR graphically reports that FY 2000 performance met or surpassed FY 1999 performance for 44 percent of FY 2000 numeric indicators, while falling short in 56 percent. However, the FY 1999 APR reported that 73 percent of FY 1999 indicators met or surpassed performance in FY 1998. This data would not indicate a favorable trend. While drafting the APR, SSA believed there was a favorable trend in performance, but final performance data

demonstrated that such a trend did not exist. The narrative explaining a positive trend was not adjusted in the final APR to reflect actual performance.

More Specific Information on Performance Needed

SSA generally provides informative data to permit the reader to make an assessment of performance that did not meet individual goals and to evaluate the actions planned to ensure accomplishment of the goals in the future. For instance, SSA reports that it did not meet the goal to prepare a final report on the effects of 1996 Welfare Reform legislation on children receiving Supplemental Security Income (SSI) who have disabilities because needed data from other Federal agencies was not available. However, it does provide a date when the final report will be available. Similarly, SSA provided a detailed explanation for not meeting the goal to complete an employee survey, and included a timeframe for achieving the goal.

Performance information for other measures was not as clear or informative. We believe opportunities exist to provide additional information for some measures that would allow a better assessment of what was actually accomplished. For instance:

- Additional information would provide greater perspective on accomplishment of the goal to begin implementation of a national survey of children with disabilities. The goal was considered met because a contract was awarded to implement a survey. Information on contract requirements, along with timeframes for delivery of products, would be helpful in order to assess progress.
- The explanation for the goal to "prepare analyses on sources of support for the SSI population...as appropriate" is nondescriptive and does not allow a full assessment of what analysis was completed.
- In explaining why the goal to provide overnight electronic Social Security number verification for employees was not met, SSA stated that concerns about privacy and security of the information need to be addressed prior to implementation. While this provides the reader with a general idea as to why the goal was not met, little or no perspective is provided as to what needs to be done in order to achieve this goal, nor does SSA provide any timeframes for achievement. Additional information would particularly be warranted since this goal also appeared in the FY 1999 APR.
- While SSA provided a detailed explanation of why the goal for hearings average processing time was not met, much of the discussion did not specifically address the cause of not meeting the goal. For instance, more information could have been provided about the progress of the Hearings Process Improvement Plan. While, SSA notes that productivity of the Administrative Law Judges was lower than anticipated, it did not indicate what steps would be taken to address this issue. Further, SSA notes the measure includes a combination of SSA and Medicare cases and uses this as an explanation for not meeting the overall goal. According to SSA, Medicare cases take longer to process. This promotes the argument for separate

indicators for the two, much like OIG recommended for Old-Age, Survivors and Disability Insurance and DI processing⁵.

- SSA has four indicators under output measures for major budgeted workloads under the strategic goal to make SSA program management the best in business. Three of the four--periodic continuing disability reviews processed, SSI non-disability redeterminations, and representative payee actions--were not met, while the fourth--annual earnings postings--was exceeded. SSA provided an explanation for not meeting one of the goals--representative payee actions--explaining that SSA has little control over the number of applications received. For the other two, SSA fails to explain why the goals were not met. This is in contrast to a detailed explanation for what contributed to exceeding the one goal.

Further, we noted in the audit of the FY 2001 APP⁶ that these types of output goals should be avoided because their achievement does not truly reflect SSA performance since SSA does not control the workflow. While output measures are often appropriate, representative payee actions are an output measure that conveys little meaning since varied actions, which can be processed within the context of representative payee actions, are counted together. For this reason, OIG previously recommended⁷ that separate measures be established for discrete representative payee workloads to better reflect performance. Additionally, SSA has begun an initiative to increase representative payee accountability, an issue of congressional interest. Accordingly, a measure could be established for representative payee accountability.

Other opportunities exist to provide a clearer explanation for actual performance or why performance is not reported. For instance:

- SSA provides a detailed explanation as to why the goal of the percent of employers rating SSA's overall service as excellent, very good, or good was not met. However, only the FY 2000 goal and actual data are provided. The FY 2000 APP provided results for FY 1999 (based upon a survey conducted in 1996), which disclosed a rating of 92 percent. Including the data for FY 1999 in the APR would have allowed for a comparison to the FY 2000 data. The reader is unaware of, and no explanation is given for, the drop from a rating of 92 percent in FY 1999 to 82 percent in FY 2000.
- SSA reported that data was not yet available to measure the goal to increase the number of DI adult worker beneficiaries who begin a trial work period. The APR notes that this data is collected on a calendar year basis, as opposed to a FY basis, however, the FY 2000 APP reported that the data would be captured on a FY basis.

⁵ "Performance Measure Review: Review of the Social Security Administration's FY 2000 Annual Performance Plan" (A-02-99-03007), November 1999.

⁶ "Review of the Social Security Administration's Fiscal Year 2001 Annual Performance Plan" (A-02-00-10038), June 2001.

⁷ "Performance Measure Review: Reliability of the Data Used to Measure Representative Payee Actions (A-02-99-01010), March 2000.

Need for Overall Assessment of Performance upon Strategic Goals

While SSA reports that 66 percent of its goals were met or exceeded, neither an assessment of problem areas nor the effect of both met and unmet goals upon the applicable strategic goals is clear. For instance, SSA does not give an overall assessment of the effect of unmet goals on the strategic goal of delivering customer responsive, world-class service. SSA did not meet 15 (48 percent), met 13 (42 percent), and did not have the data to determine its performance for 3 (10 percent) of the goals under this strategic goal. SSA explains that since it did not meet some of its service delivery targets, it used a lessons learned approach and realized it must continue to improve data collection methods and internal processes, be more efficient, and otherwise modify strategies so as to be more responsive to customers' needs and expectations.

We believe further discussion about those goals which were not met did not always explain how performance would be improved. For instance, in explaining why customers' rating of service, which was significantly lower than the prior year, did not meet the goal, SSA notes that its revised methodology for measuring satisfaction includes a larger segment of customers who are more dissatisfied than those who are not. SSA noted that the target for FY 2001 may have to be reconsidered. However, there is no discussion as to how this rating can be improved, or why it may not be possible to improve.

IMPROVEMENTS IN THE FY 2001 APP AND DRAFT FY 2002 APP SHOULD RESULT IN MORE MEANINGFUL REPORTING IN FUTURE APRs

The APR's ability to convey an informative picture of SSA's performance in meeting its goals and mission is a product of the quality of the measures established in the APP. Implementation of GPRA is an evolving process, and both the GAO⁸ and OIG⁹ have recommended actions to increase the usefulness of SSA's APPs to decisionmakers. SSA agreed in principle with these recommendations and has taken action to address many of them in its FY 2000, 2001, and draft FY 2002 APPs. GAO concluded, for example, that SSA has established more useful goals and measures in the FY 2001 APP relating to strengthening the public's understanding of Social Security programs and also to measuring decisional accuracy at the hearings level.

The establishment of more outcome oriented measures that focus on quality and timeliness in the FY 2001 APP should translate into more informative and accountable performance reporting in the upcoming FY 2001 APR. OIG had discussed with SSA

⁸ "The Results Act: Observations on the Social Security Administration's Fiscal Year 1999 Performance Plan" (GAO/HEHS-98-178R), June 1998, "Observations on the Social Security Administration's Fiscal Year 2000 Performance Plan" (GAO/HEHS-99-162R), and "Observations on the Social Security Administration's Fiscal Year 1999 Performance Report and FY 2001 Performance Plan" (GAO/HEHS-00126R), June 2000.

⁹ "Review of the Social Security Administration's Fiscal Year 2000 Annual Performance Plan" (A-02-99-03007), November 1999.

specific areas where this could be accomplished, and the revised FY 2001 APP responds in part to OIG's observations. Additional opportunities to enhance the usefulness of the FY 2001 and future APPs are discussed in a separate OIG report¹⁰.

¹⁰ "Review of the Social Security Administration's Fiscal Year 2001 Annual Performance Plan" (A-02-00-10038), June 2001.

Conclusion and Recommendations

GPRA is intended to increase agency accountability through a program of strategic planning, establishment of annual goals, and reporting of annual performance against goals. SSA's FY 2000 APR displays a firm commitment by SSA management to comply with GPRA and provide Congress and the public an objective accounting of SSA performance. GPRA implementation will continue to be an evolutionary process as agencies continue developing outcome-based measures and enhance the systems and processes that produce credible performance data. Since the APR reflects the goals and measures set in the related FY 2000 APP, actions taken by SSA to improve the usefulness of its FY 2001 APP, and those recommended by OIG for future APPs, should result in more informative APRs.

To enhance the value of future APRs, we recommend that SSA:

1. Consistently and clearly present overall performance.
2. Provide a clear and informative discussion for each measure to allow a complete assessment of the extent performance met established goals.
3. Discuss the effect of unmet annual goals upon strategic goals.

AGENCY COMMENTS

SSA agreed in principle with the three recommendations we made. SSA noted that it will continue to strive to enhance the discussion in the APR of actual performance and its ramifications on goal attainment and future strategies. The full text of SSA's comments is included in Appendix A.

OIG RESPONSE

We are pleased that SSA agreed with our recommendations and believe that implementation of the recommendations will lead to an APR which is a more meaningful document by which SSA performance can be assessed.

Appendices

Agency Comments



SOCIAL SECURITY

MEMORANDUM

August 29, 2001

Refer To: S1J-3

To: James G. Huse, Jr.
Inspector General

Larry G. Massanari
Acting Commissioner of Social Security

A handwritten signature in black ink, appearing to read "Larry G. Massanari", written over a light blue rectangular background.

Subject: Office of the Inspector General (OIG) Draft Report, " Performance Measure Review: Social Security Administration's Fiscal Year 2000 Annual Performance Report" (A-02-01-11008)—
INFORMATION

We appreciate OIG's efforts in conducting the subject review. Our comments on the report's content and recommendations are attached.

Please let us know if we may be of further assistance. Staff questions may be referred to Robert Berzanski on extension 5-2675.

Attachment:
SSA Comments

COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL (OIG) DRAFT REPORT, "PERFORMANCE MEASURE REVIEW: SOCIAL SECURITY ADMINISTRATION'S FISCAL YEAR 2000 ANNUAL PERFORMANCE REPORT" (A-03-00-10022)

Thank you for the opportunity to review and provide comments on the subject draft report.

We appreciate your acknowledgement that the Social Security Administration's (SSA's) Fiscal Year (FY) 2000 Annual Performance Report (APR) displays a firm commitment by management to comply with the Government Performance and Results Act (GPRA) and provide Congress and the public an objective accounting of our performance. GPRA implementation will continue to be an evolutionary process as we continue to develop outcome-based measures and enhance the systems and processes that produce credible performance data. SSA has already addressed certain weaknesses through strengthened annual performance plans. Following are our comments.

Recommendations 1-3

1. Consistently and clearly summarize overall performance
2. Provide a clear and informative discussion for each measure in order to allow a complete assessment of the extent performance met established goals.
3. Discuss the effect of unmet annual performance goals upon strategic goals.

Comment

SSA agrees in principle with all of OIG's recommendations and will continue to strive to enhance our discussions of actual performance and its ramifications on goal attainment and future strategies in the APR. SSA is currently looking at possible ways to optimally balance currency and completeness of performance data and explanatory information. Our intent is to present a complete and timely picture of SSA's past performance and future remediations to Congress and the public.

**The Office of the Inspector General's Assessment
of the Social Security Administration's
Progress in Addressing Significant Management
Challenges**

January 17, 2001

The Honorable Kenneth S. Apfel
Commissioner of Social Security

Dear Mr. Apfel:

In November 2000, the President signed the Reports Consolidation Act of 2000, which requires Inspectors General to provide a summary and assessment of the most serious management and performance challenges facing the agencies and the agencies' progress in addressing them. This document, which is an amendment to the "Social Security Performance and Accountability Report for Fiscal Year 2000," responds to these new requirements.

In December 1999, we identified the following 10 significant management issues facing the Social Security Administration (SSA) for Fiscal Year (FY) 2000:

SOLVENCY

SYSTEMS SECURITY & CONTROLS

PROGRAM COMPLEXITY

FRAUD RISK

GPRA

DISABILITY REDESIGN

EARNINGS SUSPENSE FILE

SERVICE TO THE PUBLIC

ENUMERATION

IDENTITY THEFT

During FY 2000, SSA took action to address these issues, many of which are of a long-term nature and do not lend themselves to quick fixes. Our assessment of the status of these 10 management challenges is enclosed.

We recently issued a new list of management challenges facing SSA for FY 2001 and will provide a summary assessment on these issues in the FY 2001 "Social Security Performance and Accountability Report."

Sincerely,

A handwritten signature in black ink, appearing to read "James G. Huse, Jr.", written in a cursive style.

James G. Huse, Jr.
Inspector General of Social Security

Enclosure

**Office of the Inspector General's Assessment of
the Social Security Administration's Progress in Addressing
Significant Management and Performance Challenges
Identified in December 1999**

SOLVENCY

Both the Office of the Inspector General (OIG) and SSA agreed that **SOLVENCY** of the Social Security Program remains a major concern. Under current estimates, expenditures from the Trust Fund will exceed tax receipts in 2015, and tax receipts will meet approximately 72 percent of scheduled benefit payments after 2037. Ultimate action rests with the President and Congress to continue bi-partisan reform efforts to find a solution to this important national issue. However, SSA needs to be involved in these discussions and to provide valuable information to support these efforts. In FY 2000, SSA had established goals to conduct research in an effort to identify areas in which policy changes may be needed to strengthen the programs and to help policymakers address program issues. Similar goals to produce studies have been established for FY 2001, including a goal to prepare analyses on the distributional and fiscal effects of solvency proposals. Such analysis will provide decisionmakers the information necessary to assess the impacts of changes to the programs on various populations. The value of which will depend upon SSA's success in strengthening its modeling capability to project income into future years and to analyze the distributional effects of alternative policies.

SYSTEMS SECURITY AND CONTROLS

While SSA successfully transitioned to Year 2000, **SYSTEMS SECURITY AND CONTROLS** remain a management challenge. It implemented recommendations we made to ensure SSA's ability to respond effectively to a disruption in business operations, and it has made notable progress to strengthen and improve controls over the protection of information and separation of duties. However, SSA still needs to complete and test disaster recovery plans for non-headquarter locations. During FY 2000, in response to Presidential Decision Directive 63 and recommendations from our audit work, SSA addressed information protection issues. It has: (1) issued security policies in accordance with Federal requirements; (2) implemented network monitoring and a process for monitoring inappropriate access to SSA mainframe computer systems; (3) strengthened physical access controls at the National Computer Center and procedures for removing systems access when no longer needed;

(4) reduced vulnerabilities in the mainframe operating system; and (5) finalized accreditation and certification of systems. Despite these accomplishments, a weakness in SSA's controls to protect its sensitive information is a reportable condition within the FY 2000 Financial Statement Audit. SSA's security framework for its network and distributed systems is weak or incomplete. While SSA has documented security goals and objectives for network and distributed systems, it needs to assess risk in those areas, issue technical guidance to help achieve the security goals and objectives, and more effectively monitor inappropriate system activity in non-headquarter locations. Congress recently passed the Government Information Security Reform Act that requires Federal agencies to examine the adequacy and effectiveness of information security policies, procedures, and practices in plans and reports relating to information resources management, among other issues. At this point in time, we have concerns as to whether SSA would be in compliance with the Act.

PROGRAM COMPLEXITY

PROGRAM COMPLEXITY of the Supplemental Security Income (SSI) program and the disability claims process presents a challenge to SSA's administration. SSI eligibility partly depends upon complicated determinations of self-reported income and available resources. In October 1998, SSA issued its first management report on the SSI program that detailed plans to improve payment accuracy, increase continuing disability reviews (CDR), combat fraud, and collect overpayments. We have reported about improper and inaccurate payments in the SSI program and made recommendations to simplify some of processes within it. During FY 2000, SSA implemented several of its planned initiatives. As a result, SSA reported that it met or exceeded its FY 2000 goals for CDRs, SSI dollars reported from investigative activities, and for SSI debt collected. Previous OIG work has demonstrated that weaknesses exist in the data system used to measure these goals. Information about SSI payment accuracy for FY 2000 will not be available until April 2001. SSA has also implemented initiatives to improve service delivery for disability claimants. One of these initiatives has focused on achieving consistent decisions through consistent application of law.

FRAUD RISK

FRAUD RISK, involving fraudulent schemes to obtain Social Security numbers (SSN), to receive retirement, disability and SSI benefits, and to handle other beneficiaries benefits, is a major concern. Fraud risk is especially problematic in SSI because of the dependence upon recipients self-reporting of changes in their income and personal circumstances that affect benefit eligibility and amounts. SSA is addressing fraud risk on numerous fronts that both seek to prevent and detect fraud, including CDRs, improvements in annual earnings postings and records maintenance, improvements to debt collection, enhanced representative payee monitoring, and expanding computer matches to detect unreported resources. In FY 2000, SSA continued to enhance existing computer matches and initiated new ones, such as access to State records on-

line and access to Office of Child Support Enforcement databases to detect unreported income. SSA initiated in FY 2000, an enhanced program to conduct on-site and financial reviews of representative payees. In addition, the OIG began to audit organizational payees as needed in response to certain “trigger” events, such as third-party reports of misuse; complaints from vendors of failure to receive payment, or failure to complete the annual accountability report. The OIG continues to play a significant role in SSA’s efforts to combat fraud. The Cooperative Disability Investigation teams, led by OI Special Agents, have been very effective in detecting and preventing SSI and disability fraud. During FY 1999 and 2000, the goals for both investigations conducted and criminal convictions, were exceeded as was SSI and Old-Age, Survivors, and Disability Insurance dollar amounts reported from investigative activities. The OIG is currently reviewing the accuracy of these performance measures.

GOVERNMENT PERFORMANCE AND RESULTS ACT

OIG reviews of SSA’s FY 1999 and 2000 Annual Performance Plans (APP) and its FY 1999 Annual Performance Report concluded that SSA demonstrates a commitment to **GPRA** and has improved the usefulness of its APPs. Recognizing the evolving nature of GPRA reporting, we believe that SSA can make future APP’s more useful to decisionmakers by continuing to develop more outcome-based measures and developing goals for those management challenges for which corrective action is measurable. For instance, SSA has no goals related to management of the Earnings Suspense File, which has continued to increase. The usefulness of any GPRA reporting is dependent upon the reliability and validity of the information agencies use to report their performance toward meeting goals. SSA recognizes that the OIG plays a vital role in assuring that the systems used to produce performance data are reliable. Consequently, the OIG initiated a 3-year effort to review all SSA’s performance measures by FY 2001. To date, OIG has completed 18 reviews that included 24 measures, and made recommendations to address weaknesses in data sources and inaccurate measurements that impact the reliability of the performance data. SSA has responded favorably to most of these recommendations. As Congress increasingly relies upon GPRA reporting to make budget decisions, SSA will have to ensure that resource use is tied to performance, and that customer’s expectations and performance goals recognize that quality must also be maintained in meeting service level objectives.

DISABILITY REDESIGN

The disability claims process has presented challenges by its complexity and SSA has been involved in a multiyear effort to improve performance in initial and appeal disability claims. Process Unification is the overarching theme for all **DISABILITY REDESIGN** initiatives, which will ensure fairness and consistency during the hearing process. For instance, in FY 2000, SSA awarded a contract to design a methodology to validate a single disability medical listing and has as a goal in

FY 2001 to prepare a preliminary report on the development of the validation methodology. SSA still has to complete updating the mental disorders list. SSA also issued a report that identifies areas where improvement is needed in the disability adjudication process, which is a major part of the Disability Redesign initiative. This initiative involves achieving consistent application of law and regulation to make the correct determination as early in the claim process as possible, and to expedite the process through streamlining it. After several years of study, SSA began pilot programs in 10 States in FY 2000 that provide greater authority to the disability examiner, ensure appropriate case development, increase claimant interaction, and eliminate the reconsideration step at the Disability Determination Services offices. A related effort is the Hearings Process Improvement initiative. Pilots of this initiative were implemented in 37 hearing offices in FY 2000, and the remaining offices implemented the new process in October and November of 2000. OIG is scheduled to assess the success of the pilot initiatives in FY 2001. In addition, in FY 1999, SSA began implementation of its Electronic Disability (eDib) System that is the Agency's technological approach to automating the disability claims process. The OIG has been periodically monitoring the Electronic Service Delivery aspects of eDib through various SSA steering committees. We plan to conduct a survey of the eDib system development to assess the system for potential vulnerabilities and reporting on areas of concern. Also, as part of our continual monitoring of the eDib system we will evaluate development of the system.

EARNINGS SUSPENSE FILE

The **EARNINGS SUSPENSE FILE** (ESF) is a file of wage items and does not represent a "fund" of money. The file consists of wage items that failed to match SSA's name and SSN validation criteria. From 1937 to 1998, the ESF accumulated over 219 million W-2s and over \$291 billion in wages, with 7 million W-2s and over \$31 billion in wages added in 1998 alone. SSA has developed a Tactical Plan containing an overall strategy and several individual projects designed to reduce the rate of growth and size of the Suspense File. The changes called for in the plan are long-term, however, and several factors hinder the efforts with the most potential to reduce the Suspense File's size and growth. Our review of SSA's ESF activities disclosed that despite numerous efforts, the volume of suspended wages continues to increase. During FY 2000, SSA was finalizing projects related to providing 1) error feedback to employers on new hire reports and 2) overnight electronic name/Social Security number verification services to employers. SSA also recently brought in an outside contractor to review the content of the ESF and make recommendations on purge/archive criteria to be used to delete inactive or unidentifiable records from the suspense file. These efforts can assist in reducing both new additions to the ESF as well as the overall size of the existing ESF. Other efforts need to move forward if SSA wants to demonstrate its commitment to reducing the ESF. For example, SSA has conducted a number of meetings with the Internal Revenue Service (IRS) to ensure that penalties are assessed on employers who submit bad wage data, but as of this writing, we are not aware of any penalties that

have been assessed on any of these employers. In addition, SSA recently decided to end one of its initiatives where the Agency rejected electronic media from employers if more than 50 percent of the wage reports were in error in the hopes that a more accurate tape would be resubmitted. The lack of IRS penalties, as well as the elimination of the electronic media error threshold, highlights some of the problems facing SSA as it attempts to deal with an ever-increasing suspense file. Since we have linked SSN misuse and identity theft to the Suspense File, we believe that a timely resolution to this problem is very important.

SERVICE TO THE PUBLIC

SSA is committed to providing world-class **SERVICE TO THE PUBLIC** but it continues to be a challenge as customers' expectations increase and SSA faces downsizing and increasing workloads. A significant amount of SSA's workforce is expected to retire at the same time that SSA expects greatly increased retirement and disability workloads. Additional pressure on SSA's ability to meet customer expectations is created by budgetary, hiring, and technological limitations. In fact, in FY 2000, SSA failed to meet some of its goals that directly measure customer satisfaction. For instance, goals for the percent of core business customers rating SSA's service as excellent, very good, or good, as well as for the percent of employers rating SSA's overall service as excellent, very good, or good were not met. Further, for FY 2001, SSA lowered its goals for the number of initial disability claims processed and the percent of 800-number callers getting through on their first attempt, as well as within 5 minutes, due to reduced funding. While SSA is seeking alternative methods to provide service delivery options to the public, obstacles to client authentication to ensure confidentiality of information for on-line services have presented problems. SSA has updated its estimate on when it will be able to receive secure public inquiries on-line from FY 2000 to the end of FY 2002. OIG will continue to monitor the Agency's efforts to ensure that there is no trade-off between fraud prevention and customer service.

ENUMERATION

Through its **ENUMERATION** process, SSA issued over 17 million original and replacement SSN cards in FY 1999 to U.S. citizens and aliens. Our audit and investigative work show that some SSN applications are processed based on false documentation. We commend SSA for taking initiatives aimed at preventing the issuance of a fraudulent SSN, especially the development of software to interrupt the issuance of SSN cards in fraud-prone scenarios. However, we believe that SSA still needs to improve controls over the enumeration process. We previously recommended that SSA propose legislation that disqualifies individuals who improperly attain SSNs from receiving work credits for periods that they were not authorized to work in the United States. However, SSA believes that this proposal would be too difficult to administer. During a National Anti-Fraud Committee meeting in June 2000, we led discussions with management concerning the possibility of requiring individuals to show

picture identification when doing business with SSA. The Agency believes this would go against the core philosophy that created Social Security. We continue to believe that the Agency needs to make preventative action a major priority, since fraudulent SSN activity will increase as the SSN becomes used more and more as the universal identifier and individuals seek to hide their earnings or to work illegally.

IDENTITY THEFT

IDENTITY THEFT, when someone uses another's personal information without that individual's knowledge to commit a crime, became a crime itself when Congress passed the Identity Theft and Prevention Act. False identities are used to defraud SSA. For instance, unscrupulous individuals can assume the identity of another person, alive or dead, and work under the stolen SSN, while receiving disability benefits under their own SSN. Our investigative work shows that this crime is on the upswing. SSA has recognized the need to reduce its vulnerability to identity theft and has begun to focus more diligently on its prevention methods. To that end, SSA has developed initiatives aimed at detecting fraudulent birth certificates and fraudulent immigration documents. The Agency has also identified fraud-prone situations where identity theft is likely to occur. Additionally, the Agency is designing software to interrupt the issuance of SSN cards in certain scenarios that have been determined to be fraud-prone. SSA will be provided with an important tool in the fight against identify theft if Congress passes legislation that restricts the uses of SSNs. SSA continues to face the difficult challenge of balancing anti-fraud measures and achieving its goal of world-class service.

Status of FY 2000 Goals and Measures As Reported in the FY 2000 Annual Performance Report

Strategic Goal: To promote valued, strong and responsive social security programs and conduct effective policy development, research and program evaluation.		14 out of 16 goals achieved 1 goal not achieved Data not available for 1 goal	
	INDICATOR	GOAL¹	STATUS
1	Identification, development and utilization of appropriate barometer measures for assessing the effectiveness of OASDI programs.	Identify and define barometer measures to be used.	Achieved

¹ The Office of Management and Budget's (OMB) Government Performance and Results Act (GPRA) guidance specifies that the annual performance report compare the target level of performance for each goal as established in the final annual performance plan, or the revised final plan, whichever is the most current. These targets may be established prior to the finalization of agencies' operating plans. Although agencies may find that workload measures have to be adjusted to be consistent with resources allocated in the operating plan, OMB has no provision to compare performance against operating plan targets. In FY 2000, SSA adjusted the targets for workload indicators 16, 18, 19, 20, 21, 23 and 45. Actual performance met or exceeded the revised targets for indicators 16, 18, 23, and 45.

2	Preparation of analyses and reports on the effect of OASDI programs on different populations in order to identify areas for policy change and develop options as appropriate.	Prepare analyses and reports on the following topics: <ul style="list-style-type: none"> •The effect of OASDI programs on women. •The effect of OASDI programs on minorities. •The effect of OASDI programs on low-wage workers. • Study on characteristics of people receiving DI benefits. •Analysis on the effect of changes in Social Security retirement benefits on the DI program. 	Achieved
3	Preparation of analyses and reports on demographic, economic and international trends and their effects on OASDI programs in order to anticipate the need for policy change and develop options as appropriate.	Prepare analyses on the following topics: <ul style="list-style-type: none"> • Trends in marriage, divorce and re-marriage and effects on the Social Security programs. • Immigration and Social Security. • Lifetime redistributive effects of Social Security cohorts. • International retirement policy reform 	Achieved
4	Preparation of research and policy analyses necessary to assist the Administration and Congress in developing proposals to strengthen and enhance the solvency of OASDI programs.	FY 2000 Goal: Prepare analyses on the distributional and fiscal effects of solvency proposals developed by the Administration, Congress and other policymakers.	Achieved

5	Identification, development and utilization of appropriate barometer measures for assessing the effectiveness of the SSI program.	Identify and define barometer measures to be used.	Achieved
6	Expansion and acquisition of data on the characteristics of SSI populations in order to improve capacity to provide analyses, identify areas for policy change, and develop options as appropriate.	Link survey data with programmatic data.	Achieved
7	Preparation of a report and completion of data collection on the SSI Childhood Disability Survey in order to assess the impact of welfare reform, identify areas of potential policy change and develop options as appropriate.	1: Prepare final report on the effects of 1996 welfare reform legislation on SSI children with disabilities. 2: Begin implementation of a national survey of children with disabilities.	Not Achieved Achieved
8	Preparation of analyses on sources of support for the SSI population in order to identify areas for better coordination with other social benefits and develop options as appropriate.	Prepare the analysis.	Achieved
9	Increase the number of DI adult worker beneficiaries who begin a trial work period.	10-percent increase in the number of DI beneficiaries beginning trial work periods.	Not Available.
10	Increase in the number of SSI disabled beneficiaries, aged 18-64, participating in 1619(a) status.	10-percent increase (21,744) in the number of SSI disabled beneficiaries aged 18-64 participating in 1619(a) status.	25,772 Achieved
11	Preparation of a research design to develop techniques for validating medical listings.	Award a contract to design a methodology to validate a single listing.	Achieved
12	Preparation of reports on results of the Disability Evaluation Study in order to identify potentially eligible disabled populations, interventions that enable continued work effort among the disabled and guide changes to the disability decision process.	Complete pilot study.	Achieved
13	Creation of a Disability Research Institute.	Award contract to establish the Disability Research Institute.	Achieved
14	Percent of customers assigning a high rating to the quality of SSA's research and analysis products in terms of accuracy, reliability, comprehensiveness and responsiveness.	Develop customer survey and data collection mechanism.	Achieved

15	Issuance of periodically updated research and policy agenda.	Issue the initial research and policy agenda.	Achieved
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Strategic Goal: To deliver customer responsive, world-class service.		13 out of 31 goals achieved 15 goals not achieved Data not available for 3 goals	
16	RSI claims processed	3,134,800	3,404,938 Achieved
17	SSI Aged claims processed	144,200	153,474 Achieved
18	Initial disability claims processed	2,144,000	2,035,627 Not Achieved
19	Disability claims pending (initial)	408,000	535,407 Not Achieved
20	Hearings processed	622,400	539,426 Not Achieved
21	Hearings pending	209,000	346,756 Not Achieved
22	Social Security number requests processed	16,300,000	17,128,073 Achieved
23	800 Number calls handled	60,000,000	59,500,000 Not Achieved
24	Percent of SSA's core business customers rating SSA's overall service as "excellent," "very good" or "good"	88%	82% Not Achieved
25	Percent of SSA's core business customers rating SSA's overall service as "excellent"	37%	29% Not Achieved
26	Percent of SSA's core business customers rating the clarity of SSA's notices as "excellent," "very good" or "good"	82%	Not Available
27	Percent of employers rating SSA's overall service as "excellent," "very good" or "good"	93%	82% Not Achieved
28	Percent of employers rating SSA's overall service as "excellent"	13%	6% Not Achieved
29	Percent of callers who successfully access the 800-number within 5 minutes of their first call	92%	92.9% Achieved
30	Percent of callers who get through to the 800-number on their first attempt	86%	88.4% Achieved
31	Percent of 800-number calls handled accurately - payment accuracy	95%	Not Available
32	Percent of 800-number calls handled accurately - service accuracy	90%	Not Available
33	Percent of public with an appointment waiting 10 minutes or less	85%	84.2% Not Achieved
34	Percent of public without an appointment waiting 30 minutes or less	70%	73.2% Achieved

35	New or expanded services available over the phone	Take retirement or survivors claims immediately over the telephone, or in person, as long as the applicant has all the information needed.	Achieved
36	New or expanded services available electronically	<p>1: Provide overnight electronic Social Security number verification for employers.</p> <p>2: Give employers the option to transmit wage reports to SSA electronically using a personal computer or high-speed data transmission lines.</p> <p>3: Establish capacity to receive secure, online public inquiries about claims and benefits.</p> <p>4: Establish the capacity for attorneys to check hearings schedules over the Internet.</p>	<p>1: Not Achieved</p> <p>2: Achieved</p> <p>3: Not Achieved</p> <p>4: Not Achieved</p>
37	Number of customers accessing Social Security Online (in millions)	15.8	13.2 Not Achieved
38	Percent increase in the number of Social Security Statement inquiries processed on the Internet	50%	55% Achieved

39	Initial disability claims average processing time (days)	115	102 Achieved
40	Hearings average processing time (days)	257	297 Not Achieved
41	Percent of OASI claims processed by the time the first regular payment is due or within 14 days from effective filing date, if later	83%	86.9% Achieved
42	Percent of initial SSI Aged claims processed within 14 days of filing date	66%	74.4% Achieved
43	Percent of original and replacement SSN cards issued within 5 days of receiving all necessary documentation	97%	98.9% Achieved

Strategic Goal: To make SSA program management the best in business, with zero tolerance for fraud and abuse.		9 out of 20 goals achieved 4 goals not achieved Data not available for 7 goals	
44	Periodic CDRs processed	1,882,700	1,836,510 Not Achieved ²
45	SSI non-Disability Redeterminations	2,238,550	2,182,027 Not Achieved
46	Annual Earnings Postings	258,900,000	277,145,696 Achieved
47	Representative Payee actions	6,990,600	6,151,264 Not Achieved
48	Dollar accuracy of OASI payment outlays, Percent without overpayments	99.8%	Not Available
49	Dollar accuracy of OASI payment outlays, Percent without underpayments	99.8%	Not Available
50	DDS decisional accuracy rate	97%	Not Available
51	Office of Hearings and Appeals (OHA) decisional accuracy rate	87%	Not Available
52	Dollar accuracy of SSI payment outlays, Percent without overpayments	95%	Not Available
53	Dollar accuracy of SSI payment outlays, Percent without underpayments	98.8%	Not Available
54	Percent of SSNs issued accurately	99.8%	Not Available
55	Percent of multi-year CDR plan completed	63%	68.8% ³ Achieved
56	Percent of wage items posted to individuals' records by September 30	98%	97.6% Not Achieved
57	Percent of earnings posted correctly	99%	99% Achieved
58	Number of investigations conducted (i.e. closed)	7,600	8,051 Achieved
59	OASDI dollar amounts reported from investigative activities	\$40 million	\$46 million Achieved
60	SSI dollar amounts reported from investigative activities	\$80 million	\$128 million Achieved
61	Number of criminal convictions	1,800	2,604 Achieved
62	OASDI debt collected	\$1,274.9 million	\$1,343.5 million Achieved
63	SSI debt collected	\$684.8 million	\$701.6 million Achieved

² Planned performance for this indicator was changed in May 2000 to 1,804,000, with actual performance exceeding the revised planned performance.

³ Actual performance based upon the May 2000 revision would have been 67.2 percent.

Strategic Goal: To be an employer that values and invests in each employee.		10 out of 16 goals achieved 4 goals not achieved Data not available for 2 goals	
64	Percent of offices with access to Interactive Video Training/Interactive Distance Learning (IVT/IDL)	100%	98.8% Not Achieved
65	Formal management development programs implemented	1: Complete Senior Executive Service (SES) Candidate Development Program 2: Continue Advanced Leadership Program (ALP) 3: Continue Leadership Development Program (LDP)	Achieved Achieved Achieved
66	Percent of managerial staff participating in management/leadership development experiences	33 1/3%	33 1/3% Achieved
67	Percent of employees reporting they are satisfied with the level of security in their facility	75%	Not Available
68	Percent of environmental air quality surveys completed and percent of the corrective actions taken when called for - Facilities surveyed	20%	20.6% Achieved
69	Percent of environmental air quality surveys completed and percent of the corrective actions taken when called for - Corrective actions taken	75%	76.6% Achieved
70	Number of facilities having water quality testing and percent of corrective actions taken when called for – Facilities surveyed	600	291 Not Achieved
71	Number of facilities having water quality testing and percent of corrective actions taken when called for – Corrective actions taken	100%	100% Achieved
72	Number of relocated offices having security surveys and percent of accepted security recommendations implemented - Offices surveyed	150	152 Achieved

73	Number of relocated offices having security surveys and percent of accepted security recommendations implemented – Accepted recommendations taken	85%	Not Available
74	Create Agency change strategy	Develop and implement strategy	Achieved
75	Complete Agency plan for transitioning to the workforce of the future	1: Implement competency-based models for recruitment and training needs assessment 2: Complete employee survey 3: Publish an Agency transition plan	1: Not Achieved 2: Not Achieved 3: Achieved

Strategic Goal: To strengthen public understanding of the social security programs.		1 out of 2 goals achieved data not available for 1 goal	
76	Percent of public who are knowledgeable about Social Security programs	65%	Not Available
77	Percent of individuals issued Social Security Statements as required by law	100%	100% Achieved
Selected Indicator Performance for FY 1999: These performance indicators are found in the FY 1999 APP. However, because actual, full-year data was not available when SSA's FY 1999 APR was published, they are being reported as follows. The numbers assigned to each indicator correlate to the number assigned in the FY 1999 APR.		3 out of 5 goals achieved 2 goals not achieved	
36	Percent of wage items posted to individuals' records by September 30	98%	92.9% Not Achieved
38	Dollar accuracy of OASI payment outlays	Percent without overpayments 99.8%	99.8% Achieved
		Percent without underpayments 99.8%	99.9% Achieved
39	DDS decisional accuracy	97%	96.7% Not Achieved
40	Percent of SSNs issued accurately	99.8%	99.8% Achieved

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President, National Council of Social Security Management Associations, Incorporated	1
Treasurer, National Council of Social Security Management Associations, Incorporated	1
Social Security Advisory Board	1
AFGE General Committee	9
President, Federal Managers Association	1
Regional Public Affairs Officer	1
Total	97

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.